

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

FINANCIAL STATEMENTS

September 30, 2025

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
September 30, 2025

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Reunion West Community Development District
Osceola County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Reunion West Community Development District, Osceola County, Florida ("District") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 generally accepted 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.

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 25, 2026, on our consideration of the Reunion West Community Development District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated June 25, 2026 on our consideration of the District's compliance with requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation Standards established by the American Institute of Certified Public Accountants.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
June 25, 2026

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

Our discussion and analysis of Reunion West Community Development District, Osceola County, Florida ("District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$4,587,930.
- The change in the District's total net position in comparison with the prior fiscal year was \$470,525, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2025, the District's governmental funds reported combined ending fund balances of \$4,741,858. A portion of fund balance is restricted for debt service and future capital repairs and replacement, nonspendable prepaid expenses, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

The statement of net position presents information on all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

The government-wide financial statements include all governmental activities that are principally supported by special assessments. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance and operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual governmental funds for external reporting. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund. All funds are major funds. The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

GOVERNMENT WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year. A portion of the District's net position reflects its investment in capital assets (e.g. land, land improvements and infrastructure). These assets are used to provide services to residents; consequently, these assets are not available for future spending. The balance of unrestricted net position may be used to meet the District's obligations.

Key components of net position were as follows:

Statement of Net Position

	2025	2024
Current assets	\$ 4,964,688	\$ 5,325,430
Capital assets	33,258,716	33,976,445
Total assets	38,223,404	39,301,875
Current liabilities	2,252,764	2,336,422
Long-term liabilities	31,382,710	32,848,048
Total liabilities	33,635,474	35,184,470
Net position		
Net invested in capital assets	419,006	(276,603)
Restricted for debt service	2,803,506	2,567,589
Restricted for capital projects	133,807	113,386
Unrestricted	1,231,611	1,713,033
Total net position	\$ 4,587,930	\$ 4,117,405

The District's net position increased during the most recent fiscal year. The majority of the change represents the degree to which program revenues exceeded the ongoing cost of operations.

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

Change in Net Position

	2025	2024
Program revenues	\$ 4,892,719	\$ 4,754,680
General revenues	75,693	266,525
Total revenues	4,968,412	5,021,205
Expenses		
General government	207,540	248,124
Maintenance and operations	2,535,766	2,586,295
Culture and recreation	212,356	228,224
Public safety	79,265	73,612
Roads and streets	61,423	62,226
Interest on long-term debt	1,401,537	1,458,993
Total expenses	4,497,887	4,657,474
Change in net position	470,525	363,731
Net position - beginning of year	4,117,405	3,753,674
Net position - end of year	\$ 4,587,930	\$ 4,117,405

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2025 was \$4,497,887, which consisted interest on long-term debt and costs associated with general expenditures and constructing and maintaining certain capital improvements of the District. The costs of the District's activities were funded by assessments.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2025.

The variance between budgeted and actual general fund revenues is not considered significant. The actual general fund expenditures for the current fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year. The general fund reported a deficit for fiscal year ended September 30, 2025 which was funded with prior year surpluses.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2025, the District had \$33,258,716 invested in capital assets and construction in process. Construction in process has not completed as of September 30, 2025 and therefore is not depreciated to date. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2025, the District had \$32,832,710 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the accompanying notes to the financial statements.

ECONOMIC FACTORS, NEXT YEAR'S BUDGET AND OTHER INFORMATION

For the fiscal year 2026, the District anticipates that the cost of general operations will remain fairly constant. In connection with the District's future infrastructure maintenance and replacement plan, the District Board has included in the budget, an estimate of those anticipated future costs and has assigned a portion of current available resources for that purpose.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact Reunion West Community Development District's Finance Department at 219 E. Livingston Street, Orlando, Florida 32801.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT**STATEMENT OF NET POSITION**

September 30, 2025

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 271,467
Investments	1,104,199
Assessments receivable	31,006
Prepaid items	59,913
Restricted assets:	
Investments	3,498,103
Capital assets:	
Non-depreciable	10,286,461
Depreciable	22,972,255
TOTAL ASSETS	<u>\$ 38,223,404</u>
LIABILITIES	
Accounts payable and accrued expenses	\$ 19,580
Accrued interest payable	579,934
Due to developer	203,250
Bonds payable, due within one year	1,450,000
Bonds payable, due in more than one year	31,382,710
TOTAL LIABILITIES	<u>33,635,474</u>
NET POSITION	
Net investment in capital assets	419,006
Restricted for:	
Debt service	2,803,506
Capital projects	133,807
Unrestricted	1,231,611
TOTAL NET POSITION	<u>\$ 4,587,930</u>

The accompanying notes are an integral part of this financial statement

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF ACTIVITIES

Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenues and
		Services	Grants and	Grants and	Changes in Net
			Contributions	Contributions	Position
					Governmental
					Activities
Governmental activities					
General government	\$ 207,540	\$ 207,540	\$ -	\$ -	\$ -
Maintenance and operations	2,535,766	1,253,920	-	5,083	(1,276,763)
Culture and recreation	212,356	212,356	-	-	-
Public safety	79,265	79,265	-	-	-
Road and streets	61,423	61,423	-	-	-
Interest on long-term debt	1,401,537	2,928,361	144,771	-	1,671,595
Total governmental activities	<u>\$ 4,497,887</u>	<u>\$ 4,742,865</u>	<u>\$ 144,771</u>	<u>\$ 5,083</u>	<u>394,832</u>
General revenues:					
Unrestricted investment earnings					68,201
Miscellaneous income					<u>7,492</u>
Total general revenues					<u>75,693</u>
Change in net position					<u>470,525</u>
Net position - October 1, 2024					<u>4,117,405</u>
Net position - September 30, 2025					<u>\$ 4,587,930</u>

The accompanying notes are an integral part of this financial statement

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT**BALANCE SHEET – GOVERNMENTAL FUNDS**

September 30, 2025

	MAJOR FUNDS			TOTAL
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 271,467	\$ -	\$ -	\$ 271,467
Investments	1,104,199	3,364,296	133,807	4,602,302
Assessments receivable	11,862	19,144	-	31,006
Prepaid items	59,913	-	-	59,913
TOTAL ASSETS	<u>\$ 1,447,441</u>	<u>\$ 3,383,440</u>	<u>\$ 133,807</u>	<u>\$ 4,964,688</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES				
Accounts payable and accrued expenses	\$ 12,580	\$ -	\$ 7,000	\$ 19,580
Due to Reunion East	203,250	-	-	203,250
TOTAL LIABILITIES	<u>215,830</u>	<u>-</u>	<u>7,000</u>	<u>222,830</u>
FUND BALANCES				
Nonspendable:				
Prepaid items	59,913	-	-	59,913
Restricted for:				
Debt service	-	3,383,440	-	3,383,440
Capital projects	-	-	126,807	126,807
Unassigned	1,171,698	-	-	1,171,698
TOTAL FUND BALANCES	<u>1,231,611</u>	<u>3,383,440</u>	<u>126,807</u>	<u>4,741,858</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,447,441</u>	<u>\$ 3,383,440</u>	<u>\$ 133,807</u>	<u>\$ 4,964,688</u>

The accompanying notes are an integral part of this financial statement

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2025

Total Governmental Fund Balances in the Balance Sheet	\$ 4,741,858
Amount reported for governmental activities in the Statement of Net Assets are different because:	
Capital asset used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Governmental capital assets	47,927,558
Less accumulated depreciation	(14,668,842)
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(579,934)
Original issue discount	54,573
Original issue premium	(142,283)
Governmental bonds payable	(32,745,000)
Net Position of Governmental Activities	<u>\$ 4,587,930</u>

The accompanying notes are an integral part of this financial statement

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
Year Ended September 30, 2025

	MAJOR FUNDS			TOTAL
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS	GOVERNMENTAL FUNDS
REVENUES				
Assessments	\$ 1,814,504	\$ 2,928,361	\$ -	\$ 4,742,865
Investment earnings	68,201	144,771	5,083	218,055
Miscellaneous revenue	7,492	-	-	7,492
TOTAL REVENUES	<u>1,890,197</u>	<u>3,073,132</u>	<u>5,083</u>	<u>4,968,412</u>
EXPENDITURES				
General government	207,540	-	-	207,540
Maintenance and operations	1,144,426	-	-	1,144,426
Culture and recreation	212,356	-	-	212,356
Public safety	79,265	-	-	79,265
Road and streets	61,423	-	-	61,423
Capital outlay	666,611	-	7,000	673,611
Debt				
Principal	-	1,405,000	-	1,405,000
Interest expense	-	1,437,833	-	1,437,833
TOTAL EXPENDITURES	<u>2,371,621</u>	<u>2,842,833</u>	<u>7,000</u>	<u>5,221,454</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(481,424)	230,299	(1,917)	(253,042)
OTHER SOURCES (USES)				
Transfers in (out)	-	(15,338)	15,338	-
TOTAL OTHER SOURCES (USES)	<u>-</u>	<u>(15,338)</u>	<u>15,338</u>	<u>-</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(481,424)	214,961	13,421	(253,042)
FUND BALANCE				
Beginning of year	1,713,035	3,168,479	113,386	4,994,900
End of year	<u>\$ 1,231,611</u>	<u>\$ 3,383,440</u>	<u>\$ 126,807</u>	<u>\$ 4,741,858</u>

The accompanying notes are an integral part of this financial statement

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$ (253,042)
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Amount 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 costs of those assets are depreciated
over their estimated useful lives:

Capital outlay	673,611
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Repayment of long-term liabilities are reported as expenditures in the
governmental fund financial statements, but such repayments reduce
liabilities in the Statement of Net Position and are eliminated in the
Statement of Activities:

Payments on long-term debt	1,405,000
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Certain items reported in the Statement of Activities do not require
the use of current financial resources and therefore are not reported
expenditures in the governmental funds:

Current year provision for depreciation	(1,391,340)
Change in accrued interest payable	20,958
Provision for amortization of bond discount	(2,329)
Provision for amortization of bond premium	17,667

Change in Net Position of Governmental Activities	\$ 470,525
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The accompanying notes are an integral part of this financial statement

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE A- NATURE OF ORGANIZATION AND REPORTING ENTITY

Reunion West Community Development District ("District") was established on September 24, 2001, by Ordinance No. 01-32, effective as of October 3, 2001, amended by the Board of County Commissioners of Osceola County, Florida, Ordinance 05-27 and 19-08, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. One Supervisor is elected on an at-large basis by the owners of the property within the District. Four Supervisors are elected by qualified electors within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The responsibilities of the Board of Supervisors include, but are not limited to, the following:

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

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

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (continued)

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted budget and levied annually at a public hearing of the District. Debt Service Assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection (Section 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the Debt Service Assessments on their property subject to various provisions in the Bond documents.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Assessments (continued)

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

The District reports the following major governmental funds:

General Fund

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

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

Debt Service Fund

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

Capital Projects Fund

The capital projects fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure with the District.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (continued)

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured.

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

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Prepaid Items

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

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (continued)

Capital Assets (continued)

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

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

<u>Assets</u>	<u>Years</u>
Stormwater management	30
Roadways	30
Entry features	30
Landscaping, irrigation and other	20
Recreation and amenities	20

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

Unearned Revenue

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

Long-Term Obligations

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

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Net Position or Equity (continued)

Deferred Outflows/Inflows of Resources

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

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

Fund Equity/Net Position

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

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

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

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

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Disclosures

Use of Estimates

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

NOTE C - BUDGETARY INFORMATION

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

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

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

NOTE D – DEPOSITS AND INVESTMENTS

Deposits

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE D – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The District's investments were held as follows at September 30, 2025:

Investment	Fair Value	Credit Risk	Maturities
Money Market Mutual Funds - First American Government Obligation CL Y	\$ 3,498,103	S&P AAAM	Weighted average of the fund portfolio: 45days
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	1,100,938	S&P AAAM	Weighted average maturity: 47 days
US Bank Gcts 0490	3,261	N/A	N/A
Total Investments	<u>\$ 4,602,302</u>		

Custodial credit risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The investments listed in the schedule above are not evidenced by securities that exist in physical or book entry form.

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

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

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

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

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

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

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE D – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

- Level 3: Investments whose inputs are unobservable.

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

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

The District participated in the following external investment pools:

The State Board of Administration for participation in the Local Government Investment Pool (Florida PrimeTM) created by Section 218.415, Florida Statutes is an investment pool that operates under investment guidelines established by Section 215.47, Florida Statutes. The District's investments in Florida PrimeTM, a qualified external investment pool, meet the requirements of GASB Statement No. 79 and are reported at amortized cost.

NOTE E – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2025 were as follows:

Fund	Transfer In	Transfer Out
Debt service	\$ -	\$ 15,338
Capital projects	15,338	-
Total	<u>\$ 15,338</u>	<u>\$ 15,338</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the debt service fund to the capital projects fund were made in accordance with the Bond Indentures.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE F – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2025 was as follows:

	Balance 10/01/2024	Increases	Decreases	Balance 09/30/2025
Governmental activities:				
Capital assets, not being depreciated:				
Land and land improvements	\$ 4,261,205	\$ -	\$ -	\$ 4,261,205
Construction in progress	6,018,256	7,000	-	6,025,256
Total capital assets, not being depreciated	10,279,461	7,000	-	10,286,461
Capital assets, being depreciated				
Stormwater management	13,111,779	-	-	13,111,779
Roadways	15,653,176	492,076	-	16,145,252
Entry features	90,705	95,122	-	185,827
Landscaping, irrigation and other	5,365,368	-	-	5,365,368
Recreation and amenities	2,753,458	79,413	-	2,832,871
Total capital assets, being depreciated	36,974,486	666,611	-	37,641,097
Less accumulated depreciation for:				
Stormwater management	3,489,188	437,059	-	3,926,247
Roadways	7,732,150	538,175	-	8,270,325
Entry features	14,933	6,194	-	21,127
Landscaping, irrigation and other	1,373,886	268,268	-	1,642,154
Recreation and amenities	667,345	141,644	-	808,989
Total accumulated depreciation	13,277,502	1,391,340	-	14,668,842
Total capital assets, being depreciated - net	23,696,984	(724,729)	-	22,972,255
Governmental activities capital assets - net	\$ 33,976,445	\$ (717,729)	\$ -	\$ 33,258,716

Depreciation expense was charged to function/programs as follows:

Governmental activities:	
Maintenance and operations	\$ 1,249,696
Culture and recreation	141,644
Total depreciation expense	\$ 1,391,340

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE F – CAPITAL ASSETS (CONTINUED)

The Districts master infrastructure project is comprised of five assessment areas, each of which corresponds to a separate Bond issuance in chronological order, including Assessment Area One, Assessment Area Two, Assessment Area Three, Assessment Area Four and Assessment Area Five.

The Series 2019 Bonds were issued during a prior fiscal year for the construction of the Assessment Area 5 improvements which were estimated to cost \$8,217,133. The infrastructure is anticipated to include roadways, a stormwater management system, water and sewer systems, reclaimed water distribution, electrical distribution systems, landscaping, hardscaping, signage, recreation facilities and other improvements. Upon completion of the project, certain improvements will be conveyed to other entities for ownership and maintenance, and certain improvements may remain with the District for ownership and maintenance, all in accordance with the plans for the District.

NOTE G – LONG-TERM LIABILITIES

\$4,285,000 Special Assessment Refunding and Improvement Bonds, Series 2015 – On May 15, 2015, the District issued \$4,285,000 in Special Assessment Refunding and Improvement Bonds, Series 2015. The Bonds refunded a portion of the District's existing Special Assessment Bonds, Series 2004-2, that were secured by special assessments levied against Assessment Area One - Phase One and which were issued for the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable through May 2036. The Bonds bear interest ranging from 3.5% to 5.0% payable semi-annually on the first day of each May and November. Principal is due serially each May 1, commencing May 2016.

\$8,500,000 Special Assessment Bonds, Series 2016 – On May 31, 2016, the District issued \$8,500,000 in Special Assessment Bonds, Series 2016. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable through November 2046. The Bonds bear interest ranging from 3.625% to 5.0% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2017.

\$7,945,000 Special Assessment Bonds, Series 2017 – On July 31, 2017, the District issued \$7,945,000 in Special Assessment Bonds, Series 2017. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable through November 2047. The Bonds bear interest ranging from 3.5% to 5.0% payable semi-annually on the first day of each May and November. Principal is due serially each November 1, commencing November 2047.

\$7,095,000 Special Assessment Bonds, Series 2019 – On May 30, 2019, the District issued \$7,095,000 in Special Assessment Bonds, Series 2019. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. The Bonds are payable through May 2050. The Bonds bear interest ranging from 3.75% to 4.625% payable semi-annually on the first day of each May and November. Principal is due serially each May 1, commencing May 2021.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE G – LONG-TERM LIABILITIES (CONTINUED)

\$11,840,000 Special Assessment Refunding Bonds, Series 2022 – On February 15, 2022, the District issued \$11,840,000 in Special Assessment Bonds, Series 2022. The Bonds were issued to refund the Series 2004 Bonds. The Bonds are payable May 2036. The Bonds bear interest at 3.0% payable semi-annually on the first day of each May and November. Principal is due serially each May 1, commencing May 2023.

The Series 2015, 2016, 2017, 2019 and 2022 Bonds are subject to redemption at the option of the District prior to maturity. The Series 2015, 2016, 2017, 2019 and 2022 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds 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. The District is in compliance with those requirements of the Bond Indenture at September 30, 2025.

The following is a summary of activity in the long-term debt of the District for the year ended September 30, 2025:

	Balance 10/01/2024	Additions	Deletions	Balance 09/30/2025	Due Within One Year
Special Assessment Refunding and Improvements Bonds, Series 2015	\$ 2,925,000	\$ -	\$ 185,000	\$ 2,740,000	\$ 190,000
Special Assessment Bonds, Series 2016	7,230,000	-	180,000	7,050,000	185,000
Special Assessment Bonds, Series 2017	6,970,000	-	165,000	6,805,000	170,000
Special Assessment Bonds, Series 2019	6,585,000	-	140,000	6,445,000	145,000
Special Assessment Refunding Bonds, Series 2022	10,440,000	-	735,000	9,705,000	760,000
	34,150,000	-	1,405,000	32,745,000	1,450,000
Unamortized bond discount	(56,902)	-	(2,329)	(54,573)	-
Unamortized bond premium	159,950	-	17,667	142,283	-
	<u>\$ 34,253,048</u>	<u>\$ -</u>	<u>\$ 1,420,338</u>	<u>\$ 32,832,710</u>	<u>\$ 1,450,000</u>

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE G – LONG-TERM LIABILITIES (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2025 are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,450,000	\$ 1,387,216	\$ 2,837,216
2027	1,505,000	1,333,366	2,838,366
2028	1,560,000	1,277,459	2,837,459
2029	1,625,000	1,219,347	2,844,347
2030	1,685,000	1,157,531	2,842,531
2031-2035	9,455,000	4,741,981	14,196,981
2036-2040	5,680,000	2,998,369	8,678,369
2041-2045	5,500,000	1,768,731	7,268,731
2046-2050	4,285,000	431,038	4,716,038
	<u>\$ 32,745,000</u>	<u>\$ 16,315,038</u>	<u>\$ 49,060,038</u>

NOTE H – SHARED MAINTENANCE COSTS WITH REUNION EAST CDD

The District has an agreement with Reunion East CDD to share certain maintenance costs, including utilities and pool maintenance costs. The shared costs are allocated on a similar percentage basis as shared infrastructure with 57% allocated to Reunion East and 43% allocated to Reunion West during the current fiscal year. The majority of the costs are paid by Reunion East which is then reimbursed by the District for its proportionate share. The District's portion of these shared costs for the fiscal year ended September 30, 2025 was approximately \$2,164,081. The District owes Reunion East \$203,250 at September 30, 2025.

NOTE I - MANAGEMENT COMPANY

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

NOTE J - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and environmental remediation. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

September 30, 2025

NOTE K – LITIGATION AND CLAIMS

Counterclaim action, asserted on May 7, 2025 in the Circuit Court of the Ninth Judicial Circuit in and for Osceola County, Florida (the “Court”) (Case No. 2024-CA-001969), by Kingwood Orlando Reunion Resort LLC, Orlando Reunion Development LLC and Kingwood Resident Club at Reunion Orlando Corp. for declaratory judgement, slander of title and monetary damages in excess of \$50,000, exclusive of interests, costs and attorneys’ fees (the “Counterclaim”). On July 17, 2024, the Client filed a Complaint with the Court against Kingwood Orlando Reunion Resort LLC (“Kingwood”), Orlando Reunion Development LLC (“ORD”) and Kingwood Resident Club at Reunion Orlando Corp. (collectively, the “Defendants”) for declaratory judgement regarding conveyance of title by recorded plats against all Defendants; quiet title for conveyance of title by recorded plats against all Defendants; declaratory judgement regarding adverse possession under color of title (in the alternative) against all Defendants; quiet title for adverse possession under color of title (in the alternative) against all Defendants; slander of title against Kingwood and ORD; quiet title based on fraudulent conveyance pursuant to Section 65.091, *Fla. Stat.* against Kingwood and ORD; slander of title against all Defendants; and quiet title based on fraudulent conveyance pursuant to Section 65.091, *Fla. Stat.* against all Defendants. After a hearing with the Court occurred on January 28, 2025, on April 21, 2025 the Court issued an Order Denying Defendants’ Motion to Dismiss Plaintiff’s Complaint and requiring Defendants to serve an answer to the Client’s Complaint within 20 days. On May 7, 2025, Defendants filed an Answer, Affirmative Defenses and the Counterclaim. On May 27, 2025, the Client filed a Reply to Defendants’ Affirmative Defenses to Complaint. The nature of the case is a dispute as to ownership of certain parcels of land located within the District. An evaluation of the likelihood of the unfavorable outcome and estimate of the amount or range of potential loss cannot be made at this time.

On January 31, 2026, the Defendants and the District (collectively, the “Parties”) executed a Settlement Agreement. The Parties are actively working to complete the requirements of the Settlement Agreement and the Parties will file a notice of dismissal upon completion.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT**STATEMENT OF REVENUES AND EXPENDITURES****BUDGET AND ACTUAL – GENERAL FUND**

Year Ended September 30, 2025

	* BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Assessments	\$ 1,780,771	\$ 1,814,504	\$ 33,733
Investment earnings	73,500	68,201	(5,299)
Miscellaneous revenue	5,714	7,492	1,778
TOTAL REVENUES	1,859,985	1,890,197	30,212
EXPENDITURES			
Current			
General government	198,171	207,540	(9,369)
Maintenance and operations	1,106,231	1,144,426	(38,195)
Culture and recreation	236,691	212,356	24,335
Public safety	91,963	79,265	12,698
Road and streets	46,250	61,423	(15,173)
Capital outlay	1,074,887	666,611	408,276
TOTAL EXPENDITURES	2,754,193	2,371,621	382,572
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(894,208)</u>	<u>(481,424)</u>	<u>412,784</u>
OTHER FINANCING SOURCES (USES)			
Carry forward surplus	234,156	-	(234,156)
TOTAL OTHER FINANCING SOURCES (USES)	<u>234,156</u>	<u>-</u>	<u>(234,156)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	<u>\$ (660,052)</u>	<u>(481,424)</u>	<u>\$ 178,628</u>
FUND BALANCES			
Beginning of year		1,713,035	
End of year		<u>\$ 1,231,611</u>	

* Original and final budget.

REUNION WEST COMMUNITY DEVELOPMENT DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2025.

The variance between budgeted and actual general fund revenues is not considered significant. The actual general fund expenditures for the current fiscal year were lower than budgeted amounts due primarily to anticipated costs which were not incurred in the current fiscal year. The general fund reported a deficit for fiscal year ended September 30, 2025 which was funded with prior year surpluses.

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

To the Board of Directors
Reunion West Community Development District
Osceola County, Florida

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Reunion West Community Development District, as of September 30, 2025 and for the year ended September 30, 2025, which collectively comprise the Reunion West Community Development District's basic financial statements and have issued our report thereon dated June 25, 2026.

Report on Internal Control Over Financial Reporting

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

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 misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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

This report is intended 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.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
June 25, 2026

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

To the Board of Directors
Reunion West Community Development District
Osceola County, Florida

We have examined Reunion West Community Development District, Osceola County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2025. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

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

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2025.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Reunion West Community Development District, Osceola County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee Hartley & Barnes, P.A.
Fort Pierce, Florida
June 25, 2026

Management Letter

To the Board of Supervisors
Reunion West Community Development District
Osceola County, Florida

Report on the Financial Statements

We have audited the financial statements of the Reunion West Community Development District ("District") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 25, 2026.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards and Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 25, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information required is disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any 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 condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the District did not authorize a PACE program pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the District's geographical boundaries during the fiscal year under audit.

Specific Information

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

- a. The total number of district employees compensated in the last pay period of the District's fiscal year as 4.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 13.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$6,834.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$2,439,103.
- e. 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 of the fiscal year being reported, together with the total expenditures for such project as \$556,122.
- f. The District did not amend its final adopted budget under Section 189.016(6), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Reunion West Community Development District reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the District range from \$500 to \$19,084 per residential unit.
- b. The total amount of special assessments collected by or on behalf of the District as \$4,724,865.
- c. The total amount of outstanding bonds issued by the District as \$32,745,000.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of 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.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.

Fort Pierce, Florida

June 25, 2026