

GRACEWATER SARASOTA

**COMMUNITY DEVELOPMENT
DISTRICT**

April 17, 2024

**BOARD OF SUPERVISORS
REGULAR MEETING
AGENDA**

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT**

**AGENDA
LETTER**

Gracewater Sarasota 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

April 10, 2024

Board of Supervisors
Gracewater Sarasota Community Development District

ATTENDEES:

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

Dear Board Members:

The Board of Supervisors of the Gracewater Sarasota Community Development District will hold a Regular Meeting on April 17, 2024 at 12:00 p.m., at the offices of Icard Merrill, 2033 Main Street, Suite 600, Sarasota, Florida 34237. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Update: Required Ethics Training and Disclosure Filing
 - Sample Form 1 2023/Instructions
4. Consideration of Resolution 2024-01, Approving a Proposed Budget for Fiscal Year 2024/2025 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date
5. Consideration of Resolution 2024-02, Designating a Date, Time and Location for Landowners' Meeting; Providing for Publication, Providing for an Effective Date
6. Consideration of Resolution 2024-03, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2024/2025 and Providing for an Effective Date
7. Presentation of Audited Annual Financial Report for the Fiscal Year Ended September 30, 2022, Prepared by Berger, Toombs, Elam, Gaines & Frank
8. Consideration of Resolution 2024-04, Hereby Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2022
9. Acceptance of Unaudited Financial Statements as of February 29, 2024
10. Approval of June 21, 2023 Public Hearings and Regular Meeting Minutes

11. Staff Reports

- A. District Counsel: *Kutak Rock LLP*
- B. District Engineer: *Morris Engineering & Consulting, LLC*
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
- NEXT MEETING DATE: May 15, 2024 at 12:00 PM

○ QUORUM CHECK

SEAT 1	ELDON JOHNSON	☐	IN PERSON	☐	PHONE	☐	NO
SEAT 2	CLIFTON FISCHER	☐	IN PERSON	☐	PHONE	☐	NO
SEAT 3	PHIL DANTE	☐	IN PERSON	☐	PHONE	☐	NO
SEAT 4	KRISTEN JOHNSON	☐	IN PERSON	☐	PHONE	☐	NO
SEAT 5	WREN DANTE	☐	IN PERSON	☐	PHONE	☐	NO

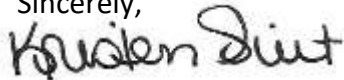
12. Board Members' Comments/Requests

13. Public Comments

14. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (410) 207-1802.

Sincerely,



Kristen Suit
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

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

PARTICIPANT PASSCODE: 943 865 3730

GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT

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MEMORANDUM

To: Board of Supervisors

From: District Counsel

Date: January 1, 2024

Subject: Ethics Training Requirements

Beginning January 1, 2024, all Board Supervisors of Florida Community Development Districts will be required to complete four (4) hours of Ethics training each year. The four (4) hours must be allocated to the following categories: two (2) hours of Ethics Law, one (1) hour of Sunshine Law, and one (1) hour of Public Records law.

This training may be completed online, and the four (4) hours do not have to be completed all at once. The Florida Commission on Ethics (“COE”) has compiled a list of resources for this training. An overview of the resources are described below, and links to the resources are included in this memo.

Each year when Supervisors complete the required financial disclosure form (Form 1 Statement of Financial Interests), Supervisors must mark a box confirming that he or she has completed the Ethics training requirements. At this time, there is no requirement to submit a certificate; however, the COE advises that Supervisors keep a record of all trainings completed (including date and time of completion), in the event Supervisors are ever asked to provide proof of completion. The training is a calendar year requirement and corresponds to the form year. So, Supervisors will not report their 2024 training until they fill out their Form 1 for the 2025 year.

Free Training Options

The Florida Commission on Ethics’ (“COE”) website has several free online resources and links to resources that Supervisors can access to complete the training requirements. Navigate to that page here: [Florida Commission on Ethics Training](https://ethics.state.fl.us/Training/Training.aspx).¹ Please note that the COE only provides free training for the two (2) hour Ethics portion of the annual training. However, the COE does provide links to free outside resources to complete the Sunshine and Public Records portion of the training. These links are included in this memorandum below for your ease of reference.

¹ <https://ethics.state.fl.us/Training/Training.aspx>

Free Ethics Law Training

The COE provides several videos for Ethics training, none of which are exactly two (2) hours in length. Please ensure you complete 120 minutes of Ethics training when choosing a combination of the below.

State Ethics Laws for Constitutional Officers & Elected Municipal Officers (100 minutes)

Click here: [Kinetic Ethics](#)

Business and Employment Conflicts and Post-Public-Service (56 minutes) Restriction

Click here: [Business and Employment Conflicts](#)

Gifts (50 minutes)

Click here: [Ethics Laws Governing Acceptance of Gifts](#)

Voting Conflicts - Local Officers (58 minutes)¹

Click here: [Voting Vertigo](#)

Free Sunshine/Public Records Law Training

The Office of the Attorney General provides a two (2) hour online training course (audio only) that meets the requirements of the Sunshine Law and Public Records Law portion of Supervisors' annual training.

Click here to access: [Public Meeting and Public Records Law](#)

Other Training Options

4- Hour Course

Some courses will provide a certificate upon completion (not required), like the one found from the Florida State University, Florida Institute of Government, linked here: [4-Hour Ethics Course](#). This course meets all the ethics training requirements for the year, including Sunshine Law and Public Records training. This course is currently \$79.00

CLE Course

The COE's website includes a link to the Florida Bar's Continuing Legal Education online tutorial which also meets all the Ethics training requirements. However, this is a CLE course designed more specifically for attorneys. The 5 hours 18 minutes' long course exceeds the 4-hour requirement and its cost is significantly higher than the 4-Hour Ethics course provided by the Florida State University. The course is currently \$325.00. To access this course, click here: [Sunshine Law, Public Records and Ethics for Public Officers and Public Employees](#).

If you have any questions, please do not hesitate to contact me.

2023 Form 1 - Statement of Financial Interests

General Information

Name: DISCLOSURE FILER

Address: SAMPLE ADDRESS

County: SAMPLE COUNTY

PID SAMPLE

AGENCY INFORMATION

Organization

SAMPLE

Suborganization

SAMPLE

Title

SAMPLE

Disclosure Period

THIS STATEMENT REFLECTS YOUR FINANCIAL INTERESTS FOR CALENDAR YEAR ENDING DECEMBER 31, 2023 .

Primary Sources of Income

PRIMARY SOURCE OF INCOME (Over \$2,500) (Major sources of income to the reporting person)
(If you have nothing to report, write "none" or "n/a")

Name of Source of Income	Source's Address	Description of the Source's Principal Business Activity

Secondary Sources of Income

SECONDARY SOURCES OF INCOME (Major customers, clients, and other sources of income to businesses owned by the reporting person) (If you have nothing to report, write "none" or "n/a")

Name of Business Entity	Name of Major Sources of Business' Income	Address of Source	Principal Business Activity of Source

Real Property

REAL PROPERTY (Land, buildings owned by the reporting person)
(If you have nothing to report, write "none" or "n/a")

Location/Description

Intangible Personal Property

INTANGIBLE PERSONAL PROPERTY (Stocks, bonds, certificates of deposit, etc. over \$10,000)
(If you have nothing to report, write "none" or "n/a")

Type of Intangible	Business Entity to Which the Property Relates

Liabilities

LIABILITIES (Major debts valued over \$10,000):
(If you have nothing to report, write "none" or "n/a")

Name of Creditor	Address of Creditor

Interests in Specified Businesses

INTERESTS IN SPECIFIED BUSINESSES (Ownership or positions in certain types of businesses)
(If you have nothing to report, write "none" or "n/a")

Business Entity # 1

Training

Based on the office or position you hold, the certification of training required under Section 112.3142, F.S., is not applicable to you for this form year.

Signature of Filer

Digitally signed:

Filed with COE:

E-FILING SAMPLE

2023 Form 1 Instructions

Statement of Financial Interests

Notice

The annual Statement of Financial Interest is due July 1, 2024. If the annual form is not submitted via the electronic filing system created and maintained by the Commission September 3, 2024, an automatic fine of \$25 for each day late will be imposed, up to a maximum penalty of \$1,500. Failure to file also can result in removal from public office or employment. [s. 112.3145, F.S.]

In addition, failure to make any required disclosure constitutes grounds for and may be punished by one or more of the following: disqualification from being on the ballot, impeachment, removal or suspension from office or employment, demotion, reduction in salary, reprimand, or a civil penalty not exceeding \$10,000. [s. 112.317, F.S.]

When To File:

Initially, each local officer/employee, state officer, and specified state employee must file **within 30 days** of the date of his or her appointment or of the beginning of employment. Appointees who must be confirmed by the Senate must file prior to confirmation, even if that is less than 30 days from the date of their appointment.

Candidates must file at the same time they file their qualifying papers.

Thereafter, file by July 1 following each calendar year in which they hold their positions.

Finally, file a final disclosure form (Form 1F) within 60 days of leaving office or employment. Filing a CE Form 1F (Final Statement of Financial Interests) does not relieve the filer of filing a CE Form 1 if the filer was in his or her position on December 31, 2023.

Who Must File Form 1

1. Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.
2. Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding those required to file full disclosure on Form 6 as well as members of solely advisory bodies, but including judicial nominating commission members; Directors of Enterprise Florida, Scripps Florida Funding Corporation, and Career Source Florida; and members of the Council on the Social Status of Black Men and Boys; the Executive Director, Governors, and senior managers of Citizens Property Insurance Corporation; Governors and senior managers of Florida Workers' Compensation Joint Underwriting Association; board members of the Northeast Fla. Regional Transportation Commission; board members of Triumph Gulf Coast, Inc; board members of Florida Is For Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.
3. The Commissioner of Education, members of the State Board of Education, the Board of Governors, the local Boards of Trustees and Presidents of state universities, and the Florida Prepaid College Board.
4. Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file Form 6.
5. Appointed members of the following boards, councils, commissions, authorities, or other bodies of county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; community college or junior college district boards of trustees; boards having the power to enforce local code provisions; boards of adjustment; community redevelopment agencies; planning or zoning boards having the power to recommend, create, or modify land planning or zoning within a political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, and except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; pension or retirement boards empowered to invest pension or retirement funds or determine entitlement to or amount of pensions or other retirement benefits, and the Pinellas County Construction Licensing Board.
6. Any appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.
7. Persons holding any of these positions in local government: county or city manager; chief administrative employee or finance director of a county, municipality, or other political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$35,000 for the local governmental unit.

8. Officers and employees of entities serving as chief administrative officer of a political subdivision.
9. Members of governing boards of charter schools operated by a city or other public entity.
10. Employees in the office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.
11. The following positions in each state department, commission, board, or council: Secretary, Assistant or Deputy Secretary, Executive Director, Assistant or Deputy Executive Director, and anyone having the power normally conferred upon such persons, regardless of title.
12. The following positions in each state department or division: Director, Assistant or Deputy Director, Bureau Chief, and any person having the power normally conferred upon such persons, regardless of title.
13. Assistant State Attorneys, Assistant Public Defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel, Public Counsel, full-time state employees serving as counsel or assistant counsel to a state agency, administrative law judges, and hearing officers.
14. The Superintendent or Director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.
15. State agency Business Managers, Finance and Accounting Directors, Personnel Officers, Grant Coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$35,000.
16. The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.
17. Each member of the governing body of a "large-hub commercial service airport," as defined in Section 112.3144(1)(c), Florida Statutes, except for members required to comply with the financial disclosure requirements of s. 8, Article II of the State Constitution.

ATTACHMENTS: A filer may include and submit attachments or other supporting documentation when filing disclosure.

PUBLIC RECORD: The disclosure form is a public record and is required by law to be posted to the Commission's website. Your Social Security number, bank account, debit, charge, and credit card numbers, mortgage or brokerage account numbers, personal identification numbers, or taxpayer identification numbers are not required and should not be included. If such information is included in the filing, it may be made available for public inspection and copying unless redaction is required by the filer, without any liability to the Commission. If you are an active or former officer or employee listed in Section 119.071, F.S., whose home address or other information is exempt from disclosure, the Commission will maintain that confidentiality *if you submit a written and notarized request.*

QUESTIONS about this form or the ethics laws may be addressed to the Commission on Ethics, Post Office Drawer 15709, Tallahassee, Florida 32317-5709; physical address: 325 John Knox Road, Building E, Suite 200, Tallahassee, FL 32303; telephone (850) 488-7864.

Instructions for Completing Form 1

Primary Sources of Income

[Required by s. 112.3145(3)(b)1, F.S.]

This section is intended to require the disclosure of your principal sources of income during the disclosure period. You do not have to disclose any public salary or public position(s). The income of your spouse need not be disclosed; however, if there is joint income to you and your spouse from property you own jointly (such as interest or dividends from a bank account or stocks), you should disclose the source of that income if it exceeded the threshold.

Please list in this part of the form the name, address, and principal business activity of each source of your income which exceeded \$2,500 of gross income received by you in your own name or by any other person for your use or benefit.

"Gross income" means the same as it does for income tax purposes, even if the income is not actually taxable, such as interest on tax-free bonds. Examples include: compensation for services, income from business, gains from property dealings, interest, rents, dividends, pensions, IRA distributions, social security, distributive share of partnership gross income, and alimony if considered gross income under federal law, but not child support.

Examples:

- If you were employed by a company that manufactures computers and received more than \$2,500, list the name of the company, its address, and its principal business activity (computer manufacturing).
- If you were a partner in a law firm and your distributive share of partnership gross income exceeded \$2,500, list the name of the firm, its address, and its principal business activity (practice of law).
- If you were the sole proprietor of a retail gift business and your gross income from the business exceeded \$2,500, list the name of the business, its address, and its principal business activity (retail gift sales).
- If you received income from investments in stocks and bonds, list each individual company from which you derived more than \$2,500. Do not aggregate all of your investment income.

- If more than \$2,500 of your gross income was gain from the sale of property (not just the selling price), list as a source of income the purchaser's name, address and principal business activity. If the purchaser's identity is unknown, such as where securities listed on an exchange are sold through a brokerage firm, the source of income should be listed as "sale of (name of company) stock," for example.
- If more than \$2,500 of your gross income was in the form of interest from one particular financial institution (aggregating interest from all CD's, accounts, etc., at that institution), list the name of the institution, its address, and its principal business activity.

Secondary Sources of Income

[Required by s. 112.3145(3)(b)2, F.S.]

This part is intended to require the disclosure of major customers, clients, and other sources of income to businesses in which you own an interest. It is not for reporting income from second jobs. That kind of income should be reported in "Primary Sources of Income," if it meets the reporting threshold. You will not have anything to report unless, during the disclosure period:

1. You owned (either directly or indirectly in the form of an equitable or beneficial interest) more than 5% of the total assets or capital stock of a business entity (a corporation, partnership, LLC, limited partnership, proprietorship, joint venture, trust, firm, etc., doing business in Florida); **and,**
2. You received more than \$5,000 of your gross income during the disclosure period from that business entity.

If your interests and gross income exceeded these thresholds, then for that business entity you must list every source of income to the business entity which exceeded 10% of the business entity's gross income (computed on the basis of the business entity's most recently completed fiscal year), the source's address, and the source's principal business activity.

Examples:

- You are the sole proprietor of a dry cleaning business, from which you received more than \$5,000. If only one customer, a uniform rental company, provided more than 10% of your dry cleaning business, you must list the name of the uniform rental company, its address, and its principal business activity (uniform rentals).
- You are a 20% partner in a partnership that owns a shopping mall and your partnership income exceeded the above thresholds. List each tenant of the mall that provided more than 10% of the partnership's gross income and the tenant's address and principal business activity.

Real Property

[Required by s. 112.3145(3)(b)3, F.S.]

In this part, list the location or description of all real property in Florida in which you owned directly or indirectly at any time during the disclosure period in excess of 5% of the property's value. You are not required to list your residences. You should list any vacation homes if you derive income from them.

Indirect ownership includes situations where you are a beneficiary of a trust that owns the property, as well as situations where you own more than 5% of a partnership or corporation that owns the property. The value of the property may be determined by the most recently assessed value for tax purposes, in the absence of a more accurate fair market value.

The location or description of the property should be sufficient to enable anyone who looks at the form to identify the property. A street address should be used, if one exists.

Intangible Personal Property

[Required by s. 112.3145(3)(b)3, F.S.]

Describe any intangible personal property that, at any time during the disclosure period, was worth more than \$10,000 and state the business entity to which the property related. Intangible personal property includes things such as cash on hand, stocks, bonds, certificates of deposit, vehicle leases, interests in businesses, beneficial interests in trusts, money owed you (including, but not limited to, loans made as a candidate to your own campaign), Deferred Retirement Option Program (DROP) accounts, the Florida Prepaid College Plan, and bank accounts in which you have an ownership interest. Intangible personal property also includes investment products held in IRAs, brokerage accounts, and the Florida College Investment Plan. Note that the product contained in a brokerage account, IRA, or the Florida College Investment Plan is your asset—not the account or plan itself. Things like automobiles and houses you own, jewelry, and paintings are not intangible property. Intangibles relating to the same business entity may be aggregated; for example, CDs and savings accounts with the same bank. Property owned as tenants by the entirety or as joint tenants with right of survivorship, including bank accounts owned in such a manner, should be valued at 100%. The value of a leased vehicle is the vehicle's present value minus the lease residual (a number found on the lease document).

Liabilities

[Required by s. 112.3145(3)(b)4, F.S.]

List the name and address of each creditor to whom you owed more than \$10,000 at any time during the disclosure period. The amount of the liability of a vehicle lease is the sum of any past-due payments and all unpaid prospective lease payments. You are not required to list the amount of any debt. You do not have to disclose credit card and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. A "contingent liability" is one that will become an actual liability only when one or more future events occur or fail to occur, such as where you are liable only as a guarantor, surety, or endorser on a promissory note. If you are a "co-maker" and are jointly liable or jointly and severally liable, then it is not a contingent liability.

Interests in Specified Businesses

[Required by s. 112.3145(7), F.S.]

The types of businesses covered in this disclosure include: state and federally chartered banks; state and federal savings and loan associations; cemetery companies; insurance companies; mortgage companies; credit unions; small loan companies; alcoholic beverage licensees; pari-mutuel wagering companies, utility companies, entities controlled by the Public Service Commission; and entities granted a franchise to operate by either a city or a county government.

Disclose in this part the fact that you owned during the disclosure period an interest in, or held any of certain positions with the types of businesses listed above. You must make this disclosure if you own or owned (either directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of one of the types of business entities listed above. You also must complete this part of the form for each of these types of businesses for which you are, or were at any time during the disclosure period, an officer, director, partner, proprietor, or agent (other than a resident agent solely for service of process).

If you have or held such a position or ownership interest in one of these types of businesses, list the name of the business, its address and principal business activity, and the position held with the business (if any). If you own(ed) more than a 5% interest in the business, indicate that fact and describe the nature of your interest.

Training Certification

[Required by s. 112.3142, F.S.]

If you are a Constitutional or elected municipal officer appointed school superintendent, a commissioner of a community redevelopment agency created under Part III, Chapter 163, or an elected local officers of independent special districts, including any person appointed to fill a vacancy on an elected special district board, whose service began on or before March 31 of the year for which you are filing, you are required to complete four hours of ethics training which addresses Article II, Section 8 of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and open meetings laws of the state. You are required to certify on this form that you have taken such training.

GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT

4

RESOLUTION 2024-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2024/2025 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors ("**Board**") of the Gracewater Sarasota Community Development District ("**District**") prior to June 15, 2024, a proposed budget ("**Proposed Budget**") for the fiscal year beginning October 1, 2024 and ending September 30, 2025 ("**Fiscal Year 2024/2025**"); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2024/2025 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for the following date, hour and location:

DATE: _____

HOUR: 12:00 p.m.

LOCATION: offices of Icard Merrill
2033 Main Street, Suite 600
Sarasota, Florida, 34237

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the Proposed Budget to Sarasota County at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District's Secretary is further directed to post the approved Proposed Budget on the District's website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **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.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 17TH DAY OF APRIL, 2024.

ATTEST:

**GRACEWATER SARASOTA COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Fiscal Year 2024/2025 Proposed Budget

Exhibit A: Fiscal Year 2024/2025 Proposed Budget

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2025**

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
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**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2025**

	Fiscal Year 2024				Proposed
	Adopted Budget FY 2024	Actual through 2/29/2024	Projected Through 9/30/2024	Total Actual & Projected	Budget FY 2025
REVENUES					
Assessment levy: on-roll - gross					\$ 50,926
Allowable discounts (4%)					(2,037)
Assessment levy: on-roll - net	\$ -	\$ -	\$ -	\$ -	48,889
Assessment levy: off-roll	105,365	52,683	52,682	105,365	59,754
Total revenues	105,365	52,683	52,682	105,365	108,643
EXPENDITURES					
Professional & administrative					
Supervisors	5,375	-	5,375	5,375	5,375
Management/accounting/recording	48,000	20,000	28,000	48,000	48,000
Legal	20,000	192	15,000	15,192	20,000
Engineering	1,200	-	1,200	1,200	1,200
Audit	4,500	-	4,500	4,500	4,500
Arbitrage rebate calculation	500	-	500	500	500
Dissemination agent	1,000	417	583	1,000	1,000
Trustee	5,000	4,031	969	5,000	5,000
Telephone	200	83	117	200	200
Postage	500	21	479	500	500
Printing & binding	500	208	292	500	500
Legal advertising	1,500	-	1,500	1,500	1,500
Annual special district fee	175	175	-	175	175
Insurance/property insurance	15,500	16,750	-	16,750	17,250
Contingencies/bank charges	500	112	388	500	500
Website hosting & maintenance	705	-	705	705	705
Website ADA compliance	210	-	210	210	210
Property appraiser	-	-	-	-	764
Tax collector	-	-	-	-	764
Total expenditures	105,365	41,989	59,818	101,807	108,643
Excess/(deficiency) of revenues over/(under) expenditures	-	10,694	(7,136)	3,558	-
Fund balance - beginning (unaudited)	-	(347)	10,347	(347)	3,211
Fund balance - ending (projected)	-	10,347	3,211	3,211	3,211
Unassigned	-	10,347	3,211	3,211	3,211
Fund balance - ending	\$ -	\$ 10,347	\$ 3,211	\$ 3,211	\$ 3,211

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional & administrative

Supervisors	\$ 5,375
Statutorily set at \$200 for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year.	
Management/accounting/recording	48,000
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.	
Legal	20,000
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.	
Engineering	1,200
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.	
Audit	4,500
Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.	
Arbitrage rebate calculation	500
To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate the arbitrage rebate liability.	
Dissemination agent	1,000
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.	
Trustee	5,000
Annual fee for the service provided by trustee, paying agent and registrar.	
Telephone	200
Telephone and fax machine.	
Postage	500
Mailing of agenda packages, overnight deliveries, correspondence, etc.	
Printing & binding	500
Letterhead, envelopes, copies, agenda packages	
Legal advertising	1,500
The District advertises for monthly meetings, special meetings, public hearings, public bids, etc.	

EXPENDITURES (continued)

Annual special district fee	175
Annual fee paid to the Florida Department of Economic Opportunity.	
Insurance/property insurance	17,250
The District will obtain public officials, general liability and property insurance.	
Contingencies/bank charges	500
Bank charges and other miscellaneous expenses incurred during the year and automated AP routing etc.	
Website hosting & maintenance	705
Website ADA compliance	210
Property appraiser	764
Tax collector	764
Total expenditures	<u><u>\$ 108,643</u></u>

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET - SERIES 2021
FISCAL YEAR 2025**

	Fiscal Year 2024				Proposed
	Adopted Budget FY 2024	Actual through 2/29/2024	Projected Through 9/30/2024	Total Actual & Projected	Budget FY 2025
REVENUES					
Assessment levy: on-roll					\$ 443,487
Allowable discounts (4%)					(17,739)
Net assessment levy - on-roll	\$ -	\$ -	\$ -	\$ -	425,748
Assessment levy: off-roll	933,301	-	933,301	933,301	523,074
Interest	-	20,785	-	20,785	-
Total revenues	<u>933,301</u>	<u>20,785</u>	<u>933,301</u>	<u>954,086</u>	<u>948,822</u>
EXPENDITURES					
Debt service					
Principal	350,000	-	350,000	350,000	355,000
Interest	586,448	293,223	293,225	586,448	578,048
Property appraiser	-	-	-	-	6,652
Tax collector	-	-	-	-	6,652
Total expenditures	<u>936,448</u>	<u>293,223</u>	<u>643,225</u>	<u>936,448</u>	<u>946,352</u>
Excess/(deficiency) of revenues over/(under) expenditures	(3,147)	(272,438)	290,076	17,638	2,470
Fund balance:					
Beginning fund balance (unaudited)	<u>1,233,249</u>	<u>1,274,940</u>	<u>1,002,502</u>	<u>1,274,940</u>	<u>1,292,578</u>
Ending fund balance (projected)	<u>\$1,230,102</u>	<u>\$ 1,002,502</u>	<u>\$ 1,292,578</u>	<u>\$ 1,292,578</u>	<u>1,295,048</u>
Use of fund balance:					
Debt service reserve account balance (required)					(933,300)
Interest expense - November 1, 2025					(284,764)
Projected fund balance surplus/(deficit) as of September 30, 2025					<u>\$ 76,984</u>

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
SERIES 2021 AMORTIZATION SCHEDULE**

	Principal	Coupon Rate	Interest	Debt Service	Bond Balance
11/01/24			289,023.75	289,023.75	16,090,000.00
05/01/25	355,000.00	2.400%	289,023.75	644,023.75	15,735,000.00
11/01/25			284,763.75	284,763.75	15,735,000.00
05/01/26	365,000.00	2.400%	284,763.75	649,763.75	15,370,000.00
11/01/26			280,383.75	280,383.75	15,370,000.00
05/01/27	375,000.00	2.950%	280,383.75	655,383.75	14,995,000.00
11/01/27			274,852.50	274,852.50	14,995,000.00
05/01/28	385,000.00	2.950%	274,852.50	659,852.50	14,610,000.00
11/01/28			269,173.75	269,173.75	14,610,000.00
05/01/29	400,000.00	2.950%	269,173.75	669,173.75	14,210,000.00
11/01/29			263,273.75	263,273.75	14,210,000.00
05/01/30	410,000.00	2.950%	263,273.75	673,273.75	13,800,000.00
11/01/30			257,226.25	257,226.25	13,800,000.00
05/01/31	425,000.00	2.950%	257,226.25	682,226.25	13,375,000.00
11/01/31			250,957.50	250,957.50	13,375,000.00
05/01/32	435,000.00	3.350%	250,957.50	685,957.50	12,940,000.00
11/01/32			243,671.25	243,671.25	12,940,000.00
05/01/33	450,000.00	3.350%	243,671.25	693,671.25	12,490,000.00
11/01/33			236,133.75	236,133.75	12,490,000.00
05/01/34	465,000.00	3.350%	236,133.75	701,133.75	12,025,000.00
11/01/34			228,345.00	228,345.00	12,025,000.00
05/01/35	480,000.00	3.350%	228,345.00	708,345.00	11,545,000.00
11/01/35			220,305.00	220,305.00	11,545,000.00
05/01/36	500,000.00	3.350%	220,305.00	720,305.00	11,045,000.00
11/01/36			211,930.00	211,930.00	11,045,000.00
05/01/37	515,000.00	3.350%	211,930.00	726,930.00	10,530,000.00
11/01/37			203,303.75	203,303.75	10,530,000.00
05/01/38	535,000.00	3.350%	203,303.75	738,303.75	9,995,000.00
11/01/38			194,342.50	194,342.50	9,995,000.00
05/01/39	550,000.00	3.350%	194,342.50	744,342.50	9,445,000.00
11/01/39			185,130.00	185,130.00	9,445,000.00
05/01/40	570,000.00	3.350%	185,130.00	755,130.00	8,875,000.00
11/01/40			175,582.50	175,582.50	8,875,000.00
05/01/41	590,000.00	3.350%	175,582.50	765,582.50	8,285,000.00
11/01/41			165,700.00	165,700.00	8,285,000.00
05/01/42	610,000.00	4.000%	165,700.00	775,700.00	7,675,000.00
11/01/42			153,500.00	153,500.00	7,675,000.00
05/01/43	635,000.00	4.000%	153,500.00	788,500.00	7,040,000.00
11/01/43			140,800.00	140,800.00	7,040,000.00
05/01/44	665,000.00	4.000%	140,800.00	805,800.00	6,375,000.00
11/01/44			127,500.00	127,500.00	6,375,000.00
05/01/45	690,000.00	4.000%	127,500.00	817,500.00	5,685,000.00
11/01/45			113,700.00	113,700.00	5,685,000.00
05/01/46	720,000.00	4.000%	113,700.00	833,700.00	4,965,000.00

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
SERIES 2021 AMORTIZATION SCHEDULE**

	Principal	Coupon Rate	Interest	Debt Service	Bond Balance
11/01/46			99,300.00	99,300.00	4,965,000.00
05/01/47	745,000.00	4.000%	99,300.00	844,300.00	4,220,000.00
11/01/47			84,400.00	84,400.00	4,220,000.00
05/01/48	780,000.00	4.000%	84,400.00	864,400.00	3,440,000.00
11/01/48			68,800.00	68,800.00	3,440,000.00
05/01/49	810,000.00	4.000%	68,800.00	878,800.00	2,630,000.00
11/01/49			52,600.00	52,600.00	2,630,000.00
05/01/50	840,000.00	4.000%	52,600.00	892,600.00	1,790,000.00
11/01/50			35,800.00	35,800.00	1,790,000.00
05/01/51	875,000.00	4.000%	35,800.00	910,800.00	915,000.00
11/01/51			18,300.00	18,300.00	915,000.00
05/01/52	915,000.00	4.000%	18,300.00	933,300.00	-
05/01/52				-	-
Total	16,090,000.00		10,257,597.50	26,347,597.50	

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
ASSESSMENT COMPARISON
PROJECTED FISCAL YEAR 2025 ASSESSMENTS**

On-Roll					
Product/Parcel	Units	FY 2025 O&M Assessment per Unit	FY 2025 DS Assessment per Unit	FY 2025 Total Assessment per Unit	FY 2024 Total Assessment per Unit
SFD 50'	92	\$ 237.97	\$ 2,499.93	\$ 2,737.90	\$ 2,530.14
SFA Villa 35'	122	237.97	1,749.95	1,987.92	1,836.41
Total	214				

Off-Roll					
Product/Parcel	Units	FY 2025 O&M Assessment per Unit	FY 2025 DS Assessment per Unit	FY 2025 Total Assessment per Unit	FY 2024 Total Assessment per Unit
SFD 50'	124	\$ 221.31	\$ 2,312.44	\$ 2,533.75	\$ 2,530.14
SFA Villa 35'	146	221.31	1,618.71	1,840.02	1,836.41
Total	270				

GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT

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RESOLUTION 2024-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT DESIGNATING A DATE, TIME AND LOCATION FOR LANDOWNERS' MEETING; PROVIDING FOR PUBLICATION, PROVIDING FOR AN EFFECTIVE DATE

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

WHEREAS, the District's Board of Supervisors (the "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 provisions of Chapter 286, *Florida Statutes*; and

WHEREAS, the effective date of Sarasota County Ordinance No. 2020-048 creating the District (the "Ordinance") April 6, 2021; and

WHEREAS, the District is statutorily required to hold a meeting of the landowners of the District for the purpose of electing Board of Supervisors for the District on the first Tuesday in November, which shall be noticed pursuant to Section 190.006(2)(a), *Florida Statutes*.

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

SECTION 1. In accordance with section 190.006(2), *Florida Statutes*, the meeting of the landowners to elect three (3) supervisors of the District, shall be held on the 5th day of November, 2024 at ____:____ .m., at the offices of Icard Merrill, 2033 Main Street, Suite 600, Sarasota, Florida 34237.

SECTION 2. The District's Secretary is hereby directed to publish notice of this landowners meeting in accordance with the requirements of Section 190.006(2)(a), *Florida Statutes*.

SECTION 3. Pursuant to Section 190.006(2)(b), *Florida Statutes*, the landowners' meeting and election is hereby announced by the Board at its April 17, 2024 meeting. A sample notice of landowners' meeting and election, proxy, ballot form and instructions were presented at such meeting and are attached hereto as **Exhibit A**. Such documents are available for review and copying during normal business hours at the at the office of the District Manager, Wrathell, Hunt & Associates, LLC, located at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

SECTION 4. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 17TH DAY OF APRIL, 2024.

ATTEST:

**GRACEWATER SARASOTA COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING OF
GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT
FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: **November 5, 2024**

TIME: __:___.m.

LOCATION: **Offices of Icard Merrill
2033 Main Street, Suite 600
Sarasota, Florida 34237**

Pursuant to Chapter 190, Florida Statutes, and after a Community Development District ("**District**") has been established and the landowners have held their initial election, there shall be a subsequent landowners' meeting for the purpose of electing members of the Board of Supervisors ("**Board**") every two years until the District qualifies to have its board members elected by the qualified electors of the District. The following instructions on how all landowners may participate in the election are intended to comply with Section 190.006(2)(b), Florida Statutes.

A landowner may vote in person at the landowners' meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the District, for each position on the Board that is open for election for the upcoming term. A fraction of an acre shall be treated as one (1) acre, entitling the landowner to one vote with respect thereto. Please note that a particular parcel of real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.

At the landowners' meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make and second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board that is open for election for the upcoming term.

Three (3) seats on the Board will be up for election by landowners. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

LANDOWNER PROXY

GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT SARASOTA COUNTY, FLORIDA LANDOWNERS' MEETING – NOVEMBER 5, 2024

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ (“Proxy Holder”) for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Gracewater Sarasota Community Development District to be held at ____:____.m. on November 5, 2024, at the offices of Icard Merrill, 2033 Main Street, Suite 600, Sarasota, Florida 34237, and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing that may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

Any proxy heretofore given by the undersigned for said meeting is hereby revoked. This proxy is to continue in full force and effect from the date hereof until the conclusion of the landowners’ meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice of such revocation presented at the landowners’ meeting prior to the proxy holder’s exercising the voting rights conferred herein.

Printed Name of Legal Owner

Signature of Legal Owner

Date

Parcel Description

Acreage

Authorized Votes

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel. If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

Total Number of Authorized Votes: _____

NOTES: Pursuant to Section 190.006(2)(b), Florida Statutes, a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto. Moreover, two (2) or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property.

If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached hereto (e.g., bylaws, corporate resolution, etc.).

OFFICIAL BALLOT

**GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
LANDOWNERS' MEETING – NOVEMBER 5, 2024**

For Election (3 Supervisors): The two (2) candidates receiving the highest number of votes will each receive a four (4)-year term, and the one (1) candidate receiving the next highest number of votes will receive a two (2)-year term, with the term of office for the successful candidates commencing upon election.

The undersigned certifies that he/she/it is the fee simple owner of land, or the proxy holder for the fee simple owner of land, located within the Gracewater Sarasota Community Development District and described as follows:

Description

Acreage

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel.] [If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

or

Attach Proxy.

I, _____, as Landowner, or as the proxy holder of _____ (Landowner) pursuant to the Landowner's Proxy attached hereto, do cast my votes as follows:

SEAT	NAME OF CANDIDATE	NUMBER OF VOTES
2		
4		
5		

Date: _____

Signed: _____

Printed Name: _____

GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT

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RESOLUTION 2024-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIMES AND LOCATIONS FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT FOR FISCAL YEAR 2024/2025 AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Gracewater Sarasota Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, and situated within Sarasota 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 GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. ADOPTING REGULAR MEETING SCHEDULE. Regular meetings of the District’s Board shall be held during Fiscal Year 2024/2025 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 the Florida Department of Economic Opportunity, and Sarasota County, Florida.

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

PASSED AND ADOPTED this 17th day of April, 2024.

ATTEST:

**GRACEWATER SARASOTA COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A

GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT		
BOARD OF SUPERVISORS FISCAL YEAR 2024/2025 MEETING SCHEDULE		
LOCATION		
<i>offices of Icard Merrill, 2033 Main Street, Suite 600, Sarasota, Florida 34237</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 16, 2024	Regular Meeting	12:00 PM
November 5, 2024	Landowners' Meeting	__:__ AM/PM
November 20, 2024	Regular Meeting	12:00 PM
December 18, 2024	Regular Meeting	12:00 PM
January 15, 2025	Regular Meeting	12:00 PM
February 19, 2025	Regular Meeting	12:00 PM
March 19, 2025	Regular Meeting	12:00 PM
April 16, 2025	Regular Meeting	12:00 PM
May 21, 2025	Regular Meeting	12:00 PM
June 18, 2025	Regular Meeting	12:00 PM
July 16, 2025	Regular Meeting	12:00 PM
August 20, 2025	Regular Meeting	12:00 PM
September 17, 2025	Regular Meeting	12:00 PM

GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT

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**Gracewater Sarasota
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2022

Gracewater Sarasota Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2022

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Gracewater Sarasota Community Development District
Sarasota, Florida

Report on Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Gracewater Sarasota Community Development District as of September 30, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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



To the Board of Supervisors
Gracewater Sarasota Community Development District

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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



To the Board of Supervisors
Gracewater Sarasota Community Development District

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 16, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Gracewater Sarasota Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines & Frank*

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

June 16, 2023

Gracewater Sarasota Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

Gracewater Sarasota Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2022.

- ◆ The District's liabilities exceeded assets by \$(1,040,992) (net position). Net investment in capital assets was \$(801,871) and unrestricted net position was \$(239,121).
- ◆ Governmental activities revenues totaled \$99,917, while governmental activities expenses totaled \$1,140,933.

Gracewater Sarasota Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2022	2021
Current assets	\$ 27,521	\$ 31,915
Restricted assets	6,439,568	-
Capital assets	11,160,884	119,788
Total Assets	<u>17,627,973</u>	<u>151,703</u>
Current liabilities	1,931,868	151,679
Non-current liabilities	16,737,097	-
Total Liabilities	<u>18,668,965</u>	<u>151,679</u>
Net Position		
Net investment in capital assets	(801,871)	119,788
Unrestricted	<u>(239,121)</u>	<u>(119,764)</u>
Total Net Position	<u>\$ (1,040,992)</u>	<u>\$ 24</u>

The increase in restricted assets, capital assets and non-current liabilities are related to issuance of long-term debt in the current year,

The increase in current liabilities is related to the increases in contracts and retainage payable related to the capital project in the current year.

**Gracewater Sarasota Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change In Net Position

	Governmental Activities	
	2022	2021
Program Revenues		
Operating contributions	\$ 76,852	\$ 43,344
Investment income	23,065	-
Total Revenues	<u>99,917</u>	<u>43,344</u>
Expenses		
General government	71,233	43,320
Interest and other charges	<u>1,069,700</u>	<u>-</u>
	<u>1,140,933</u>	<u>43,320</u>
Change in Net Position	(1,041,016)	24
Net Position - Beginning of Period	<u>24</u>	<u>-</u>
Net Position - End of Period	<u>\$ (1,040,992)</u>	<u>\$ 24</u>

The increase in operating contributions is related to the increase in activity in the current year.

The increase in general government is related to the increase in management and professional service fees in the current year.

The increase in interest and other charges is related to the issuance of long-term debt in the current year.

**Gracewater Sarasota Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2022 and 2021.

	Governmental Activities	
	2022	2021
Construction in progress	<u>\$ 11,160,884</u>	<u>\$ 119,788</u>

Current year activity consisted of additions to construction in progress of \$11,041,096.

General Fund Budgetary Highlights

Actual expenditures were less than the final budget because trustee fees and legal expenditures were less than anticipated.

There were no amendments to the September 30, 2022 budget.

Economic Factors and Next Year's Budget

The District does not expect any economic factors to have a significant effect on the financial position or results of operations of the District in fiscal year 2023.

Request for Information

The financial report is designed to provide a general overview of Gracewater Sarasota Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Gracewater Sarasota Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

Gracewater Sarasota Community Development District
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities
Assets	
Current Assets	
Cash	\$ 5,337
Due from developer	16,809
Prepaid expenses	5,375
Total Current Assets	<u>27,521</u>
Non-Current Assets	
Restricted Assets	
Investments, at fair value	6,439,568
Capital assets, not being depreciated	
Construction in progress	11,160,884
Total Non- Current Assets	<u>17,600,452</u>
Total Assets	<u>17,627,973</u>
Liabilities	
Current Liabilities	
Accounts payable and accrued expenses	15,878
Contracts/retainage payable	1,322,237
Due to developer	6,000
Accrued interest	247,753
Bonds payable	340,000
Total Current Liabilities	<u>1,931,868</u>
Non-Current Liabilities	
Bonds payable, net	16,737,097
Total Liabilities	<u>18,668,965</u>
Net Position	
Net investment in capital assets	(801,871)
Unrestricted net position	(239,121)
Total Net Position	<u>\$ (1,040,992)</u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (71,233)	\$ 76,852	\$ 5,619
Interest and other charges	(1,069,700)	-	(1,069,700)
	<u>\$ (1,140,933)</u>	<u>\$ 76,852</u>	<u>(1,064,081)</u>
	General Revenues		
	Investment income		<u>23,065</u>
	Changes in Net Position		(1,041,016)
	Net Position - October 1, 2021		<u>24</u>
	Net Position - September 30, 2022		<u><u>\$ (1,040,992)</u></u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 5,337	\$ -	\$ -	\$ 5,337
Due from developer	16,809	-	-	16,809
Prepaid expenses	5,375	-	-	5,375
Restricted assets				
Investments, at fair value	-	1,234,556	5,205,012	6,439,568
Total Assets	<u>\$ 27,521</u>	<u>\$ 1,234,556</u>	<u>\$ 5,205,012</u>	<u>\$ 6,467,089</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable and accrued expenses	\$ 15,878	\$ -	\$ -	\$ 15,878
Contracts/retainage payable	-	-	1,322,237	1,322,237
Due to developer	6,000	-	-	6,000
Total Liabilities	<u>21,878</u>	<u>-</u>	<u>1,322,237</u>	<u>1,344,115</u>
Deferred Inflows of Resources				
Unavailable revenues	<u>11,434</u>	<u>-</u>	<u>-</u>	<u>11,434</u>
Fund Balances				
Nonspendable - prepaids	5,375	-	-	5,375
Restricted:				
Debt service	-	1,234,556	-	1,234,556
Capital projects	-	-	3,882,775	3,882,775
Unassigned	(11,166)	-	-	(11,166)
Total Fund Balance	<u>(5,791)</u>	<u>1,234,556</u>	<u>3,882,775</u>	<u>5,111,540</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,521</u>	<u>\$ 1,234,556</u>	<u>\$ 5,205,012</u>	<u>\$ 6,467,089</u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022

Total Governmental Fund Balances	\$ 5,111,540
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	11,160,884
Long-term liabilities, including bonds payable, \$(16,780,000), net of bond premium, \$(297,097), are not due and payable the current period and therefore, are not reported at the fund level.	(17,077,097)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.	(247,753)
Deferred revenues that are not available are not recognized at the fund level, however, revenue is recognized when earned at the government-wide level.	<u>11,434</u>
Net Position of Governmental Activities	<u><u>\$ (1,040,992)</u></u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Developer contributions	\$ 90,391	\$ -	\$ -	\$ 90,391
Investment income	-	3,959	19,106	23,065
Total Revenues	<u>90,391</u>	<u>3,959</u>	<u>19,106</u>	<u>113,456</u>
Expenditures				
Current				
General government	71,233	-	-	71,233
Capital outlay	-	-	11,041,096	11,041,096
Debt service				
Interest	-	307,214	-	307,214
Other debt service costs	-	516,393	-	516,393
Total Expenditures	<u>71,233</u>	<u>823,607</u>	<u>11,041,096</u>	<u>11,935,936</u>
Excess of revenues over/(under) expenditures	19,158	(819,648)	(11,021,990)	(11,822,480)
Other Financing Sources/(Uses)				
Issuance of long-term debt	-	1,771,203	15,008,797	16,780,000
Bond premium	-	298,757	-	298,757
Transfers in	-	-	15,756	15,756
Transfers out	-	(15,756)	-	(15,756)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>2,054,204</u>	<u>15,024,553</u>	<u>17,078,757</u>
Net Change in Fund Balances	19,158	1,234,556	4,002,563	5,256,277
Fund Balances - October 1, 2021	<u>(24,949)</u>	<u>-</u>	<u>(119,788)</u>	<u>(144,737)</u>
Fund Balances - September 30, 2022	<u>\$ (5,791)</u>	<u>\$ 1,234,556</u>	<u>\$ 3,882,775</u>	<u>\$ 5,111,540</u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 5,256,277
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays. However, in the Statement of Activities the costs of those assets is allocated over their estimated useful lives as depreciation. This is the amount of capital outlay in the current year.	11,041,096
The issuance of long-term debt and the associated bond premium are recognized as as an other financing source at the fund level, however, they increase liabilities at the government-wide level.	(17,078,757)
Amortization of bond premium does not require the use of current financial resources and therefore, is not reported in the governmental funds. This is the amount of amortization in the current period.	1,660
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in the governmental funds, interest expenditures are reported when due. This is the change in accrued interest in the current period.	(247,753)
Deferred revenues, that are not available to meet current uses, are not reflected as revenues at the fund level, however, revenues are recognized when earned at the government-wide level. This is the current year change in unavailable revenues.	<u>(13,539)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (1,041,016)</u></u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Developer contributions	<u>\$ 89,990</u>	<u>\$ 89,990</u>	<u>\$ 90,391</u>	<u>\$ 401</u>
Expenditures				
Current				
General government	<u>89,990</u>	<u>89,990</u>	<u>71,233</u>	<u>18,757</u>
Net Change in Fund Balances	-	-	19,158	19,158
Fund Balances - October 1, 2021	<u>-</u>	<u>-</u>	<u>(24,949)</u>	<u>(24,949)</u>
Fund Balances - September 30, 2022	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (5,791)</u></u>	<u><u>\$ (5,791)</u></u>

See accompanying notes to financial statements.

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on April 6, 2021, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance 2020-048 of the County of Sarasota, as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Gracewater Sarasota Community Development District. The District is governed by a five member Board of Supervisors. All the Supervisors are employed by the Developer. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

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

2. Measurement Focus and Basis of Accounting

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

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

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

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

Governmental activities are supported by developer contributions. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program

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

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

b. Fund Financial Statements

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

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

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District classifies fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

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

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

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund accounts for the debt service requirements of the long-term debt issued to finance the construction of District infrastructure improvements.

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

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

b. Non-current Governmental Assets/Liabilities

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

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

a. Cash and Investments

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

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

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

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments (Continued)

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

b. Budgets

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

c. Deferred Inflows of Resources

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

d. Capital Assets

Capital assets, which includes construction in progress, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The valuation basis for all assets is historical cost.

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

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

e. Unamortized Bond Premium

Bond premiums are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the straight-line method. For financial reporting, the unamortized bond premium is netted with the applicable long-term debt.

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments. The District did not have investment balances.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2022, the District's bank balance was \$6,076 and the carrying value was \$5,337. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2022, the District has the following investment and maturity:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
First American Government Obligation	18 days *	<u>\$ 6,439,568</u>

* Maturity is a weighted average maturity.

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

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

Based on the criteria in the preceding paragraph, the investment listed above is a Level 1 asset.

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

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

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2022, the District's investments in First American Government Obligation Fund were rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in First American Government Obligation Fund represent 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2022 were typical of these items during the period then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE C – CAPITAL ASSETS

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

	Balance October 1, 2021	Additions	Deletions	Balance September 30, 2022
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ 119,788	\$ 11,041,096	\$ -	\$ 11,160,884

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – LONG-TERM DEBT

The following is a summary of long-term debt activity of the District for the year ended September 30, 2022:

Long-term debt at October 1, 2021	\$ -
Issuance of long-term debt	16,780,000
Long-term debt at September 30, 2022	<u>\$ 16,780,000</u>
Bond premium, net	297,097
Bonds Payable, Net at September 30, 2022	<u><u>\$ 17,077,097</u></u>

Long-term debt is comprised of the following:

Capital Improvement Revenue Bonds

\$16,780,000 Capital Improvement Revenue Bonds, Series 2021 due in annual principal installments, beginning May 1, 2023. Interest is due semi-annually on May 1 and November 1, beginning November 1, 2022, at rates ranging from 2.40% to 4.00% with a maturity date of May 1, 2052. Current portion \$340,000.

\$ 16,780,000

Bonds payable	16,780,000
Bonds premium, net	297,097
Bonds payable, net	<u><u>\$ 17,077,097</u></u>

The annual requirements to amortize the principal and interest of the bonded debt outstanding as of September 30, 2022 are as follows:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 340,000	\$ 594,608	\$ 934,608
2024	350,000	586,448	936,448
2025	355,000	578,048	933,048
2026	365,000	569,528	934,528
2027	375,000	560,768	935,768
2028-2032	2,055,000	2,630,969	4,685,969
2033-2037	2,410,000	2,280,771	4,690,771
2038-2042	2,855,000	1,848,118	4,703,118
2043-2047	3,455,000	1,269,600	4,724,600
2048-2052	4,220,000	519,800	4,739,800
Totals	<u><u>\$ 16,780,000</u></u>	<u><u>\$ 11,438,658</u></u>	<u><u>\$ 28,218,658</u></u>

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – LONG-TERM DEBT (CONTINUED)

Significant Bond Provisions

The Series 2021 Bonds are subject to optional redemption prior to maturity at the option of the District, in whole or in part, on any day on or after May 1, 2031 at the redemption price of 100% of principal amount of the respective Bonds redeemed together with accrued interest at the redemption date. The Series 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the respective Bond Registrar if certain events occurred as outlined in the respective Trust Indenture.

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

Depository Funds

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

1. Series 2021 Reserve Fund – The 2021 Reserve Account was funded from the proceeds of the Series 2021 Bonds in amounts equal to the maximum annual debt service requirement for all outstanding Series 2021 Bonds until certain conditions for reduction of reserve account requirement as stated in the Trust Indenture are met, at which time and thereafter the Series 2021 Reserve Account Requirement shall be amounts equal to fifty percent of the maximum annual debt service requirement for all outstanding Series 2021 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2021 Capital Improvement Revenue Bonds	\$ 933,300	\$ 933,300

Gracewater Sarasota Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE E – RELATED PARTY TRANSACTIONS

All five members of the Board of Supervisors are affiliated with the Developer or a related entity. The District received \$76,852 in contributions from the Developer for the year ended September 30, 2022. Additionally, the District has \$16,809 due from the developer and a developer advance of \$6,000.

Additionally, four of the members of the Board are members of two separate immediate families.

NOTE F – ECONOMIC DEPENDENCY

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

NOTE G – 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 for which the government carries commercial insurance. The District has not filed any claims under this commercial coverage.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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

To the Board of Supervisors
Gracewater Sarasota Community Development District
Sarasota, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of Gracewater Sarasota Community Development District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated June 16, 2023.

Report on Internal Control Over Financial Reporting

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

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

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



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

To the Board of Supervisors
Gracewater Sarasota Community Development District

Report on Compliance and Other Matters

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

Purpose of this Report

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

*Berger Toombs Elam
Gaines & Frank*

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

June 16, 2023



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Gracewater Sarasota Community Development District
Sarasota, Florida

Report on the Financial Statements

We have audited the financial statements of the Gracewater Sarasota Community Development District as of and for the year ended September 30, 2022, and have issued our report thereon dated June 16, 2023.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 16, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 Gracewater Sarasota Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that Gracewater Sarasota Community Development District did not meet any of the conditions described in Section 218.503(1) Florida Statutes.



To the Board of Supervisors
Gracewater Sarasota Community Development District

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 Gracewater Sarasota Community Development District. It is management's responsibility to monitor the Gracewater Sarasota Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2022.

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

Specific Information

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

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

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 5
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 11
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$2,000
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$84,107
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2021, together with the total expenditures for such project: The District spent \$11,041,096 for the 2021 project in the current year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

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

- 1) The rate or rates of non-ad valorem special assessments imposed by the District: No special assessments, developer funded.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was N/A.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds: Series 2021 \$16,780,000 matures in May 2052.



To the Board of Supervisors
Gracewater Sarasota Community Development District

Additional Matters

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

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

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

June 16, 2023



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

To the Board of Supervisors
Gracewater Sarasota Community Development District
Sarasota, Florida

We have examined Gracewater Sarasota Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2022. Management is responsible for Gracewater Sarasota Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Gracewater Sarasota Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Gracewater Sarasota Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Gracewater Sarasota Community Development District's compliance with the specified requirements.

In our opinion, Gracewater Sarasota Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2022.

*Berger Toombs Elam
Gaines & Frank*

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

June 16, 2023

GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT

8

RESOLUTION 2024-04

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

WHEREAS, the District's Auditor, Berger, Toombs, Elam, Gaines & Frank, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Statements for Fiscal Year 2022;

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

1. The Audited Financial Statements 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 Statements 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 17TH DAY OF APRIL, 2024.

**GRACEWATER SARASOTA COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT**

**UNAUDITED
FINANCIAL
STATEMENTS**

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
FEBRUARY 29, 2024**

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
FEBRUARY 29, 2024**

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash	\$ 16,527	\$ -	\$ -	\$ 16,527
Investments				
Revenue	-	69,062	-	69,062
Reserve	-	933,300	-	933,300
Interest	-	5	-	5
Capitalized interest	-	7	-	7
Construction	-	-	1,870,396	1,870,396
Sinking	-	128	-	128
Due from Landowner	26,342	699,976	-	726,318
Total assets	<u>\$ 42,869</u>	<u>\$1,702,478</u>	<u>\$ 1,870,396</u>	<u>\$ 3,615,743</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Retainage payable	-	-	33,767	33,767
Landowner advance	6,000	-	-	6,000
Total liabilities	<u>6,000</u>	<u>-</u>	<u>33,767</u>	<u>39,767</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred receipts	26,342	699,976	-	726,318
Unearned revenue	180	-	-	180
Total deferred inflows of resources	<u>26,522</u>	<u>699,976</u>	<u>-</u>	<u>726,498</u>
Fund balances:				
Restricted for:				
Debt service	-	1,002,502	-	1,002,502
Capital projects	-	-	1,836,629	1,836,629
Unassigned	10,347	-	-	10,347
Total fund balances	<u>10,347</u>	<u>1,002,502</u>	<u>1,836,629</u>	<u>2,849,478</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 42,869</u>	<u>\$1,702,478</u>	<u>\$ 1,870,396</u>	<u>\$ 3,615,743</u>

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED FEBRUARY 29, 2024**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: off-roll	\$ -	\$ 52,683	\$ 105,365	50%
Total revenues	-	52,683	105,365	50%
EXPENDITURES				
Professional & administrative				
Supervisors	-	-	5,375	0%
Management/accounting/recording	4,000	20,000	48,000	42%
Legal	192	192	20,000	1%
Engineering	-	-	1,200	0%
Audit	-	-	4,500	0%
Arbitrage rebate calculation	-	-	500	0%
Dissemination agent	83	417	1,000	42%
Trustee	-	4,031	5,000	81%
Telephone	17	83	200	42%
Postage	11	21	500	4%
Printing & binding	42	208	500	42%
Legal advertising	-	-	1,500	0%
Annual special district fee	-	175	175	100%
Insurance	-	16,750	15,500	108%
Contingencies/bank charges	27	112	500	22%
Website hosting & maintenance	-	-	705	0%
Website ADA compliance	-	-	210	0%
Total professional & administrative	4,372	41,989	105,365	40%
Excess/(deficiency) of revenues over/(under) expenditures	(4,372)	10,694	-	
Fund balances - beginning	14,719	(347)	-	
Fund balances - ending	\$ 10,347	\$ 10,347	\$ -	

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND, SERIES 2021
FOR THE PERIOD ENDED FEBRUARY 29, 2024**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Assessment levy: off-roll	\$ -	\$ -	\$ 933,301	0%
Interest	4,196	20,785	-	N/A
Total revenues	<u>4,196</u>	<u>20,785</u>	<u>933,301</u>	2%
EXPENDITURES				
Principal	-	-	350,000	0%
Interest	-	293,223	586,448	50%
Total debt service	<u>-</u>	<u>293,223</u>	<u>936,448</u>	31%
Excess/(deficiency) of revenues over/(under) expenditures	4,196	(272,438)	(3,147)	
Fund balances - beginning	998,306	1,274,940	1,233,249	
Fund balances - ending	<u>\$ 1,002,502</u>	<u>\$ 1,002,502</u>	<u>\$ 1,230,102</u>	

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND, SERIES 2021
FOR THE PERIOD ENDED FEBRUARY 29, 2024**

	Current Month	Year To Date
REVENUES		
Interest	\$ 9,824	\$ 54,808
Tax credits	-	103,242
Total revenues	<u>9,824</u>	<u>158,050</u>
EXPENDITURES		
Construction costs	<u>449,378</u>	<u>959,471</u>
Total expenditures	<u>449,378</u>	<u>959,471</u>
Excess/(deficiency) of revenues over/(under) expenditures	(439,554)	(801,421)
Fund balances - beginning	<u>2,276,183</u>	<u>2,638,050</u>
Fund balances - ending	<u><u>\$ 1,836,629</u></u>	<u><u>\$ 1,836,629</u></u>

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT**

MINUTES

DRAFT

**MINUTES OF MEETING
GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Gracewater Sarasota Community Development District held Public Hearings and a Regular Meeting on June 21, 2023, at 12:00 p.m., at the offices of Icard Merrill, 2033 Main Street, Suite 600, Sarasota, Florida 34237.

Present at the meeting were:

Eldon Johnson	Chair
Clifton Fischer	Vice Chair
Kristen Johnson	Assistant Secretary
Phil Dante	Assistant Secretary

Also present:

Kristen Suit	District Manager
Kyle Magee (via telephone)	District Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Suit called the meeting to order at 12:02 p.m.

Supervisors Eldon Johnson, Kristen Johnson and Fischer were present. Supervisor Phil Dante was not present at roll call. Supervisor Wren Dante was not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

**Public Hearing on Adoption of Fiscal Year
2023/2024 Budget**

A. Proof/Affidavit of Publication

B. Consideration of Resolution 2023-05, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending

September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

On MOTION by Ms. Johnson and seconded by Mr. Fischer, with all in favor, the Public Hearing was opened.

Ms. Suit presented Resolution 2023-05, and reviewed the Fiscal Year 2024 budget, which is Landowner-funded.

Mr. Phil Dante arrived at the meeting.

No members of the public spoke.

On MOTION by Ms. Johnson and seconded by Mr. Dante, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Dante and seconded by Ms. Johnson, with all in favor, Resolution 2023-05, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FOURTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Imposition of Maintenance and Operation Assessments to Fund the Budget for Fiscal Year 2023/2024, Pursuant to Florida Law

- A. Proof/Affidavit of Publication
- B. Mailed Notice(s) to Property Owners
- C. Consideration of Resolution 2023-06, 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

Ms. Suit presented Resolution 2023-06.

On MOTION by Ms. Johnson and seconded by Mr. Johnson, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Mr. Johnson and seconded by Ms. Johnson, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Johnson and seconded by Mr. Dante, with all in favor, Resolution 2023-06, 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, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2023-07, 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

Ms. Suit presented Resolution 2023-07.

On MOTION by Ms. Johnson and seconded by Mr. Johnson, with all in favor, Resolution 2023-07, 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, was adopted.

SIXTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of April 30, 2023

Ms. Suit presented the Unaudited Financial Statements as of April 30, 2023.

Mr. Johnson directed Ms. Suit to make sure that the three-month treasuries are being monitored and provide an update at a future meeting.

On MOTION by Mr. Johnson and seconded by Ms. Johnson, with all in favor, the Unaudited Financial Statements as of April 30, 2023, were accepted.

SEVENTH ORDER OF BUSINESS**Approval of April 19, 2023 Regular Meeting Minutes**

Ms. Suit presented the April 19, 2023 Regular Meeting Minutes.

On MOTION by Ms. Johnson and seconded by Mr. Dante, with all in favor, the April 19, 2023 Regular Meeting Minutes, as presented, were approved.

EIGHTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: Kutak Rock LLP**

There was no report.

B. District Engineer: Morris Engineering & Consulting, LLC

There was no report.

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

- **0 Registered Voters in District as of April 15, 2023**
- **NEXT MEETING DATE: July 19, 2023 at 12:00 P.M.**

- **QUORUM CHECK**

The July 19, 2023 meeting will be canceled.

NINTH ORDER OF BUSINESS**Board Members' Comments/Requests**

Ms. Suit and Mr. Magee responded to questions regarding the ethics training courses, Form 1 documents and the Supervisor fee.

TENTH ORDER OF BUSINESS**Public Comments**

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149 There were no public comments.

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151 **ELEVENTH ORDER OF BUSINESS**

Adjournment

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154 **On MOTION by Ms. Johnson and seconded by Mr. Johnson, with all in favor,**
155 **the meeting adjourned at 12:20 p.m.**

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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

Chair/Vice Chair

**GRACEWATER SARASOTA
COMMUNITY DEVELOPMENT DISTRICT**

**STAFF
REPORTS**

GRACEWATER SARASOTA COMMUNITY DEVELOPMENT DISTRICT		
BOARD OF SUPERVISORS FISCAL YEAR 2023/2024 MEETING SCHEDULE		
LOCATION		
<i>offices of Icard Merrill, 2033 Main Street, Suite 600, Sarasota, Florida 34237</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 18, 2023 CANCELED	Regular Meeting	12:00 PM
November 15, 2023 CANCELED	Regular Meeting	12:00 PM
December 20, 2023 CANCELED	Regular Meeting	12:00 PM
January 17, 2024 CANCELED	Regular Meeting	12:00 PM
February 21, 2024 CANCELED	Regular Meeting	12:00 PM
March 20, 2024 CANCELED	Regular Meeting	12:00 PM
April 17, 2024	Regular Meeting	12:00 PM
May 15, 2024	Regular Meeting	12:00 PM
July 17, 2024	Regular Meeting	12:00 PM
August 21, 2024	Regular Meeting	12:00 PM
September 18, 2024	Regular Meeting	12:00 PM