

SUMMERSTONE

COMMUNITY DEVELOPMENT DISTRICT

August 25, 2023

BOARD OF SUPERVISORS PUBLIC HEARING AND REGULAR MEETING AGENDA

SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT

AGENDA
LETTER

Summerstone Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013

August 18, 2023

ATTENDEES:
Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors
Summerstone Community Development District

Dear Board Members:

The Board of Supervisors of the Summerstone Community Development District will hold a Public Hearing and Regular Meeting on August 25, 2023, immediately following the adjournment of the 10:00 a.m., Avalon Park West CDD meeting, at the Avalon Park West Amenity Center, 5060 River Glen Boulevard, Wesley Chapel, Florida 33545. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Administration of Oath of Office to Elected Supervisors, Andre Carmack [SEAT 3], and Ryan Zook [SEAT 5] (*the following to be provided in a separate package*)
 - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - B. Membership, Obligations and Responsibilities
 - C. Financial Disclosure Forms
 - I. Form 1: Statement of Financial Interests
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
 - III. Form 1F: Final Statement of Financial Interests
 - D. Form 8B: Memorandum of Voting Conflict
4. Public Hearing on Adoption of Fiscal Year 2023/2024 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2023-04, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023 and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

5. Consideration of Resolution 2023-05, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date
6. Consideration of Resolution 2023-06, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024 and Providing for an Effective Date
7. Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2022, Prepared by McDirmit Davis
8. Consideration of Resolution 2023-07, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022
9. Acceptance of Unaudited Financial Statements as of July 31, 2023
10. Approval of April 28, 2023 Regular Meeting Minutes
11. Staff Reports
 - A. District Counsel: *Kutak Rock LLP*
 - B. District Engineer: *Clearview Land Design, P.L.*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - 347 Registered Voters in District as of April 15, 2023
 - NEXT MEETING DATE: September 22, 2023 at 10:00 AM, or *immediately following the adjournment of the Avalon Park West CDD meetings*


○ QUORUM CHECK

SEAT 1	MARY MOULTON	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 2	CHRISTIAN COTTER	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 3	ANDRE CARMACK	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 4	TY VINCENT	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 5	RYAN ZOOK	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

12. Board Members' Comments/Requests
13. Public Comments
14. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (561) 346-5294 or Jamie Sanchez at (561) 512-9027.

Sincerely,



Cindy Cerbone
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL-IN NUMBER: 1-888-354-0094

PARTICIPANT PASSCODE: 131 733 0895

SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT

4A

Tampa Bay Times
Published Daily

STATE OF FLORIDA
COUNTY OF Pasco

Before the undersigned authority personally appeared **Carol Chewing** who on oath says that he/she is **Legal Advertising Representative** of the **Tampa Bay Times** a daily newspaper printed in St. Petersburg, in Pinellas County, Florida, that the attached copy of advertisement, being a Legal Notice in the matter **RE: Summerstone Community Development District - Notice of FY24 Public Hearing and Regular Meeting** was published in said newspaper by print in the issues of: **8/ 6/23, 8/13/23** or by publication on the newspaper's website, if authorized, on

Affiant further says the said **Tampa Bay Times** is a newspaper published in **Pasco** County, Florida and that the said newspaper has heretofore been continuously published in said **Pasco** County, Florida each day and has been entered as a second class mail matter at the post office in said **Pasco** County, Florida for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that he/she neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

} SS

SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2023/2024 BUDGET(S); AND NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING.

The Board of Supervisors ("Board") of the Summerstone Community Development District ("District") will hold a public hearing on **August 25, 2023, at 10:00 a.m., and at Avalon Park West Amenity Center, 5060 River Glen Boulevard, Wesley Chapel, Florida 33545** for the purpose of hearing comments and objections on the adoption of the proposed budget(s) ("**Proposed Budget**") of the District for the fiscal year beginning October 1, 2023 and ending September 30, 2024 ("**Fiscal Year 2023/2024**"). A regular board meeting of the District will also be held at that time where the Board may consider any other business that may properly come before it. A copy of the agenda and Proposed Budget may be obtained at the offices of the District Manager, Wrathell, Hunt and Associates, LLC, 2300 Glades Road #410W, Boca Raton, Florida 33431 ("**District Manager's Office**"), during normal business hours.

The public hearing and meeting are open to the public and will be conducted in accordance with the provisions of Florida law. The public hearing and meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone.

Any person requiring special accommodations at this hearing and meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office.

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the public hearing or meeting is advised that person will need a record of proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

District Manager
08/06/2023, 08/13/2023

0000299574

Signature Affiant

Sworn to and subscribed before me this **08/13/2023**

Signature of Notary Public

Personally known X or produced identification

Type of identification produced _____



SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT

4B

RESOLUTION 2023-04

[FY 2024 APPROPRIATION RESOLUTION]

THE ANNUAL APPROPRIATION RESOLUTION OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET(S) FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2023, submitted to the Board of Supervisors (“**Board**”) of the Summerstone Community Development District (“**District**”) proposed budget(s) (“**Proposed Budget**”) for the fiscal year beginning October 1, 2023 and ending September 30, 2024 (“**Fiscal Year 2023/2024**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District's Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. The Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes ("Adopted Budget")*, and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Summerstone Community Development District for the Fiscal Year Ending September 30, 2024."
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2023/2024, the sums set forth in **Exhibit A** to be raised by the levy of assessments, a funding agreement and/or otherwise. Such sums are deemed by the Board to be necessary to defray all expenditures of the District during said budget year, and are to be divided and appropriated in the amounts set forth in **Exhibit A**.

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2023/2024 or within 60 days following the end of the Fiscal Year 2023/2024 may amend its Adopted Budget for that fiscal year as follows:

- a. A line-item appropriation for expenditures within a fund may be decreased or increased by motion of the Board recorded in the minutes, and approving the expenditure, if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may approve an expenditure that would increase or decrease a line-item appropriation for expenditures within a fund if the total appropriations of the fund do not increase and if either (i) the aggregate change in the original appropriation item does not exceed the greater of \$15,000 or 15% of the original appropriation, or (ii) such expenditure is authorized by separate disbursement or spending resolution.

- c. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must ensure that any amendments to the budget under paragraph c. above are posted on the District’s website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 25TH DAY OF AUGUST, 2023.

ATTEST:

**SUMMERSTONE COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Fiscal Year 2023/2024 Budget(s)

Exhibit A: Fiscal Year 2023/2024 Budget(s)

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2024**

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
TABLE OF CONTENTS**

<u>Description</u>	<u>Page Number(s)</u>
General Fund Budget	1
Definitions of General Fund Expenditures	2
Debt Service Fund Budget - Series 2020	2
Amortization Schedule - Series 2020	4 - 5
Debt Service Fund Budget - Series 2021	6
Amortization Schedule - Series 2021	7 - 8
Assessment Summary	9

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2024**

	Fiscal Year 2023				Proposed Budget FY 2024
	Adopted Budget FY 2023	Actual through 3/31/2023	Projected through 9/30/2023	Total Actual & Projected	
REVENUES					
Assessment levy: on-roll - gross	\$ 99,058				\$ 98,715
Allowable discounts (4%)	(3,962)				(3,949)
Assessment levy: on-roll - net	95,096	\$ 94,888	\$ 208	\$ 95,096	94,766
Total revenues	95,096	94,888	208	95,096	94,766
EXPENDITURES					
Professional & administrative					
Management/accounting/recording	48,000	24,000	24,000	48,000	48,000
Legal	15,000	672	14,328	15,000	14,500
Engineering	3,000	-	3,000	3,000	3,000
Audit	4,500	-	4,500	4,500	4,500
Arbitrage rebate calculation	1,500	-	1,500	1,500	1,500
Dissemination agent	2,000	1,000	1,000	2,000	2,000
Trustee	9,000	8,063	937	9,000	9,000
Telephone	200	100	100	200	200
Postage	500	10	490	500	500
Printing & binding	500	250	250	500	500
Legal advertising	1,500	-	1,500	1,500	1,500
Annual special district fee	175	175	-	175	175
Insurance	5,822	5,563	-	5,563	6,000
Contingencies/bank charges	500	65	435	500	500
Website hosting & maintenance	705	705	-	705	705
Website ADA compliance	210	210	-	210	210
Tax Collector	1,981	1,897	84	1,981	1,974
Total expenditures	95,093	42,710	52,383	94,834	94,764
Excess/(deficiency) of revenues over/(under) expenditures	3	52,178	(52,175)	262	2
Fund balance - beginning (unaudited)	28,301	40,120	92,298	40,120	40,382
Fund balance - ending (projected)					
Assigned					
Working capital	28,140	-	-	-	28,191
Unassigned	164	92,298	40,123	40,382	12,193
Fund balance - ending	\$ 28,304	\$ 92,298	\$ 40,123	\$ 40,382	\$ 40,384

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional & administrative

Management/accounting/recording	\$ 48,000
<p>Wrathell, Hunt and Associates, LLC (WHA), specializes in managing community development districts by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all of the District's governmental requirements. WHA develops financing programs, administers the issuance of tax exempt bond financings, operates and maintains the assets of the community.</p>	
Legal	14,500
<p>General counsel and legal representation, which includes issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts.</p>	
Engineering	3,000
<p>The District's Engineer will provide construction and consulting services, to assist the District in crafting sustainable solutions to address the long term interests of the community while recognizing the needs of government, the environment and maintenance of the District's facilities.</p>	
Audit	4,500
<p>Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.</p>	
Arbitrage rebate calculation	1,500
<p>To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate the arbitrage rebate liability.</p>	
Dissemination agent	2,000
<p>The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934. Wrathell, Hunt & Associates serves as dissemination agent.</p>	
Telephone	200
<p>Telephone and fax machine.</p>	
Postage	500
<p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p>	
Printing & binding	500
<p>Letterhead, envelopes, copies, agenda packages</p>	
Legal advertising	1,500
<p>The District advertises for monthly meetings, special meetings, public hearings, public bids, etc.</p>	
Annual special district fee	175
<p>Annual fee paid to the Florida Department of Economic Opportunity.</p>	
Insurance	6,000
<p>The District will obtain public officials and general liability insurance.</p>	
Contingencies/bank charges	500
<p>Bank charges and other miscellaneous expenses incurred during the year and automated AP routing etc.</p>	
Website hosting & maintenance	705
Website ADA compliance	210
Tax Collector	1,974
Total expenditures	<u><u>\$ 94,764</u></u>

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET - SERIES 2020
FISCAL YEAR 2024**

	Fiscal Year 2023				Proposed Budget FY 2024
	Adopted Budget FY 2023	Actual through 3/31/2023	Projected through 9/30/2023	Total Actual & Projected	
REVENUES					
Assessment levy: on-roll	\$ 280,865				\$ 280,865
Allowable discounts (4%)	(11,235)				(11,235)
Net assessment levy - on-roll	269,630	\$ 268,352	\$ 1,278	\$ 269,630	269,630
Interest	-	3,048	-	3,048	-
Total revenues	269,630	271,400	1,278	272,678	269,630
EXPENDITURES					
Debt service					
Principal	95,000	-	95,000	95,000	95,000
Interest	170,200	85,100	86,225	171,325	167,825
Tax collector	5,617	5,365	252	5,617	5,617
Total expenditures	270,817	90,465	181,477	271,942	268,442
Excess/(deficiency) of revenues over/(under) expenditures	(1,187)	180,935	(180,199)	736	1,188
Fund balance:					
Beginning fund balance (unaudited)	219,811	221,780	402,715	221,780	222,516
Ending fund balance (projected)	<u>\$218,624</u>	<u>\$402,715</u>	<u>\$ 222,516</u>	<u>\$ 222,516</u>	<u>223,704</u>
Use of fund balance:					
Debt service reserve account balance (required)					(132,006)
Interest expense - November 1, 2024					(82,725)
Projected fund balance surplus/(deficit) as of September 30, 2024					<u>\$ 8,973</u>

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
SERIES 2020 (PHASE ONE) AMORTIZATION SCHEDULE**

	Principal	Coupon Rate	Interest	Debt Service	Bond Balance
11/01/23			83,912.50	83,912.50	4,455,000.00
05/01/24	95,000.00	2.500%	83,912.50	178,912.50	4,360,000.00
11/01/24			82,725.00	82,725.00	4,360,000.00
05/01/25	95,000.00	2.500%	82,725.00	177,725.00	4,265,000.00
11/01/25			81,537.50	81,537.50	4,265,000.00
05/01/26	100,000.00	3.250%	81,537.50	181,537.50	4,165,000.00
11/01/26			79,912.50	79,912.50	4,165,000.00
05/01/27	105,000.00	3.250%	79,912.50	184,912.50	4,060,000.00
11/01/27			78,206.25	78,206.25	4,060,000.00
05/01/28	105,000.00	3.250%	78,206.25	183,206.25	3,955,000.00
11/01/28			76,500.00	76,500.00	3,955,000.00
05/01/29	110,000.00	3.250%	76,500.00	186,500.00	3,845,000.00
11/01/29			74,712.50	74,712.50	3,845,000.00
05/01/30	115,000.00	3.250%	74,712.50	189,712.50	3,730,000.00
11/01/30			72,843.75	72,843.75	3,730,000.00
05/01/31	120,000.00	3.750%	72,843.75	192,843.75	3,610,000.00
11/01/31			70,593.75	70,593.75	3,610,000.00
05/01/32	125,000.00	3.750%	70,593.75	195,593.75	3,485,000.00
11/01/32			68,250.00	68,250.00	3,485,000.00
05/01/33	125,000.00	3.750%	68,250.00	193,250.00	3,360,000.00
11/01/33			65,906.25	65,906.25	3,360,000.00
05/01/34	130,000.00	3.750%	65,906.25	195,906.25	3,230,000.00
11/01/34			63,468.75	63,468.75	3,230,000.00
05/01/35	135,000.00	3.750%	63,468.75	198,468.75	3,095,000.00
11/01/35			60,937.50	60,937.50	3,095,000.00
05/01/36	140,000.00	3.750%	60,937.50	200,937.50	2,955,000.00
11/01/36			58,312.50	58,312.50	2,955,000.00
05/01/37	150,000.00	3.750%	58,312.50	208,312.50	2,805,000.00
11/01/37			55,500.00	55,500.00	2,805,000.00
05/01/38	155,000.00	3.750%	55,500.00	210,500.00	2,650,000.00
11/01/38			52,593.75	52,593.75	2,650,000.00
05/01/39	160,000.00	3.750%	52,593.75	212,593.75	2,490,000.00
11/01/39			49,593.75	49,593.75	2,490,000.00
05/01/40	165,000.00	3.750%	49,593.75	214,593.75	2,325,000.00
11/01/40			46,500.00	46,500.00	2,325,000.00
05/01/41	170,000.00	4.000%	46,500.00	216,500.00	2,155,000.00
11/01/41			43,100.00	43,100.00	2,155,000.00
05/01/42	180,000.00	4.000%	43,100.00	223,100.00	1,975,000.00
11/01/42			39,500.00	39,500.00	1,975,000.00
05/01/43	185,000.00	4.000%	39,500.00	224,500.00	1,790,000.00
11/01/43			35,800.00	35,800.00	1,790,000.00
05/01/44	195,000.00	4.000%	35,800.00	230,800.00	1,595,000.00
11/01/44			31,900.00	31,900.00	1,595,000.00
05/01/45	200,000.00	4.000%	31,900.00	231,900.00	1,395,000.00

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
SERIES 2020 (PHASE ONE) AMORTIZATION SCHEDULE**

	Principal	Coupon Rate	Interest	Debt Service	Bond Balance
11/01/45			27,900.00	27,900.00	1,395,000.00
05/01/46	210,000.00	4.000%	27,900.00	237,900.00	1,185,000.00
11/01/46			23,700.00	23,700.00	1,185,000.00
05/01/47	220,000.00	4.000%	23,700.00	243,700.00	965,000.00
11/01/47			19,300.00	19,300.00	965,000.00
05/01/48	230,000.00	4.000%	19,300.00	249,300.00	735,000.00
11/01/48			14,700.00	14,700.00	735,000.00
05/01/49	235,000.00	4.000%	14,700.00	249,700.00	500,000.00
11/01/49			10,000.00	10,000.00	500,000.00
05/01/50	245,000.00	4.000%	10,000.00	255,000.00	255,000.00
11/01/50			5,100.00	5,100.00	255,000.00
05/01/51	255,000.00	4.000%	5,100.00	260,100.00	-
Total	4,455,000.00		2,946,012.50	7,401,012.50	

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET - SERIES 2021
FISCAL YEAR 2024**

	Fiscal Year 2023				Proposed Budget FY 2024
	Adopted Budget FY 2023	Actual through 3/31/2023	Projected through 9/30/2023	Total Actual & Projected	
REVENUES					
Special assessment - on-roll	\$ 395,637				\$ 395,637
Allowable discounts (4%)	(15,825)				(15,825)
Assessment levy: net	379,812	\$ 378,065	\$ 1,747	\$ 379,812	379,812
Interest	-	2,813	-	2,813	-
Total revenues	<u>379,812</u>	<u>380,878</u>	<u>1,747</u>	<u>382,625</u>	<u>379,812</u>
EXPENDITURES					
Debt service					
Principal	145,000	-	145,000	145,000	150,000
Interest	225,513	112,756	112,757	225,513	222,323
Total debt service	<u>370,513</u>	<u>112,756</u>	<u>257,757</u>	<u>370,513</u>	<u>372,323</u>
Other fees & charges					
Tax collector	7,913	7,559	354	7,913	7,913
Total other fees & charges	<u>7,913</u>	<u>7,559</u>	<u>354</u>	<u>7,913</u>	<u>7,913</u>
Total expenditures	<u>378,426</u>	<u>120,315</u>	<u>258,111</u>	<u>378,426</u>	<u>380,236</u>
Excess/(deficiency) of revenues over/(under) expenditures	1,386	260,563	(256,364)	4,199	(424)
Fund balance:					
Net increase/(decrease) in fund balance	1,386	260,563	(256,364)	4,199	(424)
Beginning fund balance (unaudited)	212,528	214,750	475,313	214,750	218,949
Ending fund balance (projected)	<u>\$ 213,914</u>	<u>\$ 475,313</u>	<u>\$ 218,949</u>	<u>\$ 218,949</u>	<u>218,525</u>
Use of fund balance:					
Debt service reserve account balance (required)					(92,975)
Principal and Interest expense - November 1, 2024					(109,511)
Projected fund balance surplus/(deficit) as of September 30, 2024					<u>\$ 16,039</u>

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
SERIES 2021 AMORTIZATION SCHEDULE**

	Principal	Coupon Rate	Interest	Debt Service	Bond Balance
11/01/23			111,161.25	111,161.25	6,480,000.00
05/01/24	150,000.00	2.200%	111,161.25	261,161.25	6,330,000.00
11/01/24			109,511.25	109,511.25	6,330,000.00
05/01/25	150,000.00	2.200%	109,511.25	259,511.25	6,180,000.00
11/01/25			107,861.25	107,861.25	6,180,000.00
05/01/26	155,000.00	2.200%	107,861.25	262,861.25	6,025,000.00
11/01/26			106,156.25	106,156.25	6,025,000.00
05/01/27	160,000.00	2.750%	106,156.25	266,156.25	5,865,000.00
11/01/27			103,956.25	103,956.25	5,865,000.00
05/01/28	165,000.00	2.750%	103,956.25	268,956.25	5,700,000.00
11/01/28			101,687.50	101,687.50	5,700,000.00
05/01/29	170,000.00	2.750%	101,687.50	271,687.50	5,530,000.00
11/01/29			99,350.00	99,350.00	5,530,000.00
05/01/30	175,000.00	2.750%	99,350.00	274,350.00	5,355,000.00
11/01/30			96,943.75	96,943.75	5,355,000.00
05/01/31	180,000.00	2.750%	96,943.75	276,943.75	5,175,000.00
11/01/31			94,468.75	94,468.75	5,175,000.00
05/01/32	185,000.00	3.150%	94,468.75	279,468.75	4,990,000.00
11/01/32			91,555.00	91,555.00	4,990,000.00
05/01/33	190,000.00	3.150%	91,555.00	281,555.00	4,800,000.00
11/01/33			88,562.50	88,562.50	4,800,000.00
05/01/34	195,000.00	3.150%	88,562.50	283,562.50	4,605,000.00
11/01/34			85,491.25	85,491.25	4,605,000.00
05/01/35	200,000.00	3.150%	85,491.25	285,491.25	4,405,000.00
11/01/35			82,341.25	82,341.25	4,405,000.00
05/01/36	210,000.00	3.150%	82,341.25	292,341.25	4,195,000.00
11/01/36			79,033.75	79,033.75	4,195,000.00
05/01/37	215,000.00	3.150%	79,033.75	294,033.75	3,980,000.00
11/01/37			75,647.50	75,647.50	3,980,000.00
05/01/38	220,000.00	3.150%	75,647.50	295,647.50	3,760,000.00
11/01/38			72,182.50	72,182.50	3,760,000.00
05/01/39	230,000.00	3.150%	72,182.50	302,182.50	3,530,000.00
11/01/39			68,560.00	68,560.00	3,530,000.00
05/01/40	235,000.00	3.150%	68,560.00	303,560.00	3,295,000.00
11/01/40			64,858.75	64,858.75	3,295,000.00
05/01/41	245,000.00	3.150%	64,858.75	309,858.75	3,050,000.00
11/01/41			61,000.00	61,000.00	3,050,000.00
05/01/42	255,000.00	4.000%	61,000.00	316,000.00	2,795,000.00
11/01/42			55,900.00	55,900.00	2,795,000.00
05/01/43	265,000.00	4.000%	55,900.00	320,900.00	2,530,000.00
11/01/43			50,600.00	50,600.00	2,530,000.00
05/01/44	275,000.00	4.000%	50,600.00	325,600.00	2,255,000.00
11/01/44			45,100.00	45,100.00	2,255,000.00
05/01/45	285,000.00	4.000%	45,100.00	330,100.00	1,970,000.00

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
SERIES 2021 AMORTIZATION SCHEDULE**

	Principal	Coupon Rate	Interest	Debt Service	Bond Balance
11/01/45			39,400.00	39,400.00	1,970,000.00
05/01/46	295,000.00	4.000%	39,400.00	334,400.00	1,675,000.00
11/01/46			33,500.00	33,500.00	1,675,000.00
05/01/47	310,000.00	4.000%	33,500.00	343,500.00	1,365,000.00
11/01/47			27,300.00	27,300.00	1,365,000.00
05/01/48	320,000.00	4.000%	27,300.00	347,300.00	1,045,000.00
11/01/48			20,900.00	20,900.00	1,045,000.00
05/01/49	335,000.00	4.000%	20,900.00	355,900.00	710,000.00
11/01/49			14,200.00	14,200.00	710,000.00
05/01/50	350,000.00	4.000%	14,200.00	364,200.00	360,000.00
11/01/50			7,200.00	7,200.00	360,000.00
05/01/51	360,000.00	4.000%	7,200.00	367,200.00	-
Total	6,480,000.00		3,988,857.50	10,468,857.50	

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
ASSESSMENT COMPARISON
PROJECTED FISCAL YEAR 2024 ASSESSMENTS**

On-Roll

Product/Parcel	Units	FY 2024 O&M Assessment per Unit	FY 2024 DS Assessment per Unit	FY 2024 Total Assessment per Unit	FY 2023 Total Assessment per Unit
<u>Series 2020 Bonds</u>					
TH 20'	74	\$ 125.82	\$ 656.52	\$ 782.34	\$ 782.77
SF 40'	82	182.64	1,250.51	1,433.15	1,433.78
SF 50'	81	202.93	1,563.14	1,766.07	1,766.77
SF 60'	2	223.22	1,563.14	1,786.36	1,787.13
	239				
 <u>Series 2021 Bonds</u>					
TH 20'	94	\$ 125.82	\$ 656.58	\$ 782.40	\$ 782.83
SF 40'	117	182.64	1,250.63	1,433.27	1,433.90
SF 50'	120	202.93	1,563.29	1,766.22	1,766.92
SF 60'	-	-	-	-	-
	331				
Total		570			

SUMMERSTONE

COMMUNITY DEVELOPMENT DISTRICT

5

RESOLUTION 2023-05

[FY 2024 ANNUAL ASSESSMENT RESOLUTION]

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2023/2024; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Summerstone Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District’s adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, the Board of Supervisors (“**Board**”) of the District has determined to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2023 and ending September 30, 2024 (“**Fiscal Year 2023/2024**”), attached hereto as **Exhibit A**; and

WHEREAS, in order to fund the District’s Adopted Budget, the District’s Board now desires to adopt this Resolution setting forth the means by which the District intends to fund its Adopted Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT:

1. FUNDING. As indicated in **Exhibits A and B**, the District’s Board hereby authorizes the following funding mechanisms for the Adopted Budget:

a. OPERATIONS AND MAINTENANCE ASSESSMENTS.

i. Benefit Findings. The provision of the services, facilities, and operations as described in **Exhibit A** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the

assessments to the specially benefitted lands is shown in **Exhibits A and B**, and is hereby found to be fair and reasonable.

- ii. **Assessment Imposition.** Pursuant to Chapters 190, 197 and/or 170, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District and in accordance with **Exhibits A and B**. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.
- iii. **Maximum Rate.** Pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

- b. **DEBT SERVICE SPECIAL ASSESSMENTS.** The District’s Board hereby directs District Staff to effect the collection of the previously levied debt service special assessments, as set forth in **Exhibits A and B**.

2. **COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.**

- a. **Tax Roll Assessments.** If and to the extent indicated in **Exhibits A and B**, certain of the operations and maintenance special assessments (if any) and/or previously levied debt service special assessments (if any) imposed on the “**Tax Roll Property**” identified in **Exhibit B** shall be collected at the same time and in the same manner as County taxes in accordance with Chapter 197 of the *Florida Statutes*. The District’s Board finds and determines that such collection method is an efficient method of collection for the Tax Roll Property.
- b. **Direct Bill Assessments.** [RESERVED.]
- c. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

3. **ASSESSMENT ROLL; AMENDMENTS.** The Assessment Roll, attached to this Resolution as **Exhibit “B,”** is hereby certified for collection. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll.

4. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

5. **EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

PASSED AND ADOPTED this 25th day of August, 2023.

ATTEST:

**SUMMERSTONE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Budget

Exhibit B: Assessment Roll

SUMMERSTONE

COMMUNITY DEVELOPMENT DISTRICT

6

RESOLUTION 2023-06

A RESOLUTION OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIMES AND LOCATIONS FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT FOR FISCAL YEAR 2023/2024 AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Summerstone Community Development District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Pasco County, Florida; and

WHEREAS, the Board of Supervisors of the District (“Board”) is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, *Florida Statutes*; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority and the Florida Department of Economic Opportunity, a schedule of its regular meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. ADOPTING REGULAR MEETING SCHEDULE. Regular meetings of the District’s Board shall be held during Fiscal Year 2023/2024 as provided on the schedule attached hereto as **Exhibit A**.

SECTION 2. FILING REQUIREMENT. In accordance with Section 189.015(1), *Florida Statutes*, the District’s Secretary is hereby directed to file a schedule of the District’s regular meetings annually with Pasco County and the Florida Department of Economic Opportunity.

SECTION 3. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 25th day of August, 2023.

Attest:

SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A

SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT		
BOARD OF SUPERVISORS FISCAL YEAR 2023/2024 MEETING SCHEDULE		
LOCATION		
<i>Avalon Park West Amenity Center 5060 River Glen Boulevard, Wesley Chapel, Florida 33545</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 27, 2023	Regular Meeting	10:00 AM*
November 24, 2023	Regular Meeting	10:00 AM*
December 22, 2023	Regular Meeting	10:00 AM*
January 26, 2024	Regular Meeting	10:00 AM*
February 23, 2024	Regular Meeting	10:00 AM*
March 22, 2024	Regular Meeting	10:00 AM*
April 26, 2024	Regular Meeting	10:00 AM*
May 24, 2024	Regular Meeting	10:00 AM*
June 28, 2024	Regular Meeting	10:00 AM*
July 26, 2024	Regular Meeting	10:00 AM*
August 23, 2024	Regular Meeting	10:00 AM*
September 27, 2024	Regular Meeting	10:00 AM*
<p><i>*Meetings will convene immediately following the adjournment of the Avalon Park West CDD meetings, scheduled to commence at 10:00 AM.</i></p>		

SUMMERSTONE

COMMUNITY DEVELOPMENT DISTRICT

7

Financial Report

September 30, 2022

Summerstone Community Development District

	<u>Page</u>
I. Financial Section:	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet - Governmental Funds	9
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	12
Notes to Financial Statements	13
II. Compliance Section:	
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 <i>Government Auditing Standards</i>	22
Management Letter	23
Independent Auditor's Report on Compliance with the Requirements of Section 218.415, Florida Statutes	25

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Summerstone Community Development District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of *Summerstone Community Development District*, (the "District") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2022, and the respective changes in financial position thereof and the respective 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 Opinions

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

Responsibilities of Management for the Financial Statements

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

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 Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, 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 a report dated June 23, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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.

McDermitt Davis

Orlando, Florida
June 23, 2023

Our discussion and analysis of *Summerstone Community Development District*, Sarasota County, Florida's (the "District") financial accomplishments provide an overview of the District's financial activities for the year ended September 30, 2022. Please read it in conjunction with the District's Independent Auditor's Report, financial statements and accompanying notes.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued June 1999.

Financial Highlights

- The liabilities of the District exceeded its assets at September 30, 2022 by \$375,381, an increase in net position of \$260,686 in comparison with the prior year.
- At September 30, 2022, the District's governmental funds reported fund balances of \$482,655, an increase of \$108,338 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to *Summerstone Community Development District's* financial statements. The District's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements.

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 of 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 result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include general government, and maintenance and operations related functions.

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.

Summerstone Community Development District
Management's Discussion and Analysis

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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

Notes to Financial Statements

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

Government-Wide Financial Analysis

Statement of Net Position

The District's net position was a deficit of (\$375,381) at September 30, 2022. The analysis that follows focuses on the net position of the District's governmental activities.

	September 30, 2022	September 30, 2021
Assets, excluding capital assets	\$ 513,007	\$ 404,127
Capital assets, not being depreciated	10,629,039	10,629,039
Total assets	11,142,046	11,033,166
Liabilities, excluding long-term liabilities	195,232	112,141
Long-term liabilities	11,322,195	11,557,092
Total liabilities	11,517,427	11,669,233
Net Position:		
Net investment in capital assets	(692,713)	(927,909)
Restricted for debt service	271,649	291,811
Unrestricted	45,683	31
Total net position	\$ (375,381)	\$ (636,067)

Summerstone Community Development District
Management's Discussion and Analysis

Changes to Net Position

The following is a summary of the District's governmental activities for the fiscal years ended September 30, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Revenues:		
Program revenues	\$ 780,793	\$ 86,090
General revenues	475	-
Total revenues	<u>781,268</u>	<u>86,090</u>
Expenses:		
General government	135,229	556,995
Maintenance and operations	-	13,946
Interest on long-term debt	385,353	153,537
Total expenses	<u>520,582</u>	<u>724,478</u>
Change in net position	260,686	(638,388)
Net position, beginning	(636,067)	2,321
Net position, ending	<u>\$ (375,381)</u>	<u>\$ (636,067)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the year ended September 30, 2022 was \$520,582. The majority of these costs are interest on long-term debt.

Financial Analysis of the Government's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2022, the District's governmental funds reported combined ending fund balances of \$482,655. Of this total, \$436,972 is restricted, and the remainder of \$45,683 is unassigned.

The fund balance of the general fund increased \$45,652 due to increased assessment revenue. The debt service fund balance increased by \$62,387 due to increased assessments. The capital projects fund did not change significantly.

General Fund Budgetary Highlights

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown on page 12. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. There was one budget amendment for the fiscal year ended September 30, 2022. The legal level of budgetary control is at the fund level.

Capital Asset and Debt Administration

Capital Assets

At September 30, 2022, the District had \$10,629,039 invested in infrastructure under construction. More detailed information about the District's capital assets is presented in the notes to financial statements.

Capital Debt

At September 30, 2022, the District had \$11,175,000 in bonds outstanding. More detailed information about the District's capital debt is presented in the notes to financial statements.

Requests for Information

If you have questions about this report or need additional financial information, contact *Summerstone Community Development Districts* Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

FINANCIAL STATEMENTS

Summerstone Community Development District
Statement of Net Position
September 30, 2022

	Governmental Activities
Assets	
Cash	\$ 74,944
Receivables	3,551
Restricted assets:	
Temporarily restricted investments	434,512
Capital assets:	
Capital assets not being depreciated	10,629,039
Total assets	11,142,046
Liabilities	
Accounts payable and accrued expenses	8,787
Due to developers	21,565
Accrued interest payable	164,880
Noncurrent liabilities:	
Due within one year	240,000
Due in more than one year	11,082,195
Total liabilities	11,517,427
Net Position	
Net investment in capital assets	(692,713)
Restricted for debt service	271,649
Unrestricted	45,683
Total net position	\$ (375,381)

Summerstone Community Development District
Statement of Activities
 Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenue		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
General government	\$ 135,229	\$ 124,647	\$ -	\$ -	\$ (10,582)
Interest on long-term debt	385,353	654,763	1,382	1	270,793
Total governmental activities	\$ 520,582	\$ 779,410	\$ 1,382	\$ 1	260,211
General Revenues:					
Investment and miscellaneous income					475
Total general revenues					475
Change in net position					260,686
Net position, beginning					(636,067)
Net position, ending					\$ (375,381)

Summerstone Community Development District
Balance Sheet
Governmental Funds
September 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Assets				
Cash	\$ 74,944	\$ -	\$ -	\$ 74,944
Investments	-	434,069	443	434,512
Receivables	1,091	2,460	-	3,551
Total assets	<u>\$ 76,035</u>	<u>\$ 436,529</u>	<u>\$ 443</u>	<u>\$ 513,007</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued expenses	\$ 8,787	\$ -	\$ -	\$ 8,787
Due to developers	21,565	-	-	21,565
Total liabilities	<u>30,352</u>	<u>-</u>	<u>-</u>	<u>30,352</u>
Fund balances:				
Restricted for debt service	-	436,529	-	436,529
Restricted for capital assets	-	-	443	443
Unassigned	45,683	-	-	45,683
Total fund balances	<u>45,683</u>	<u>436,529</u>	<u>443</u>	<u>482,655</u>
Total liabilities and fund balances	<u>\$ 76,035</u>	<u>\$ 436,529</u>	<u>\$ 443</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		10,629,039
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Accrued interest payable	(164,880)	
Bonds payable	<u>(11,322,195)</u>	<u>(11,487,075)</u>
Net position of governmental activities		<u>\$ (375,381)</u>

Summerstone Community Development District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Revenues				
Developer contributions	\$ -	\$ 5,204	\$ -	\$ 5,204
Assessment revenue	124,647	649,559	-	774,206
Investment and miscellaneous income	475	1,382	1	1,858
Total revenues	<u>125,122</u>	<u>656,145</u>	<u>1</u>	<u>781,268</u>
Expenditures				
Current:				
General government	79,470	10,534	-	90,004
Debt Service:				
Interest	-	307,701	-	307,701
Principal	-	230,000	-	230,000
Bond issuance costs	-	45,225	-	45,225
Total expenditures	<u>79,470</u>	<u>593,460</u>	<u>-</u>	<u>672,930</u>
Excess (Deficit) of Revenues Over Expenditures	<u>45,652</u>	<u>62,685</u>	<u>1</u>	<u>108,338</u>
Other Financing Sources (Uses)				
Transfer Out	-	(298)	-	(298)
Transfer In	-	-	298	298
Total Other Financing Sources (Uses)	<u>-</u>	<u>(298)</u>	<u>298</u>	<u>-</u>
Net change in fund balances	45,652	62,387	299	108,338
Fund balances, beginning of year	31	374,142	144	374,317
Fund balances, end of year	<u>\$ 45,683</u>	<u>\$ 436,529</u>	<u>\$ 443</u>	<u>\$ 482,655</u>

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Year Ended September 30, 2022

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

Net Change in Fund Balances - Total Governmental Funds	\$	108,338
--	----	---------

Repayment of long-term liabilities are reported as expenditures in governmental funds, while repayment reduces long-term liabilities in the statement of net position		230,000
---	--	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest		(82,549)
----------------------------	--	----------

Amortization of bond discount and premium		4,897
---	--	-------

Change in net position of governmental activities	\$	260,686
--	-----------	----------------

Summerstone Community Development District
**Statement of Revenues, Expenditures and Changes in
Fund Balance Budget and Actual - General Fund**
Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Assessment revenue	\$ 123,479	\$ 124,639	\$ 124,647	\$ 8
Investment and miscellaneous income	-	-	475	475
Total revenues	123,479	124,639	125,122	483
Expenditures				
Current:				
General government	94,976	96,137	79,470	16,667
Physical environment	28,500	28,500	-	28,500
Total expenditures	123,476	124,637	79,470	45,167
Excess (deficit) of revenues over expenditures	3	2	45,652	45,650
Net change in fund balance	3	2	45,652	45,650
Fund balance, beginning	31	31	31	-
Fund balance, ending	\$ 34	\$ 33	\$ 45,683	\$ 45,650

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Summerstone Community Development District, (the “District”) was established on July 14, 2020 by Pasco County, Florida, Ordinance 2020-28 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, the power to borrow money and issue bonds, and the power to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose 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 (the “Board”), which is composed of five members. The Supervisors are elected on an at large basis by qualified electors within the District. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. Four of the Board of Supervisors are affiliated with the Developer, Forestar Real Estate Group.

The Board has final responsibility for:

1. Allocating 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 14, 39, and 61. 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.

Government-Wide and Fund Financial Statements

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants, contributions and investment earnings that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) operating-type special assessments that are treated as charges for services (including assessments for maintenance and debt service). 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 recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Assessments, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District and benefited by the District's activities. Operation and maintenance special assessments are levied by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. These assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District. Certain debt service assessments are collected upon the closing of those lots subject to short term debt and are used to prepay a portion of the bonds outstanding.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund - Is the District's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Debt Service Fund - Accounts for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Project Fund - Accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Restricted Assets

These assets represent cash and investments set aside pursuant to bond covenants.

Deposits and Investments

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

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

Prepaid costs

Prepaid costs are recorded as expenditures when consumed rather than when purchased in both government-wide and fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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. All capital asset acquisition and construction costs are considered infrastructure under construction at September 30, 2022.

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 using the straight-line method. Bond issuance costs are reported as expenses. Bonds payable are reported net of premiums or discounts.

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

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. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2022.

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. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2022.

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above an additional action is essential to either remove or revise a commitment.

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.

New GASB Statements Implemented

In fiscal year 2022, the District has not implemented any new accounting standards with a material effect on the District's financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District is required to establish a budgetary system and an approved annual budget for the General Fund. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at the fiscal year end. The legal level of budgetary control is at the fund level. Any budget amendments that increase the aggregate budgeted appropriations, at the fund level, must be approved by the Board of Supervisors.

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

1. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
2. A public hearing is conducted to obtain comments.
3. Prior to October 1, the budget is legally adopted by the District Board.
4. All budget changes must be approved by the District Board.
5. The budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 3 DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances 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.

Investments

The District categorizes its fair value measurements within the fair value hierarchy 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.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include, but are not limited to:

- a. The Local Government Surplus Funds Trust Fund (SBA);
- 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.

The District has the following recurring fair value measurements as of September 30, 2022:

- Money market mutual funds of \$434,512 are valued using Level 2 inputs.

Investments made by the District at September 30, 2022 are summarized below.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
First American Government Obligation Fund, Class Y	\$ 434,512	AAAm	18 Days
	<u>\$ 434,512</u>		

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

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. Investments in U.S. Government securities and agencies must be backed by the full faith and credit of the United States Government. Short term bond funds shall be rated by a nationally recognized ratings agency and shall maintain the highest credit quality rating. Investment ratings by investment type are included in the preceding summary of investments.

Custodial Credit Risk:

In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2022, all of the District's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2022, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit 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. The District manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

NOTE 4 CAPITAL ASSETS

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

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Improvements under construction	\$ 10,629,039	\$ -	\$ -	\$ 10,629,039
Total capital assets not being depreciated	10,629,039	-	-	10,629,039
Governmental activities capital assets, net	\$ 10,629,039	\$ -	\$ -	\$ 10,629,039

NOTE 5 LONG-TERM LIABILITIES

Series 2020 Special Assessment Revenue Bonds- Public Offering

In October 2020, the District issued \$4,640,000 of Special Assessment Revenue Bonds Series 2020 consisting of \$375,000 Term Bonds due May 1, 2025 with a fixed interest rate of 2.50%, \$535,000 Term Bonds due May 1, 2030 with an interest rate of 3.25%, \$1,405,000 Term Bonds due May 1, 2040 with an interest rate of 3.75%, and \$2,325,000 Term Bonds due May 1, 2051 with an interest rate of 4.00%. Interest is due semiannually on each May 1 and November 1. The Bonds were issued to finance the construction, acquisition, equipping and/or improvement of a portion of the 2020 capital project, pay capitalized interest, and fund the 2020 reserve account, and pay certain costs associated with the issuance of the Bonds. Principal on the Series 2020 Bonds is due annually commencing May 1, 2022 through May 1, 2051.

The Series 2020 Bonds are subject to redemption at the option of the District prior to their maturity on or after May 1, 2030 and extraordinary mandatory redemption prior to their maturity in the manner determined by the Bond Indenture. In the event of default, all principal and interest of the Bonds will become immediately due and payable.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirement as defined in the Indenture. The requirement was met at September 30, 2022.

The Bond 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The principal and interest on the Series 2020 Special Assessment Revenue Bonds issued under the Indenture are secured by all revenues received by the District from Series 2020 assessments levied and collected on the District lands benefited by the 2020 Project. The District is in compliance with the requirements of the Bond Indenture.

As of September 30, 2022, total principal and interest remaining on the Series 2020 Special Assessment Revenue Bonds totaled \$7,666,213. For the year ended September 30, 2022, principal and interest paid was \$262,450. Special assessment revenue pledged was \$274,860.

Series 2021 Special Assessment Revenue Bonds- Public Offering

In September 2021, the District issued \$6,765,000 of Special Assessment Revenue Bonds Series 2021 consisting of \$740,000 Term Bonds due May 1, 2026 with a fixed interest rate of 2.20%, \$850,000 Term Bonds due May 1, 2031 with an interest rate of 2.75%, \$2,125,000 Term Bonds due May 1, 2041 with an interest rate of 3.15%, and \$3,050,000 Term Bonds due May 1, 2051 with an interest rate of 4.00%. Interest is due semiannually on each May 1 and November 1. The Bonds were issued to finance the construction, acquisition, equipping and/or improvement of a portion of the 2021 capital project, pay capitalized interest, fund the 2021 reserve account, and pay certain costs associated with the issuance of the Bonds. Principal on the Series 2021 Bonds is due annually commencing May 1, 2022 through May 1, 2051.

The Series 2021 Bonds are subject to redemption at the option of the District prior to their maturity on or after May 1, 2031 and extraordinary mandatory redemption prior to their maturity in the manner determined by the Bond Indenture. In the event of default, all principal and interest of the Bonds will become immediately due and payable.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirement as defined in the Indenture. The requirement was met at September 30, 2022.

The Bond 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The principal and interest on the Series 2021 Special Assessment Revenue Bonds issued under the Indenture are secured by all revenues received by the District from Series 2021 assessments levied and collected on the District lands benefited by the 2021 Project. The District is in compliance with the requirements of the Bond Indenture.

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

As of September 30, 2022, total principal and interest remaining on the Series 2021 Special Assessment Revenue Bonds totaled \$10,839,374. For the year ended September 30, 2022, principal and interest paid was \$275,251. Special assessment revenue pledged was \$379,903.

Long-term liability activity for the year ended September 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Bonds payable:					
Series 2020	\$ 4,640,000	\$ -	\$ (90,000)	\$ 4,550,000	\$ 95,000
Less: Discount	(9,314)	-	310	(9,004)	-
Series 2021	6,765,000	-	(140,000)	6,625,000	145,000
Add: bond premium	161,406	-	(5,207)	156,199	-
Governmental activity long-term liabilities	<u>\$ 11,557,092</u>	<u>\$ -</u>	<u>\$ (234,897)</u>	<u>\$ 11,322,195</u>	<u>\$ 240,000</u>

At September 30, 2022, the scheduled debt service requirements on the bonds payable were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 240,000	\$ 395,713
2024	245,000	390,148
2025	245,000	384,473
2026	255,000	378,798
2027	265,000	372,138
2028-2032	1,450,000	1,738,526
2033-2037	1,690,000	1,487,718
2038-2042	2,015,000	1,179,073
2043-2047	2,440,000	766,600
2048-2051	2,330,000	237,400
	<u>\$ 11,175,000</u>	<u>\$ 7,330,587</u>

NOTE 6 RELATED PARTY TRANSACTIONS

Developer Transaction

The Developer owns a portion of land within the District; therefore revenue in the general and debt service funds include assessments levied on those lots owned by the Developer and developer contributions. The Developer's portion of revenue for the year ended September 30, 2022 totaled \$545,419 which is 70% of total revenue. At September 30, 2022, the District owed the Developer \$21,565.

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

NOTE 6 RELATED PARTY TRANSACTIONS (CONTINUED)

Significant Landowner

Additionally, a significant landowner paid assessments totaling \$258,800, which is 33% of total revenue.

NOTE 7 MANAGEMENT COMPANY

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

NOTE 8 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance from independent third parties. The District has not filed any claims under this commercial coverage during the last three years.

COMPLIANCE SECTION

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

To the Board of Supervisors
Summerstone Community Development District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of *Summerstone Community Development District* (the "District") as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 23, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 from 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 financial statements. 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDermitt Davis

Orlando, Florida
June 23, 2023

MANAGEMENT LETTER

To the Board of Supervisors
Summerstone Community Development District

Report on the Financial Statements

We have audited the financial statements of *Summerstone Community Development District*, (the "District") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 23, 2023.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 23, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require 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 financial 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. This information has been 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 of 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.

Specific Information (Unaudited)

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

- a. The total number of District employees compensated in the last pay period of the District's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 4.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as not applicable.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$64,148.

- e. The District did not have any 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.
- f. 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 budget under Section 189.016(6), Florida Statutes, as disclosed in the general fund budget statement.

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

- a. The rate or rates of non-ad valorem special assessments imposed by the district as O&M- \$119.22 - \$389.41, and debt service- \$656.52 - \$1,563.14.
- b. The total amount of special assessments collected by or on behalf of the District as \$774,206.
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as disclosed in the notes.

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 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.

McDiarmid Davis

Orlando, Florida
June 23, 2023



934 North Magnolia Avenue, Suite 100
Orlando, Florida 32803
407-843-5406
www.mcdermittdavis.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Summerstone Community Development District

We have examined *Summerstone Community Development District's* (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2022. Management is responsible for the 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 *and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States*, and, accordingly, included examining, on a test basis, evidence about the 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 the District's compliance with specified requirements.

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

McDermitt Davis

Orlando, Florida
June 23, 2023

SUMMERSTONE

COMMUNITY DEVELOPMENT DISTRICT

8

RESOLUTION 2023-07

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT HEREBY
ACCEPTING THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR
ENDED SEPTEMBER 30, 2022**

WHEREAS, the District’s Auditor, McDirmit Davis, has heretofore prepared and submitted to the Board, for accepting, the District’s Audited Financial Report for Fiscal Year 2022;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS
OF THE SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT;**

1. The Audited Financial Report for Fiscal Year 2022, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2022, for the period ending September 30, 2022; and
2. A verified copy of said Audited Financial Report for Fiscal Year 2022 shall be attached hereto as an exhibit to this Resolution, in the District’s “Official Record of Proceedings”.

PASSED AND ADOPTED this 25th day of August, 2023.

ATTEST:

**SUMMERSTONE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT

UNAUDITED
FINANCIAL
STATEMENTS

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JULY 31, 2023**

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JULY 31, 2023**

	General Fund	Debt Service Fund Series 2020	Debt Service Fund Series 2021	Capital Projects Fund Series 2020	Capital Projects Fund Series 2021	Total Governmental Funds
ASSETS						
Cash	\$ 83,684	\$ -	\$ -	\$ -	\$ -	\$ 83,684
Investments						
Revenue	-	96,501	12,925	-	-	109,426
Reserve	-	132,006	92,975	-	-	224,981
Construction	-	-	-	149	3,206	3,355
Cost of issuance	-	-	2,017	-	-	2,017
Interest	-	-	113,642	-	-	113,642
Due from other	14,479	-	-	-	-	14,479
Total assets	<u>\$ 98,163</u>	<u>\$228,507</u>	<u>\$221,559</u>	<u>\$ 149</u>	<u>\$3,206</u>	<u>\$ 551,584</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to other	1,645	-	-	-	-	1,645
Due to Landowner	15,565	-	-	-	-	15,565
Landowner advance	6,000	-	-	-	-	6,000
Total liabilities	<u>23,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,210</u>
Fund balances:						
Restricted for:						
Debt service	-	228,507	221,559	-	-	450,066
Capital projects	-	-	-	149	3,206	3,355
Unassigned	74,953	-	-	-	-	74,953
Total fund balances	<u>74,953</u>	<u>228,507</u>	<u>221,559</u>	<u>149</u>	<u>3,206</u>	<u>528,374</u>
Total liabilities and fund balances	<u>\$ 98,163</u>	<u>\$228,507</u>	<u>\$221,559</u>	<u>\$ 149</u>	<u>\$3,206</u>	<u>\$ 551,584</u>

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED JULY 31, 2023**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Adopted Budget</u>	<u>% of Budget</u>
REVENUES				
Assessment levy: on-roll - net	\$ -	\$ 95,345	\$ 95,096	100%
Total revenues	<u>-</u>	<u>95,345</u>	<u>95,096</u>	100%
EXPENDITURES				
Professional & administrative				
Management/accounting/recording	4,000	40,000	48,000	83%
Legal	1,860	2,831	15,000	19%
Engineering	-	-	3,000	0%
Audit	4,100	4,100	4,500	91%
Arbitrage rebate calculation	-	-	1,500	0%
Dissemination agent	167	1,667	2,000	83%
Trustee	-	8,063	9,000	90%
Telephone	16	167	200	84%
Postage	-	10	500	2%
Printing & binding	42	417	500	83%
Legal advertising	-	-	1,500	0%
Annual special district fee	-	175	175	100%
Insurance	-	5,563	5,822	96%
Contingencies/bank charges	12	110	500	22%
Website hosting & maintenance	-	705	705	100%
Website ADA compliance	-	210	210	100%
Property appraiser	-	150	-	N/A
Tax collector	-	1,907	1,981	96%
Total expenditures	<u>10,197</u>	<u>66,075</u>	<u>95,093</u>	
Excess/(deficiency) of revenues over/(under) expenditures	(10,197)	29,270	3	
Fund balances - beginning	85,150	45,683	28,301	
Fund balances - ending	<u>\$ 74,953</u>	<u>\$ 74,953</u>	<u>\$ 28,304</u>	

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND, SERIES 2020
FOR THE PERIOD ENDED JULY 31, 2023**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Budget</u>	<u>% of Budget</u>
REVENUES				
Assessment levy: on-roll - net	\$ -	\$ 269,647	\$ 269,630	100%
Interest	871	7,672	-	N/A
Total revenues	<u>871</u>	<u>277,319</u>	<u>269,630</u>	103%
EXPENDITURES				
Principal	-	95,000	95,000	100%
Interest	-	170,200	170,200	100%
Total debt service	<u>-</u>	<u>265,200</u>	<u>265,200</u>	100%
Other fees & charges				
Tax collector	-	5,392	5,617	96%
Total expenditures	<u>-</u>	<u>270,592</u>	<u>270,817</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	871	6,727	(1,187)	
Fund balances - beginning	<u>227,636</u>	<u>221,780</u>	<u>219,811</u>	
Fund balances - ending	<u><u>\$ 228,507</u></u>	<u><u>\$ 228,507</u></u>	<u><u>\$ 218,624</u></u>	

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND, SERIES 2021
FOR THE PERIOD ENDED JULY 31, 2023**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll - net	\$ -	\$ 379,890	\$ 379,812	100%
Interest	845	7,888	-	N/A
Total revenues	<u>845</u>	<u>387,778</u>	<u>379,812</u>	102%
EXPENDITURES				
Principal	-	145,000	145,000	100%
Interest	-	225,513	225,513	100%
Tax collector	-	7,597	7,913	96%
Total debt service	<u>-</u>	<u>378,110</u>	<u>378,426</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	845	9,668	1,386	
OTHER FINANCING SOURCES/(USES)				
Transfer out	358	2,859	-	N/A
Total other financing sources	<u>358</u>	<u>2,859</u>	<u>-</u>	N/A
Net change in fund balances	487	6,809	1,386	
Fund balances - beginning	221,072	214,750	212,528	
Fund balances - ending	<u>\$ 221,559</u>	<u>\$ 221,559</u>	<u>\$ 213,914</u>	

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND, SERIES 2020
FOR THE PERIOD ENDED JULY 31, 2023**

	<u>Current Month</u>	<u>Year To Date</u>
REVENUES		
Interest	\$ -	\$ 3
Total revenues	<u>-</u>	<u>3</u>
 EXPENDITURES		
Total expenditures	<u>-</u>	<u>-</u>
 Excess/(deficiency) of revenues over/(under) expenditures	 - -	 3
 Fund balances - beginning	 149	 146
Fund balances - ending	<u>\$ 149</u>	<u>\$ 149</u>

**SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND, SERIES 2021
FOR THE PERIOD ENDED JULY 31, 2023**

	Current Month	Year To Date
REVENUES		
Interest	\$ 11	\$ 49
Total revenues	11	49
EXPENDITURES		
Total expenditures	-	-
Excess/(deficiency) of revenues over/(under) expenditures	11	49
OTHER FINANCING SOURCES/(USES)		
Transfer in	358	2,859
Total other financing sources/(uses)	358	2,859
Net change in fund balances	369	2,908
Fund balances - beginning	2,837	298
Fund balances - ending	\$ 3,206	\$ 3,206

SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT

MINUTES

DRAFT

**MINUTES OF MEETING
SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38

The Board of Supervisors of the Summerstone Community Development District held a Regular Meeting on April 28, 2023, immediately following the adjournment of the 10:00 a.m., Avalon Park West CDD meeting, at the Avalon Park West Amenity Center, 5060 River Glen Boulevard, Wesley Chapel, Florida 33545.

Present at the meeting were:

Christian Cotter	Chair
Mary Moulton	Vice Chair
Ty Vincent	Assistant Secretary

Also present were:

Cindy Cerbone	District Manager
Jamie Sanchez	Wrathell, Hunt and Associates, LLC
Andrew Kantarzhi	Wrathell, Hunt and Associates, LLC
Jere Earlywine (via telephone)	District Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Sanchez called the meeting to order at 10:13 a.m.

Supervisors Moulton, Cotter, and Vincent were present. Supervisors Zook and Carmack were not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Elected Supervisors, Andre Carmack [SEAT 3], Ty Vincent [SEAT 4] and Ryan Zook [SEAT 5] (the following to be provided in a separate package)

39 Ms. Sanchez a Notary of the State of Florida and duly authorized, administered the Oath
40 of Office to Mr. Vincent. Mr. Vincent is familiar with the following:

- 41 **A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- 42 **B. Membership, Obligations and Responsibilities**
- 43 **C. Financial Disclosure Forms**
 - 44 **I. Form 1: Statement of Financial Interests**
 - 45 **II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - 46 **III. Form 1F: Final Statement of Financial Interests**
- 47 **D. Form 8B: Memorandum of Voting Conflict**

48

49	FOURTH ORDER OF BUSINESS	Consideration of Resolution 2023-01, Canvassing and Certifying the Results of the Landowners’ Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes; and Providing for an Effective Date
50		
51		
52		
53		
54		
55		

56 Ms. Cerbone presented Resolution 2023-01. The results of the Landowners’ Election
57 were as follows:

58	Seat 3	Andre Carmack	324 Votes	4-year Term
59	Seat 4	Ty Vincent	323 Votes	2-year Term
60	Seat 5	Ryan Zook	324 Votes	4-year Term

61

62 **On MOTION by Mr. Cotter and seconded by Ms. Moulton, with all in favor,**
63 **2023-01, Canvassing and Certifying the Results of the Landowners’ Election of**
64 **Supervisors Held Pursuant to Section 190.006(2), Florida Statutes; and**
65 **Providing for an Effective Date, was adopted.**

66

67

68	FIFTH ORDER OF BUSINESS	Consideration of Resolution 2023-02, Designating Certain Officers of the District, and Providing for an Effective Date
69		
70		
71		

72 Ms. Cerbone presented Resolution 2023-02. Mr. Cotter nominated the following slate:

73	Chair	Christian Cotter
----	-------	------------------

74	Vice Chair	Mary Moulton
75	Assistant Secretary	Ty Vincent
76	Assistant Secretary	Andre Carmack
77	Assistant Secretary	Ryan Zook
78	Assistant Secretary	Cindy Cerbone
79	Assistant Secretary	Jamie Sanchez

80 No other nominations were made.

81 Prior appointments by the Board for Secretary, Treasurer and Assistant Treasurer
82 remain unaffected by this Resolution.

83

84 **On MOTION by Mr. Cotter and seconded by Ms. Moulton, with all in favor,**
 85 **Resolution 2023-02, Designating Certain Officers of the District, as nominated,**
 86 **and Providing for an Effective Date, was adopted.**

87

88

89	SIXTH ORDER OF BUSINESS	Ratification of Engagement with Jere
90		Earlywine at Kutak Rock LLP

91

- 92 • **Consideration of Retention and Fee Agreement**

93

94 **On MOTION by Mr. Cotter and seconded by Mr. Vincent, with all in favor,**
 95 **engagement of Jere Earlywine/Kutak Rock LLP for District Counsel Services, and**
 96 **the Kutak Rock LLP Retention and Fee Agreement, were ratified.**

97

98

99	SEVENTH ORDER OF BUSINESS	Authorization of Request for Qualifications
100		(RFQ) for Engineering Services

101

102 Ms. Cerbone presented the RFQ for Engineering Services.

103

104 **On MOTION by Mr. Vincent and seconded by Mr. Cotter, with all in favor, the**
 105 **Request for Qualifications (RFQ) for Engineering Services and authorizing Staff**
 106 **to advertise, accordingly, were approved.**

107

108

109 **EIGHTH ORDER OF BUSINESS**

Consideration of Resolution 2023-03, Approving a Proposed Budget for Fiscal Year 2023/2024 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

110
111
112
113
114
115
116
117

118 Ms. Sanchez presented Resolution 2023-03. She reviewed the proposed Fiscal Year 2024
119 budget, highlighting any increases, decreases and adjustments, compared to the Fiscal Year
120 2023 budget, and explained the reasons for any changes.

121

On MOTION by Mr. Cotter and seconded by Ms. Moulton, with all in favor, the Resolution 2023-03, Approving a Proposed Budget for Fiscal Year 2023/2024 and Setting a Public Hearing Thereon Pursuant to Florida Law August 25, 2023 at 10:00 a.m., at the Avalon Park West Amenity Center, 5060 River Glen Boulevard, Wesley Chapel, Florida 33545; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

122
123
124
125
126
127
128
129
130

131 **NINTH ORDER OF BUSINESS**

Acceptance of Unaudited Financial Statements as of March 31, 2023

132
133
134

Ms. Sanchez presented the Unaudited Financial Statements as of March 31, 2023.

135

On MOTION by Mr. Cotter and seconded by Mr. Vincent, with all in favor, the Unaudited Financial Statements as of March 31, 2023, were accepted.

136
137
138
139

140 **TENTH ORDER OF BUSINESS**

Approval of Minutes

141
142
143
144

- A. **August 26, 2022 Public Hearing and Regular Meeting**
- B. **November 01, 2022 Landowners' Meeting**

On MOTION by Mr. Cotter and seconded by Mr. Vincent, with all in favor, the August 26, 2022 Public Hearing and Regular Meeting and November 01, 2022 Landowners’ Meeting Minutes, as presented, were approved.

145
 146
 147
 148
 149
 150
 151
 152
 153
 154
 155
 156
 157
 158
 159
 160
 161
 162
 163
 164
 165
 166
 167
 168
 169
 170
 171
 172
 173
 174
 175
 176
 177
 178
 179

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: Kutak Rock LLP

Discussion ensued regarding the release provision in the bonds, approximately 100 lots that are likely sold but just need to close, reserve account and eventual Board transition.

B. District Engineer: Clearview Land Design, P.L.

There was no report.

C. District Manager: Wrathell, Hunt and Associates, LLC

- **__ Registered Voters in District as of April 15, 2023**
- **NEXT MEETING DATE: May 26, 2023 at 10:00 AM, or immediately following the adjournment of the Avalon Park West CDD meeting**
 - **QUORUM CHECK**

The next meeting will be on May 26, 2023, unless cancelled.

TWELFTH ORDER OF BUSINESS

Board Members’ Comments/Requests

There were no Board Members’ comments or requests.

THIRTEENTH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Cotter and seconded by Mr. Vincent, with all in favor, the meeting adjourned at 10:27 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

180
181
182
183
184
185

Secretary/Assistant Secretary

Chair/Vice Chair

SUMMERSTONE
COMMUNITY DEVELOPMENT DISTRICT

STAFF
REPORTS



Brian E. Corley
Supervisor of Elections
PO Box 300
Dade City FL 33526-0300

1-800-851-8754
www.pascovotes.gov

April 26, 2023

Daphne Gillyard, Director
Wrathell, Hunt and Associates, LLC
2300 Glades Rd Suite 410W
Boca Raton FL 33431

Dear Daphne Gillyard:

Pursuant to your request, the following voter registration statistics are provided for their respective community development districts as of April 15, 2023.

• Abbott Square Community Development District	85
• Avalon Park West Community Development District	193
• Heritage Pines Community Development District	2,034
• Parkview at Long Lake Ranch Community Development District	236
• PTC Community Development District	3
• Silverado Community Development District	814
• Summerstone Community Development District	347
• Towns at Woodsdale Community Development District	0
• TSR Community Development District	4,831
• Westwood of Pasco Community Development District	0
• Whispering Pines Community Development District	0
• Woodcreek Community Development District	0

As always, please call me if you have any questions or need additional information.

Sincerely,

Tiffannie A. Alligood
Chief Administrative Officer

SUMMERSTONE COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2022/2023 MEETING SCHEDULE

LOCATION

Avalon Park West Amenity Center, 5060 River Glen Boulevard, Wesley Chapel, Florida 33545

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 28, 2022 CANCELED	Regular Meeting	10:00 AM*
November 1, 2022	Landowners' Meeting	10:00 AM*
November 29, 2022 CANCELED	Regular Meeting	10:00 AM*
January 27, 2023 CANCELED	Regular Meeting	10:00 AM*
February 24, 2023 CANCELED	Regular Meeting	10:00 AM*
March 24, 2023 CANCELED	Regular Meeting	10:00 AM*
April 28, 2023	Regular Meeting	10:00 AM*
May 26, 2023 CANCELED	Regular Meeting	10:00 AM*
June 23, 2023 CANCELED	Regular Meeting	10:00 AM*
July 28, 2023 CANCELED	Regular Meeting	10:00 AM*
August 25, 2023	Public Hearing & Regular Meeting	10:00 AM*
September 22, 2023	Regular Meeting	10:00 AM*

**Meetings will convene immediately following the adjournment of the Avalon Park West CDD meeting, scheduled to commence at 10:00 AM.*

CALL-IN NUMBER: 1-888-354-0094 PARTICIPANT PASSCODE: 801 901 3513