

**Vizcaya in Kendall Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

**Vizcaya in Kendall Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2024**

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
Vizcaya in Kendall Community Development District  
Miami-Dade 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 Vizcaya in Kendall Community Development 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 Vizcaya in Kendall Community Development 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  
Vizcaya in Kendall 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  
Vizcaya in Kendall 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 December 20, 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 Vizcaya in Kendall 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

December 20, 2024

**Vizcaya in Kendall Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2024**

Management's discussion and analysis of Vizcaya in Kendall 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 are 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.

**Vizcaya in Kendall Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the 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*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

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

**Financial Highlights**

The following are the highlights of financial activity for the year ended September 30, 2024.

- ◆ The District's total assets exceeded total liabilities by \$2,669,719 (net position). Unrestricted net position for Governmental Activities was \$57,345. Net investment in capital assets was \$1,710,228. Restricted net position was \$902,146.
- ◆ Governmental Activities revenues totaled \$2,761,329 while Governmental Activities expenses totaled \$3,166,623.

**Vizcaya in Kendall Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the 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	\$ 130,631	\$ 189,245
Restricted assets	1,843,630	1,699,633
Capital assets	16,763,589	17,770,013
Total Assets	18,737,850	19,658,891
Current liabilities	847,524	884,883
Non-current liabilities	15,220,607	15,698,995
Total Liabilities	16,068,131	16,583,878
Net Position - Net investment in capital assets	1,710,228	2,258,292
Net Position - Restricted	902,146	782,732
Net Position - Unrestricted	57,345	33,989
Total Net Position	\$ 2,669,719	\$ 3,075,013

The decrease in current assets is primarily related to the decrease in cash in the current year.

The increase in restricted assets and net position – restricted is the result of revenues exceeding expenses in the debt service fund in the current year.

The decrease in capital assets and net investment in capital assets is primarily due to depreciation in the current year.

The decrease in non-current liabilities is primarily due to principal payments in the current year.



**Vizcaya in Kendall Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the 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	\$ 2,631,754	\$ 2,509,914
General Revenues		
Miscellaneous revenues	8,115	56,490
Investment earnings	121,460	85,671
Total Revenues	2,761,329	2,652,075
Expenses		
General government	107,397	123,923
Physical environment	1,268,321	1,318,693
Culture and recreation	951,226	850,608
Interest and other charges	839,679	857,520
Total Expenses	3,166,623	3,150,744
Change in Net Position	(405,294)	(498,669)
Net Position - Beginning of Year	3,075,013	3,573,682
Net Position - End of Year	\$ 2,669,719	\$ 3,075,013

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

The decrease in physical environment is primarily the result of higher repair and maintenance expenses in the prior year.

The increase in culture and recreation is primarily related to the increase in pool and clubhouse repairs and maintenance expenses in the current year.

**Vizcaya in Kendall Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the 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>	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Buildings and improvements	\$ 8,042,598	\$ 8,042,598
Infrastructure	16,256,161	16,256,161
Improvements other than buildings	7,685	7,685
Equipment	294,414	294,414
Right-to-use leased equipment, net	33,660	52,020
Accumulated depreciation	<u>(7,870,929)</u>	<u>(6,882,865)</u>
Total Capital Assets (Net)	<u>\$ 16,763,589</u>	<u>\$ 17,770,013</u>

During the year, depreciation was \$988,064 and amortization of right-to-use leased assets was \$18,360.

**General Fund Budgetary Highlights**

Budgeted expenditures exceeded actual expenditures primarily due to landscape replacements, sidewalk repairs, and clubhouse salaries being less than anticipated.

The September 30, 2024 budget was amended because contingencies and repair and maintenance costs were greater than originally anticipated.

**Debt Management**

Governmental Activities debt includes the following:

- In February 2012, the District issued \$4,795,000 Series 2012A-1 (Phase One Assessment Area) Special Assessment Bonds and \$5,130,000 Series 2012A-2 (Phase Two Assessment Area) Special Assessment Bonds. These bonds were issued to refund and retire the Series 2007A-2 Renewal Bond Anticipation Notes. As of September 30, 2024, the balances outstanding were \$3,820,000 and \$4,080,000, respectively.
- In November 2016, the District issued \$9,170,000 Series 2016 Special Assessment Bonds. These bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. As of September 30, 2024, the balance outstanding was \$7,765,000.

**Vizcaya in Kendall Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2024**

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

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

Vizcaya in Kendall 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 2025.

**Request for Information**

The financial report is designed to provide a general overview of Vizcaya in Kendall 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 Vizcaya in Kendall Community Development District, Governmental Management Services, 5385 North Nob Hill Road, Sunrise, Florida, 33351.

**Vizcaya in Kendall Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2024**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash and equivalents	\$ 15,790
Investments	35,117
Assessments receivable	15
Prepaid expenses	74,718
Deposits	4,991
Total Current Assets	130,631
Non-current Assets	
Restricted assets:	
Investments	1,843,630
Capital Assets:	
Buildings and improvements	8,042,598
Improvements other than buildings	7,685
Infrastructure	16,256,161
Equipment	294,414
Right-to-use leased equipment, net	33,660
Less: accumulated depreciation	(7,870,929)
Total Non-current Assets	18,607,219
Total Assets	18,737,850
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	23,130
Accrued interest	346,006
Bonds payable	460,000
Lease payable	18,388
Total Current Liabilities	847,524
Non-current Liabilities	
Bonds payable	15,205,000
Lease payable	15,607
Total Non-current Liabilities	15,220,607
Total Liabilities	16,068,131
<b>NET POSITION</b>	
Net investment in capital assets	1,710,228
Restricted for debt service	902,146
Unrestricted	57,345
Total Net Position	\$ 2,669,719

*See accompanying notes to financial statements.*

**Vizcaya in Kendall Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For The Year Ended September 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General government	\$ (107,397)	\$ 108,438	\$ 1,041
Physical environment	(1,268,321)	589,544	(678,777)
Culture and recreation	(951,226)	635,337	(315,889)
Interest and other charges	(839,679)	1,298,435	458,756
Total Governmental Activities	<u>\$ (3,166,623)</u>	<u>\$ 2,631,754</u>	<u>(534,869)</u>
		<b>General revenues:</b>	
		Miscellaneous revenues	8,115
		Investment earnings	121,460
		Total General Revenues	<u>129,575</u>
		Change in Net Position	(405,294)
		Net Position - October 1, 2023	3,075,013
		Net Position - September 30, 2024	<u>\$ 2,669,719</u>

*See accompanying notes to financial statements.*

**Vizcaya in Kendall Community Development District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2024**

<b>ASSETS</b>	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Total Governmental Funds</b>
Cash and cash equivalents	\$ 15,790	\$ -	\$ -	\$ 15,790
Investments	35,117	-	-	35,117
Assessments receivable	15	-	-	15
Due from other funds	-	49,821	-	49,821
Prepaid expenses	74,718	-	-	74,718
Deposits	4,991	-	-	4,991
Restricted assets:				
Investments	-	1,843,627	3	1,843,630
Total Assets	<u>\$ 130,631</u>	<u>\$ 1,893,448</u>	<u>\$ 3</u>	<u>\$ 2,024,082</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable and accrued expenses	\$ 23,130	\$ -	\$ -	\$ 23,130
Due to other funds	49,821	-	-	49,821
Total Liabilities	<u>72,951</u>	<u>-</u>	<u>-</u>	<u>72,951</u>
Fund Balances				
Nonspendable:				
Deposits/prepaid expenses	79,709	-	-	79,709
Restricted - debt service	-	1,893,448	-	1,893,448
Restricted - capital projects	-	-	3	3
Unassigned	(22,029)	-	-	(22,029)
Total Fund Balances	<u>57,680</u>	<u>1,893,448</u>	<u>3</u>	<u>1,951,131</u>
Total Liabilities and Fund Balances	<u>\$ 130,631</u>	<u>\$ 1,893,448</u>	<u>\$ 3</u>	<u>\$ 2,024,082</u>

See accompanying notes to financial statements.

**Vizcaya in Kendall Community Development District  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
September 30, 2024**

Total Governmental Fund Balances	\$ 1,951,131
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, buildings and improvements, \$8,042,598, infrastructure, \$16,256,161, improvements other than buildings, \$7,685, equipment, \$294,414, and right-to-use leased assets, net, \$33,660, net of accumulated depreciation, \$(7,870,929), are not current financial resources and therefore, are not reported at the fund level.	16,763,589
Leases payable are not due and payable in the current period and therefore, are not reported at the fund level.	(33,995)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported at the fund level.	(15,665,000)
Accrued interest expense for long-term debt is not a current financial use and, therefore, is not reported at the fund level.	<u>(346,006)</u>
Net Position of Governmental Activities	<u><u>\$ 2,669,719</u></u>

*See accompanying notes to financial statements.*

**Vizcaya in Kendall Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**For The Year Ended September 30, 2024**

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>Revenues</b>				
Special assessments	\$ 1,333,319	\$ 1,298,435	\$ -	\$ 2,631,754
Miscellaneous revenues	8,115	-	-	8,115
Interest earnings	21,678	99,776	6	121,460
<b>Total Revenues</b>	<u>1,363,112</u>	<u>1,398,211</u>	<u>6</u>	<u>2,761,329</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	107,397	-	-	107,397
Physical environment	583,885	-	-	583,885
Culture and recreation	629,238	-	-	629,238
<b>Debt service</b>				
Principal	18,024	440,000	-	458,024
Interest	876	846,713	-	847,589
<b>Total Expenditures</b>	<u>1,339,420</u>	<u>1,286,713</u>	<u>-</u>	<u>2,626,133</u>
Excess of revenues over/(under) expenditures	<u>23,692</u>	<u>111,498</u>	<u>6</u>	<u>135,196</u>
<b>Other Financing Sources/(Uses)</b>				
Transfers in	-	459	-	459
Transfers out	-	-	(459)	(459)
<b>Total Other Financing Sources/(Uses)</b>	<u>-</u>	<u>459</u>	<u>(459)</u>	<u>-</u>
<b>Net change in fund balances</b>	23,692	111,957	(453)	135,196
<b>Fund Balances - October 1, 2023</b>	<u>33,988</u>	<u>1,781,491</u>	<u>456</u>	<u>1,815,935</u>
<b>Fund Balances - September 30, 2024</b>	<u>\$ 57,680</u>	<u>\$ 1,893,448</u>	<u>\$ 3</u>	<u>\$ 1,951,131</u>

See accompanying notes to financial statements.



**Vizcaya in Kendall 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, 2024**

Net Changes in Fund Balances - Total Governmental Funds	\$	135,196
<p>Amounts reported for governmental activities in the Statement of Activities  are different because:</p>		
<p>Governmental funds report capital outlays as expenditures when purchased.  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  depreciation, \$(988,064), and amortization of right-to-use leased assets, \$(18,360),  in the current period.</p>		(1,006,424)
<p>Repayment of long-term debt is an expenditure at the fund level, but the repayment  reduces long-term liabilities in the Statement of Net Position.</p>		440,000
<p>Repayment of leases payable is an expenditure at the fund level, however, the  repayment reduces the lease liability at the government-wide level.</p>		18,024
<p>In the Statement of Activities, interest is accrued on outstanding bonds;  whereas in governmental funds, interest expenditures are reported when  due. This is the net amount between prior year and current year accruals.</p>		<u>7,910</u>
Change in Net Position of Governmental Activities	\$	<u><u>(405,294)</u></u>

*See accompanying notes to financial statements.*

**Vizcaya in Kendall Community Development District  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –  
GENERAL FUND**

**For The 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	\$ 1,321,689	\$ 1,333,319	\$1,333,319	\$ -
Miscellaneous revenues	10,000	8,100	8,115	15
Interest earnings	5,000	21,679	21,678	(1)
Total Revenues	<u>1,336,689</u>	<u>1,363,098</u>	<u>1,363,112</u>	<u>14</u>
Expenditures				
Current				
General government	116,360	115,864	107,397	8,467
Physical environment	606,109	616,463	583,885	32,578
Culture and recreation	595,260	645,859	629,238	16,621
Debt Service				
Principal	18,024	18,024	18,024	-
Interest	936	876	876	-
Total Expenditures	<u>1,336,689</u>	<u>1,397,086</u>	<u>1,339,420</u>	<u>57,666</u>
Net change in fund balances	-	(33,988)	23,692	(57,652)
Fund Balances - October 1, 2023	<u>-</u>	<u>33,988</u>	<u>33,988</u>	<u>-</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,680</u>	<u>\$ 57,680</u>

*See accompanying notes to financial statements.*

**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF ACCOUNTING POLICIES**

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

**1. Reporting Entity**

The District was established on May 27, 2005 pursuant to the Miami-Dade County, Florida Ordinance Number 05-95 and Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purpose of planning, financing and managing the acquisition, construction, maintenance and operation of the public 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 or re-constructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and waste water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or outside the boundaries of the Vizcaya in Kendall Community Development District. The District is governed by a five-member Board of Supervisors, who are elected on a rotating basis for terms of four years. One of the Board members is affiliated with one of the commercial landowners. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Vizcaya in Kendall 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 by the Governmental Accounting Standards Board, 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

**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE A – SUMMARY OF 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 separate columns for the governmental and business-type activities of the primary government. The effect of interfund activity has been removed from these statements.

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

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

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

**b. Fund Financial Statements**

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

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

**Vizcaya in Kendall Community Development 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.

**Vizcaya in Kendall Community Development 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. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period.

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

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

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

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

Debt service expenditures are recorded only when the 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.

**Vizcaya in Kendall Community Development 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 Fund – Accounts for debt service requirements to retire the special assessment bonds which were used to finance the construction of District infrastructure improvements. The bond series is secured by a pledge of all available special assessment revenues in any fiscal year related to the improvements and a first lien on the special assessment revenues from the District lien on all acreage of benefited land.

Capital Projects Fund – The Capital Projects Fund accounts 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 land and buildings, 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, 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.

**Vizcaya in Kendall Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2024**

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

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

**a. Cash and Investments (Continued)**

Cash equivalents include time deposits, certificates of deposit 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. Restricted Assets**

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

**c. Capital Assets**

Capital assets, which include buildings and improvements, infrastructure, improvements other than buildings 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. Donated capital assets are recorded at acquisition value.

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	25 years
Building and Improvements	25 years
Improvements other than buildings	10 years
Equipment	5 years



**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

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

**d. Leases**

The District determines if an arrangement is a lease at inception. Lessee arrangements are included as right-to-use lease assets and lease liabilities in the financial statements of the District. Payments for short-term leases with a lease term of 12 months or less are recognized as expenses as incurred. The District has a \$25,000 threshold, for total lease 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 in the financial statements of the District. The right-to-use assets are amortized on a straight-line basis over the term of the related lease.

**e. Budgets**

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190.065, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget columns of the accompanying financial statements may occur.

**Vizcaya in Kendall Community Development 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, \$1,951,131, differs from “net position” of governmental activities, \$2,669,719, 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 (land and improvements, buildings and infrastructure 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.

Building and improvements	\$ 8,042,598
Improvements other than buildings	7,685
Infrastructure	16,256,161
Equipment	294,414
Right-to-use leased equipment, net	33,660
Accumulated depreciation	<u>(7,870,929)</u>
Total	<u>\$ 16,763,589</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 liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2024 were:

Bonds payable	<u>\$ (15,665,000)</u>
Lease payable	<u>\$ (33,995)</u>

**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	<u>\$ (346,006)</u>
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**Vizcaya in Kendall Community Development 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**

The “net change in fund balances” for government funds, \$135,196, differs from the “change in net position” for governmental activities, \$(405,294), 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 costs 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 decreases by the amount of depreciation charged for the year.

Depreciation	\$ (988,064)
Amortization of leased equipment	<u>(18,360)</u>
Total	<u>\$ (1,006,424)</u>

**Long-term debt transactions**

Repayment of long-term debt is 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>\$ 440,000</u>
Lease payments	<u>\$ 18,024</u>

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>\$ 7,910</u>
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**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**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 \$112,566 and the carrying value was \$15,290. 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.

Investments

As of September 30, 2024, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
U.S. Bank Managed Money Market	N/A	\$ 6,622
Florida PRIME	39 days*	35,117
Fidelity Government Portfolio	21 days*	803,360
Allspring Government Money Market	34 days*	1,033,648
Total		<u>\$ 1,878,747</u>

\*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 use 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 above assets are Level 1 assets, except Florida PRIME (which is not subject to fair value measurements).

**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2024, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100 percent of the account value.

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, all of the District's investments were rated AAAm by Standard & Poor's, except for U.S. Bank Managed Money Market, which is not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The District's investments in U.S. Bank Managed Money Market represent less than 1% of the District's total investments, Florida PRIME, 2%, Fidelity Government Portfolio, 43%, and Allspring Government Money Market, 55%.

The types of deposits and investments and their level of risk exposure as of September 30, 2024 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 – SPECIAL ASSESSMENT REVENUES**

Special assessment revenues recognized for the 2023-2024 fiscal year were levied in October 2023. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

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

**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE E – CHANGES IN CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>				
Capital assets, being depreciated:				
Building and improvements	\$ 8,042,598	\$ -	\$ -	\$ 8,042,598
Infrastructure	16,256,161	-	-	16,256,161
Improvements other than buildings	7,685	-	-	7,685
Equipment	294,414	-	-	294,414
Right-to-use leased equipment, net	<u>52,020</u>	<u>-</u>	<u>(18,360)</u>	<u>33,660</u>
Total Capital Assets, Being Depreciated	<u>24,652,878</u>	<u>-</u>	<u>(18,360)</u>	<u>24,634,518</u>
Less accumulated depreciation for:				
Building and improvements	(2,209,000)	(321,704)	-	(2,530,704)
Infrastructure	(4,551,722)	(650,246)	-	(5,201,968)
Improvements other than buildings	(5,269)	(769)	-	(6,038)
Equipment	<u>(116,874)</u>	<u>(15,345)</u>	<u>-</u>	<u>(132,219)</u>
Total Accumulated Depreciation	<u>(6,882,865)</u>	<u>(988,064)</u>	<u>-</u>	<u>(7,870,929)</u>
Governmental Activities Capital Assets	<u>\$ 17,770,013</u>	<u>\$ (988,064)</u>	<u>\$ (18,360)</u>	<u>\$ 16,763,589</u>

Depreciation was charged to physical environment, \$666,076 and culture and recreation, \$321,988.

**NOTE F – LONG-TERM DEBT**

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

Long-term debt at October 1, 2023	\$ 16,105,000
Principal payments	<u>(440,000)</u>
Long-term debt at September 30, 2024	<u>\$ 15,665,000</u>

**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

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

Long-term debt for Governmental Activities is comprised of the following:

**Special Assessment Revenue Bonds**

\$4,795,000 Series 2012A-1 (Phase One Assessment Area) Special Assessment Refunding Bonds due in annual principal installments beginning May 2013, maturing in May 2042. Interest rates ranging from 5.60% to 6.90% is due May 1 and November 1 beginning May 2012. Current portion is \$115,000. \$ 3,820,000

\$5,130,000 Series 2012A-2 (Phase Two Assessment Area) Special Assessment Refunding Bonds due in annual principal installments beginning May 2013, maturing in May 2042. Interest rates ranging from 5.65% to 6.95% is due May 1 and November 1 beginning May 2012. Current portion is \$125,000. \$ 4,080,000

\$9,170,000 Series 2016 Special Assessment Bonds due in annual principal installments beginning November 2017, maturing in November 2046. Interest rates ranging from 2.000% to 4.125% is due May 1 and November 1 beginning May 2017. Current portion is \$220,000. \$ 7,765,000

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

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 460,000	\$ 827,389	\$ 1,287,389
2026	480,000	806,468	1,286,468
2027	500,000	783,986	1,283,986
2028	530,000	759,471	1,289,471
2029	560,000	732,738	1,292,738
2030-2034	3,265,000	3,203,013	6,468,013
2035-2039	4,295,000	2,177,575	6,472,575
2040-2044	4,120,000	810,173	4,930,173
2045-2047	1,455,000	91,678	1,546,678
Totals	<u>\$ 15,665,000</u>	<u>\$ 10,192,491</u>	<u>\$ 25,857,491</u>

**Vizcaya in Kendall Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2024**

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

Summary of Significant Bonds Resolution Terms and Covenants

The Series 2012 Bonds are not subject to redemption at the option of the District prior to maturity. The Series 2016 Bonds are subject to redemption at the option of the District prior to their maturity as a whole or in part, at any time, on or after November 1, 2026 in the manner provided by the Bond Indenture. The Series 2012 and Series 2016 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occur 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.

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

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Special Assessment Bonds, Series 2012A-1	\$ 184,454	\$ 184,454
Special Assessment Bonds, Series 2012A-2	\$ 196,940	\$ 196,940
Special Assessment Bonds, Series 2016	\$ 297,285	\$ 263,905

**NOTE G – RISK MANAGEMENT**

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no settled claims during the past three years.

**NOTE H – MANAGEMENT COMPANY**

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



**Vizcaya in Kendall Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**NOTE I – LEASE LIABILITIES**

During the fiscal year ended September 30, 2023, the District entered into a lease agreement for three golf carts. The lease holds a term of 36 months. The expected payments are discounted using the imputed interest rate of 2 percent.

The future minimum payments under this lease agreement and the present value of the minimum payments as of September 30, 2024, are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 18,388	\$ 512	\$ 18,900
2026	15,607	143	15,750
Totals	<u>\$ 33,995</u>	<u>\$ 655</u>	<u>\$ 34,650</u>

The District recorded a right-to-use leased asset for golf carts. 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
Right-to-use assets				
Golf carts	\$ 55,080	\$ -	\$ -	\$ 55,080
Less accumulated amortization:				
Golf carts	(3,060)	(18,360)	-	(21,420)
Right-to-use Assets, Net	<u>\$ 52,020</u>	<u>\$ (18,360)</u>	<u>\$ -</u>	<u>\$ 33,660</u>

**NOTE J – INTERFUND ACTIVITY**

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

Receivable Fund	Payable Fund
Debt Service Fund	General Fund
	<u>\$ 49,821</u>

Interfund balances are the result of the General Fund collecting funds on behalf of the Debt Service Funds that were not yet remitted as of year-end.



# Berger, Toombs, Elam, Gaines & Frank

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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  
Vizcaya in Kendall Community Development District  
Miami-Dade 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 Vizcaya in Kendall Community Development 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 December 20, 2024.

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

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

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

As part of obtaining reasonable assurance about whether Vizcaya in Kendall 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

December 20, 2024



# Berger, Toombs, Elam, Gaines & Frank

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## MANAGEMENT LETTER

To the Board of Supervisors  
Vizcaya in Kendall Community Development District  
Miami-Dade County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Vizcaya in Kendall Community Development District as of and for the year ended September 30, 2024, and have issued our report thereon dated December 20, 2024.

### 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 December 20, 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 preceding financial audit report.

To the Board of Supervisors  
Vizcaya in Kendall Community Development District

### **Financial Condition**

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 Vizcaya in Kendall 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 Vizcaya in Kendall Community Development 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 Vizcaya in Kendall Community Development District. It is management's responsibility to monitor the Vizcaya in Kendall 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 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, Vizcaya in Kendall Community Development District reported:

- 1) The total number of District employees compensated in the last pay period of the district's fiscal year: 16
- 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: 21
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$178,676.
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$1,203,168.
- 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: N/A
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The District did amend the original budget, see below:

To the Board of Supervisors  
Vizcaya in Kendall Community Development District

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Vizcaya in Kendall Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District:  
General Fund \$1,452.18 – \$19,442.68 and Debt Service Fund \$706.86 - \$1,331.26.
- 2) Total special assessments collected was \$2,631,754.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds as: The District had bonds outstanding at September 30, 2024 of \$3,820,000 Series 2012A-1 due on May 1, 2042 at various rates from 5.60% to 6.90%, \$4,080,000 Series 2012A-2 due on May 1, 2042 at various rates from 5.65% to 6.95%, and \$7,765,000 Series 2016 due on November 1, 2046 at various rates from 2% to 4.125%.

	<b>Original Budget</b>	<b>Actual</b>	<b>Variance with Original Budget Positive (Negative)</b>
<b>Revenues</b>			
Special assessments	\$ 1,321,689	\$ 1,333,319	\$ 11,630
Miscellaneous revenues	10,000	8,115	(1,885)
Interest earnings	5,000	21,678	16,678
Total Revenues	<u>1,336,689</u>	<u>1,363,112</u>	<u>26,423</u>
<b>Expenditures</b>			
<b>Current</b>			
General government	116,360	107,397	8,963
Physical environment	606,109	583,885	22,224
Culture and recreation	595,260	629,238	(33,978)
<b>Debt Service</b>			
Principal	18,024	18,024	-
Interest	936	876	60
Total Expenditures	<u>1,336,689</u>	<u>1,339,420</u>	<u>(2,731)</u>
Net changes in fund balance	-	23,692	23,692
Fund Balances - October 1, 2023	<u>-</u>	<u>33,988</u>	<u>33,988</u>
Fund Balances - September 30, 2024	<u>\$ -</u>	<u>\$ 57,680</u>	<u>\$ 57,680</u>



Berger, Toombs, Elam,  
Gaines & Frank  
Certified Public Accountants PL

To the Board of Supervisors  
Vizcaya in Kendall 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 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

December 20, 2024



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

To the Board of Supervisors  
Vizcaya in Kendall Community Development District  
Miami-Dade County, Florida

We have examined Vizcaya in Kendall Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2024. Management is responsible for Vizcaya in Kendall Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Vizcaya in Kendall 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 Vizcaya in Kendall 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 Vizcaya in Kendall Community Development District's compliance with the specified requirements.

In our opinion, Vizcaya in Kendall Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2024.

*Berger Toombs Elam  
Gaines + Frank*

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

December 20, 2024