

**TWO RIVER EAST
COMMUNITY DEVELOPMENT
DISTRICT**

SEPTEMBER 17, 2024

AGENDA PACKAGE



2005 PAN AM CIRCLE, SUITE 300
TAMPA. FL 33067

Two Rivers East Community Development District

Board of Supervisors

Carlos de la Ossa, Chairman
Nicholas Dister, Vice-Chairman
Ryan Motko, Assistant Secretary
Thomas Spence, Assistant Secretary
Mike Rainer, Assistant Secretary

District Staff

Brian Lamb, District Secretary
Jayna Cooper, District Manager
John Vericker, District Counsel
Tonja Stewart, District Engineer

Regular Meeting Agenda

Tuesday, September 17, 2024, at 11:00 a.m.

The Regular Meetings of Two Rivers East Community Development District will be held on **September 17, 2024, at 11:00 a.m. at the SpringHill Suites by Marriott Tampa Suncoast Parkway located at 16615 Crosspointe Run, Land O' Lakes, FL 34638** For those who intend to call in below is the Teams link information. Please let us know at least 24 hours in advance if you are planning to call into the meeting.

[Join the meeting now](#)

Meeting ID: 242 717 644 527 **Call in (audio only)** +1 646-838-1601

Passcode: Yz3RiT **Phone Conference ID:** 769 240 715#

All cellular phones and pagers must be turned off during the meeting.

REGULAR MEETINGS OF THE BOARD OF SUPERVISORS

1. CALL TO ORDER/ROLL CALL

2. PUBLIC COMMENTS ON AGENDA ITEMS *(Each individual has the opportunity to comment and is limited to three (3) minutes for such comment)*

3. BUSINESS ITEMS

- A. Consideration of Resolution 2024-07; Authorizing the Boundary Amendment to the District
- B. Consideration of Resolution 2024-08; Special Districts Performance Measures & Standards
 - i. 2025 Goals & Objectives
- C. Acceptance of Fiscal Year 2023 Audit
- D. General Matters of the District

4. CONSENT AGENDA

- A. Approval of Minutes of the August 28, 2024; Public Hearing & Regular Meeting
- B. Consideration of Operation and Maintenance Expenditures August 2024
- C. Acceptance of the Financials and Approval of the Check Register for August 2024

5. STAFF REPORTS

- A. District Counsel
- B. District Manager
- C. District Engineer

6. BOARD MEMBERS AND AUDIENCE COMMENTS

7. ADJOURNMENT

RESOLUTION NO. 2024-07

A RESOLUTION AUTHORIZING THE BOUNDARY AMENDMENT OF THE TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT AND AUTHORIZING THE SUBMITTAL OF A PETITION TO AMEND THE BOUNDARIES OF THE DISTRICT TO THE BOARD OF COUNTY COMMISSIONERS OF PASCO COUNTY, FLORIDA, UNDER SECTION 190.046, FLORIDA STATUTES.

WHEREAS, the Two Rivers East Community Development District ("**District**") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, as amended, Chapter 190, Florida Statutes; and

WHEREAS, the Board of Supervisors of the District ("**Board**") desires to amend the boundaries of the District and to submit a Petition to amend the boundaries of the Two Rivers East Community Development District ("**Petition**"). The District shall be amended by contracting the District by removing the parcel as described in **Exhibit A** ("**Property**"), which is attached hereto, and incorporated herein.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Board hereby authorizes and approves of the boundary amendment of the District, and the Board hereby authorizes and directs the Chair or Vice Chair to sign and submit the Petition to Pasco County, Florida.
2. The Board hereby authorizes and directs the Chair, the Vice Chair or any member of the Board, the District Manager, District Counsel, and District Engineer to take any action or to offer testimony in any proceeding held in connection with obtaining approval of the Petition from Pasco County, Florida.
3. This Resolution shall be effective as of September 17, 2024.

PASSED AND ADOPTED ON SEPTEMBER 17, 2024.

ATTEST:

**TWO RIVERS EAST COMMUNITY
DEVELOPMENT DISTRICT**

Name: _____
☐Secretary/☐Assistant Secretary

Carlos de la Ossa
Chair of the Board of Supervisors

Exhibit A

RESOLUTION 2024-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT ADOPTING GOALS, OBJECTIVES, AND PERFORMANCE MEASURES AND STANDARDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Two Rivers East Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*; and

WHEREAS, effective July 1, 2024, the Florida Legislature adopted House Bill 7013, codified as Chapter 2024-136, Laws of Florida (“HB 7013”) and creating Section 189.0694, Florida Statutes; and

WHEREAS, pursuant to HB 7013 and Section 189.0694, Florida Statutes, beginning October 1, 2024, the District shall establish goals and objectives for the District and create performance measures and standards to evaluate the District’s achievement of those goals and objectives; and

WHEREAS, the District Manager has prepared the attached goals, objectives, and performance measures and standards and presented them to the Board of the District; and

WHEREAS, the District’s Board of Supervisors (“Board”) finds that it is in the best interests of the District to adopt by resolution the attached goals, objectives and performance measures and standards.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TWO RIVERS EAST COMMUNITY DISTRICT:

SECTION 1. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Resolution.

SECTION 2. The District Board of Supervisors hereby adopts the goals, objectives and performance measures and standards as provided in **Exhibit A**. The District Manager shall take all actions to comply with Section 189.0694, Florida Statutes, and shall prepare an annual report regarding the District’s success or failure in achieving the adopted goals and objectives for consideration by the Board of the District.

SECTION 3. If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 4. This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 17TH day of September, 2024.

ATTEST:

**TWO RIVERS EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair, Board of Supervisors

Exhibit A: Performance Measures/Standards and Annual Reporting

Exhibit A



Memorandum

To: Board of Supervisors

From: District Management

Date: September 17, 2024

RE: HB7013 – Special Districts Performance Measures and Standards

To enhance accountability and transparency, new regulations were established for all special districts, by the Florida Legislature, during its 2024 legislative session. Starting on October 1, 2024, or by the end of the first full fiscal year after its creation (whichever comes later), each special district must establish goals and objectives for each program and activity, as well as develop performance measures and standards to assess the achievement of these goals and objectives. Additionally, by December 1 each year (initial report due on December 1, 2025), each special district is required to publish an annual report on its website, detailing the goals and objectives achieved, the performance measures and standards used, and any goals or objectives that were not achieved.

District Management has identified the following key categories to focus on for Fiscal Year 2025 and develop statutorily compliant goals for each:

- Community Communication and Engagement
- Infrastructure and Facilities Maintenance
- Financial Transparency and Accountability

Additionally, special districts must provide an annual reporting form to share with the public that reflects whether the goals and objectives were met for the year. District Management has streamlined these requirements into a single document that meets both the statutory requirements for goal/objective setting and annual reporting.

The proposed goals/objectives and the annual reporting form are attached as exhibit A to this memo. District Management recommends that the Board of Supervisors adopt these goals and objectives to maintain compliance with HB7013 and further enhance its commitment to the accountability and transparency of the District.

Exhibit A:
Goals, Objectives, and Annual Reporting Form

**Two Rivers East Community Development District (“District”)
Performance Measures/Standards & Annual Reporting Form**

October 1, 2024 – September 30, 2025

1. Community Communication and Engagement

Goal 1.1: Public Meetings Compliance

Objective: Hold at least twelve regular Board of Supervisor (“Board”) meetings per year to conduct District-related business and discuss community needs.

Measurement: Number of public Board meetings held annually as evidenced by meeting minutes and legal advertisements.

Standard: A minimum of twelve Board meetings were held during the fiscal year.

Achieved: Yes ☐ No ☐

Goal 1.2: Notice of Meetings Compliance

Objective: Provide public notice of each meeting in accordance with Florida Statutes, using at least two communication methods.

Measurement: Timeliness and method of meeting notices as evidenced by posting to the District’s website, publishing in local newspaper of general circulation, and or via electronic communication.

Standard: 100% of meetings were advertised in accordance with Florida Statutes on at least two mediums (e.g., newspaper, District website, electronic communications).

Achieved: Yes ☐ No ☐

Goal 1.3: Access to Records Compliance

Objective: Ensure that meeting minutes and other public records are readily available and easily accessible to the public by completing monthly District website checks.

Measurement: Monthly website reviews will be completed to ensure meeting minutes and other public records are up to date as evidenced by District Management’s records.

Standard: 100% of monthly website checks were completed by District Management or third party vendor.

Achieved: Yes ☐ No ☐

2. Infrastructure and Facilities Maintenance

Goal 2.1: Field Management and/or District Management Site Inspections **Objective:** Field manager and/or district manager will conduct inspections per District Management services agreement to ensure safety and proper functioning of the District’s infrastructure.

Measurement: Field manager and/or district manager visits were successfully completed per management agreement as evidenced by field manager and/or district manager’s reports, notes or other record keeping method.

Standard: 100% of site visits were successfully completed as described within District Management services agreement

Achieved: Yes ☐ No ☐

Goal 2.2: District Infrastructure and Facilities Inspections

Objective: District Engineer will conduct an annual inspection of the District’s infrastructure and related systems.

Measurement: A minimum of one inspection completed per year as evidenced by district engineer's report related to District's infrastructure and related systems.

Standard: Minimum of one inspection was completed in the fiscal year by the District's engineer.

Achieved: Yes ☐ No ☐

3. Financial Transparency and Accountability

Goal 3.1: Annual Budget Preparation

Objective: Prepare and approve the annual proposed budget by June 15 and final budget was adopted by September 30 each year. *(or other deadline, as appropriate)*

Measurement: Proposed budget was approved by the Board before June 15 and final budget was adopted by September 30 as evidenced by meeting minutes and budget documents listed on the District's website and/or within District records.

Standard: 100% of budget approval & adoption were completed by the statutory deadlines and posted to the District's website.

Achieved: Yes ☐ No ☐

Goal 3.2: Financial Reports

Objective: Publish to the District's website the most recent versions of the following documents: Annual audit, current fiscal year budget with any amendments, and most recent financials within the latest agenda package.

Measurement: Annual audit, previous years' budgets, and financials are accessible to the public as evidenced by corresponding documents on the District's website.

Standard: District's website contains 100% of the following information: Most recent annual audit, most recent adopted/amended fiscal year budget, and most recent agenda package with updated financials.

Achieved: Yes ☐ No ☐

Goal 3.3: Annual Financial Audit

Objective: Conduct an annual independent financial audit per statutory requirements and publish the results to the District's website for public inspection, and transmit to the State of Florida.

Measurement: Timeliness of audit completion and publication as evidenced by meeting minutes showing Board approval and annual audit is available on the District's website and transmitted to the State of Florida.

Standard: Audit was completed by an independent auditing firm per statutory requirements and results were posted to the District's website and transmitted to the State of Florida.

Achieved: Yes ☐ No ☐

SIGNATURES:

Chair/Vice Chair: _____

Date: _____

Printed Name: _____

Two Rivers East Community Development District

District Manager: _____

Date: _____

Printed Name: _____

Two Rivers East Community Development District

**TWO RIVERS EAST
COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds	9
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to the Financial Statements	13-20
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	21
Notes to Required Supplementary Information	22
OTHER INFORMATION	
Data Elements required by FL Statute 218.39 (3) (c)	23
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	24-25
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	26
MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	27-28



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Two Rivers East Community Development District
Pasco County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Two Rivers East Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2023, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



August 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Two Rivers East Community Development District, Pasco County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

The District was established pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes and created by Ordinance No. 22-52 of Pasco County, Florida enacted on September 20, 2022, and no audit was required for the prior period. As a result, the balances as of and for the period ended September 30, 2022 are for less than twelve month period and are unaudited.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$646,294).
- The change in the District's total net position in comparison with the prior fiscal year was (\$646,294), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2023, the District's governmental funds reported combined ending fund balances of \$21,642,749. The total fund balance is restricted for debt service and capital projects.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

Fund Financial Statements

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year.

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

NET POSITION SEPTEMBER 30,		2023
Assets, excluding capital assets	\$	21,663,335
Capital assets, net of depreciation		<u>4,188,783</u>
Total assets		<u>25,852,118</u>
Current liabilities		545,664
Long-term liabilities		<u>25,952,748</u>
Total liabilities		<u>26,498,412</u>
Net Position		
Net investment in capital assets		(2,632,227)
Restricted		<u>1,985,933</u>
Total net position	\$	<u>(646,294)</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

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

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

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		2023
Revenues:		
Program revenues		
Charges for services	\$	4,577
Operating grants and contributions		76,077
Capital grants and contributions		<u>537,722</u>
Total revenues		<u>618,376</u>
Expenses:		
General government		49,990
Bond issuance costs		686,150
Interest		<u>528,530</u>
Total expenses		<u>1,264,670</u>
Change in net position		(646,294)
Net position - beginning		<u>-</u>
Net position - ending	\$	<u><u>(646,294)</u></u>

As noted above and in the statement of activities, the cost of all governmental activities for the fiscal year ended September 30, 2023 was \$1,264,670. The costs of the District's activities were funded by program revenues. Program revenues of the District are comprised primarily of assessments, as well as Developer contributions. The majority of the current year expenses is comprised of interest expense and bond issuance cost.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2023, the District had \$4,188,783 invested in capital assets for its governmental activities. In the government-wide financial statements, no depreciation has been taken as the capital assets are under construction. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2023, the District had \$26,260,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

It is anticipated that the general operations of the District will increase as the District is being built out.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, landowners, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact Two Rivers East Community Development District's Finance Department at 210 N. University Dr., Suite 702, Coral Springs, FL 33071.

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities
ASSETS	
Cash	\$ 1,526
Due from Developer	19,060
Investments	21,642,749
Capital assets:	
Nondepreciable	<u>4,188,783</u>
Total assets	<u>25,852,118</u>
LIABILITIES	
Accounts payable and accrued expenses	20,586
Accrued interest payable	525,078
Non-current liabilities:	
Due within one year	355,000
Due in more than one year	<u>25,597,748</u>
Total liabilities	<u>26,498,412</u>
NET POSITION	
Net investment in capital assets	(2,632,227)
Restricted for debt service	<u>1,985,933</u>
Total net position	<u>\$ (646,294)</u>

See notes to the financial statements

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government:					
Governmental activities:					
General government	\$ 49,990	\$ 4,577	\$ 45,413	\$ -	\$ -
Maintenance and operations	-	-	-	537,722	537,722
Interest on long-term debt	528,530	-	30,664	-	(497,866)
Bond issuance costs	686,150	-	-	-	(686,150)
Total governmental activities	1,264,670	4,577	76,077	537,722	(646,294)
Change in net position					(646,294)
Net position - beginning					-
Net position - ending					<u>\$ (646,294)</u>

See notes to the financial statements

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash	\$ 1,526	\$ -	\$ -	\$ 1,526
Investments	-	2,511,011	19,131,738	21,642,749
Due from Developer	19,060	-	-	19,060
Total assets	\$ 20,586	\$ 2,511,011	\$ 19,131,738	\$ 21,663,335
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	\$ 20,586	\$ -	\$ -	\$ 20,586
Total liabilities	20,586	-	-	20,586
Fund balances:				
Restricted for:				
Debt service	-	2,511,011	-	2,511,011
Capital projects	-	-	19,131,738	19,131,738
Total fund balances	-	2,511,011	19,131,738	21,642,749
Total liabilities and fund balances	\$ 20,586	\$ 2,511,011	\$ 19,131,738	\$ 21,663,335

See notes to the financial statements

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET –
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

Total fund balances - governmental funds \$ 21,642,749

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	4,188,783	
Accumulated depreciation	<u>-</u>	4,188,783

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(525,078)	
Bonds payable	<u>(25,952,748)</u>	<u>(26,477,826)</u>

Net position of governmental activities		<u><u>\$ (646,294)</u></u>
---	--	----------------------------

See notes to the financial statements

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 4,577	\$ -	\$ -	\$ 4,577
Developer contributions	45,413	-	300,000	345,413
Interest income	-	30,664	237,722	268,386
Total revenues	49,990	30,664	537,722	618,376
EXPENDITURES				
Current:				
General government	49,990	-	-	49,990
Debt Service:				
Bond cost of issuance	-	-	686,150	686,150
Capital outlay	-	-	4,188,783	4,188,783
Total expenditures	49,990	-	4,874,933	4,924,923
Excess (deficiency) of revenues over (under) expenditures	-	30,664	(4,337,211)	(4,306,547)
OTHER FINANCING SOURCES (USES)				
Bond discount	-	-	(310,704)	(310,704)
Bond proceeds	-	2,480,347	23,779,653	26,260,000
Total other financing sources (uses)	-	2,480,347	23,468,949	25,949,296
Net change in fund balances	-	2,511,011	19,131,738	21,642,749
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ 2,511,011	\$ 19,131,738	\$21,642,749

See notes to the financial statements

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds	\$ 21,642,749
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is eliminated and capitalized in the statement of net position.	4,188,783
Governmental funds report debt proceeds as financial resources when debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.	(26,260,000)
In connection with the issuance of the Bonds, the original issue discount/premium is reported as a financing use/source when debt is first issued, whereas this amount is eliminated in the statement of activities and reduces/increases long-term liabilities in the statement of net position.	310,704
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds. The details of the differences are as follows:	
Amortization of original issue discount	(3,452)
Change in accrued interest	(525,078)
Change in net position of governmental activities	<u>\$ (646,294)</u>

See notes to the financial statements

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Two Rivers East Community Development District ("District") was created on September 20, 2022 by Ordinance 22-52 of the Board of County Commissioners of Pasco County, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, and expanded by Ordinance 2022-59. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2023, all of the Board members are affiliated with Eisenhower Property Group, LLC ("Developer").

The Board has the final responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

Assessments are non-ad valorem assessments on all platted lots within the District. Assessments are levied each November 1 on property as of the previous January 1 to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

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

The District was funded with Developer contributions in the current fiscal year.

The District reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

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

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

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

Capital Assets

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

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

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

No depreciation has been taken in the current fiscal year as the District's infrastructure and other capital assets are under construction.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Unearned Revenue

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

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

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

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

Fund Equity/Net Position

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

The District can establish limitations on the use of fund balance as follows:

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

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

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

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

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments

The District's investments were held as follows at September 30, 2023:

	Amortized cost	Credit Risk	Maturities
First American Gov Obl CI Y		S&P AAAM	Weighted average of the fund portfolio: 24 days
	<u>\$ 21,642,749</u>		
Total Investments	<u>\$ 21,642,749</u>		

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

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

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

However, the Bond Indenture limits the type of investments held using unspent proceeds.

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

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

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

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

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Construction in progress	\$ -	\$ 4,188,783	\$ -	\$ 4,188,783
Total capital assets, not being depreciated	-	4,188,783	-	4,188,783
Governmental activities capital assets, net	\$ -	\$ 4,188,783	\$ -	\$ 4,188,783

NOTE 5 – CAPITAL ASSETS (Continued)

The infrastructure intended to serve the District has been estimated at a total cost of approximately \$76,945,000 and will be developed in phases. A portion of the project costs was expected to be financed with the proceeds from the issuance of Bonds with the remainder to be funded by the Developer and conveyed to the District. Upon completion, certain improvements are to be conveyed to others for ownership and maintenance responsibilities.

During the current year, the District acquired infrastructure improvements from the Developer at a total value of \$4,188,783. Subsequent to fiscal year end, the District has acquired additional infrastructure improvements from the Developer using proceeds from the Series 2023 Bonds.

NOTE 6 – LONG-TERM LIABILITIES

Series 2023

On May 30, 2023, the District issued \$26,260,000 of Special Assessment Bonds, Series 2023, consisting of multiple term bonds with due dates ranging from May 1, 2030 through May 1, 2053 and interest rates ranging from 4.875% - 5.875%. The Bonds were issued to finance the costs of construction and acquisition of the Series 2023 project. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2023. Principal on the Bonds is to be paid serially commencing on May 1, 2024.

The Series 2023 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds 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. The District was in compliance with the requirements at September 30, 2023.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Series 2023	\$ -	\$ 26,260,000	\$ -	\$ 26,260,000	\$ 355,000
Less: Original issue discount	-	310,704	3,452	307,252	-
Total	\$ -	\$ 25,949,296	\$ (3,452)	\$ 25,952,748	\$ 355,000

At September 30, 2023, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2024	\$ 355,000	\$ 1,381,212	\$ 1,736,212
2025	370,000	1,484,919	1,854,919
2026	390,000	1,466,881	1,856,881
2027	410,000	1,447,869	1,857,869
2028	430,000	1,427,881	1,857,881
2029-2033	2,515,000	6,789,400	9,304,400
2034-2038	3,345,000	5,989,463	9,334,463
2039-2043	4,465,000	4,906,163	9,371,163
2044-2048	5,970,000	3,446,275	9,416,275
2049-2053	8,010,000	1,466,988	9,476,988
	<u>\$ 26,260,000</u>	<u>\$ 29,807,051</u>	<u>\$ 56,067,051</u>

NOTE 7 – DEVELOPER TRANSACTIONS

The Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund and capital projects fund were \$45,413 and \$300,000 respectively, which includes a receivable of \$19,060 to the general fund as of September 30, 2023.

NOTE 8 – CONCENTRATION

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

NOTE 9 – MANAGEMENT COMPANY

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

NOTE 10 – 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. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims since the inception of the District.

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original and Final	Actual Amounts	
REVENUES			
Assessments	\$ 475,667	\$ 4,577	\$ (471,090)
Developer contributions	-	45,413	45,413
Total revenues	475,667	49,990	(425,677)
EXPENDITURES			
Current:			
General government	206,756	49,990	156,766
Maintenance and operations	216,061	-	216,061
Parks and recreation	52,850	-	52,850
Total expenditures	475,667	49,990	425,677
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance - beginning		-	
Fund balance - ending		<u>\$ -</u>	

See notes to required supplementary information

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

**TWO RIVERS EAST COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	None
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	8
Employee compensation	\$0.00
Independent contractor compensation	\$ 25,842.65
Construction projects to begin on or after October 1; (>\$65K)	
Public improvements and community facilities - Assessment Area 1	\$ 4,188,782.69
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance - \$83.19 - \$124.79 Debt service - N/A
Special assessments collected	\$ 4,577.00
Outstanding Bonds:	see Note 6 for details



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

To the Board of Supervisors
Two Rivers East Community Development District
Pasco County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Two Rivers East Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated August 29, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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.

A handwritten signature in blue ink, appearing to read "B. H. & Associates".

August 29, 2024



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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

To the Board of Supervisors
Two Rivers East Community Development District
Pasco County, Florida

We have examined Two Rivers East Community Development District, Pasco County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2023. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

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

Grau & Associates

August 29, 2024



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors
Two Rivers East Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Two Rivers East Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated August 29, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 29, 2024, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the state of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Two Rivers East Community Development District, Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Two Rivers East Community Development District, Pasco County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

August 29, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Not applicable. First year audit.

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Not applicable. First year audit.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2023. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 23.

**MINUTES OF MEETING
TWO RIVERS EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Public Hearing and regular meeting of the Board of Supervisors of Two Rivers East Community Development District was held on Tuesday, August 20, 2024, and called to order at 11:38 a.m. at the SpringHill Suites by Marriott Tampa Suncoast Parkway, located at 16615 Crosspointe Run, Land O' Lakes, Florida 34638.

Present and constituting a quorum were:

Carlos de la Ossa
Nicholas Dister
Thomas Spence

Chairperson
Vice Chairperson
Assistant Secretary

Also present were:

Jayna Cooper
John Vericker
Michael Broadus

District Manager
District Counsel
District Counsel

The following is a summary of the discussions and actions taken.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cooper called the meeting to order, and a quorum was established.

SECOND ORDER OF BUSINESS

Public Comments on Agenda Items

There being none, the next order of business followed.

THIRD ORDER OF BUSINESS

Recess to Public Hearing

Ms. Cooper requested the Board recess to public hearing.

FOURTH ORDER OF BUSINESS

**Public Hearing on Adopting Fiscal Year
2025 Final Budget**

A. Open Public Hearing on Adopting Fiscal Year 2025 Final Budget

On MOTION by Mr. de la Ossa seconded by Mr. Spence, with all in favor, Public Hearing on Adopting Fiscal Year 2025 Final Budget, was opened. 3-0

B. Staff Presentations

C. Public Comments

There being none, the next item followed.

D. Consideration of Resolution 2024-04, Adopting Final Fiscal Year 2025 Budget

On MOTION by Mr. de la Ossa seconded by Mr. Dister, with all in favor, Resolution 2024-04, Adopting Final Fiscal Year 2025 Budget, was adopted. 3-0

E. Consideration of Developer Funding Agreement for FY 2025

On MOTION by Mr. de la Ossa seconded by Mr. Dister, with all in favor, Developer Funding Agreement for Fiscal Year 2025 or \$77,551.73, was approved. 3-0

F. Close Public Hearing on Adopting Fiscal Year 2025 Final Budget

On MOTION by Mr. de la Ossa seconded by Mr. Spence, with all in favor, Public Hearing on Adopting Fiscal Year 2025 Final Budget, was closed. 3-0

FIFTH ORDER OF BUSINESS

Return to Regular Meeting

Ms. Cooper requested the Board return to regular meeting.

SIXTH ORDER OF BUSINESS

Business Items

A. Consideration of Resolution 2024-05, Redesignation of Officers

The following persons were elected to the offices:

- | | |
|---------------------|---------------------|
| • Carlos de la Ossa | Chairperson |
| • Nicholas Dister | Vice Chairperson |
| • Brian Lamb | Secretary |
| • Eric Davidson | Treasurer |
| • Jayna Cooper | Assistant Secretary |
| • Ryan Motko | Assistant Secretary |
| • Thoms Spence | Assistant Secretary |
| • Mike Rainer | Assistant Secretary |

On MOTION by Mr. de la Ossa seconded by Mr. Spence, with all in favor, Resolution 2024-05, Redesignation of Officers as detailed above, was adopted. 3-0

B. Consideration of Resolution 2024-06, Setting FY 2025 Meeting Schedule

The following are the scheduled dates:

- | | |
|---------------------|------------|
| • October 15, 2024 | 11:00 a.m |
| • November 19, 2024 | 11:00 a.m. |
| • December 17, 2024 | 11:00 a.m. |
| • January 21, 2025 | 11:00 a.m. |
| • February 18, 2025 | 11:00 a.m. |

- March 18, 2025 11:00 a.m.
- April 15, 2025 11:00 a.m.
- May 20, 2025 11:00 a.m.
- June 17, 2025 11:00 a.m.
- July 15, 2025 11:00 a.m.
- August 19, 2025 11:00 a.m.
- September 16, 2025 11:00 a.m.

On MOTION by Mr. de la Ossa seconded by Mr. Spence, with all in favor, Resolution 2024-05, Setting Fiscal Year 2025 Meeting Schedule as detailed above, was adopted. 3-0

C. Acceptance of Financial Report for Fiscal Year Ending September 30, 2022

This item was not discussed.

D. General Matters of the District

There being none, the next order of business followed.

SEVENTH ORDER OF BUSINESS

Consent Agenda

A. Approval of Minutes of the May 21, 2024, Regular Meeting

B. Consideration of Operation and Maintenance Expenditures July 2024

C. Acceptance of the Financials and Approval of the Check Register for July 2024

On MOTION by Mr. de la Ossa seconded by Mr. Spence, with all in favor, the Consent Agenda was approved. 3-0

EIGHTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

B. District Engineer

C. District Manager

There being no reports, the next order of business followed.

NINTH ORDER OF BUSINESS

Board of Supervisors' Requests and Comments

There being none, the next order of business followed.

TENTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. de la Ossa seconded by Mr. Dister, with all in favor, the meeting was adjourned at 12:09 pm. 3-0

Jayna Cooper
District Manager

Carlos de la Ossa
Chairperson

TWO RIVERS EAST
Summary of Operations and Maintenance Invoices

Vendor	Invoice Date	Invoice/Account Number	Amount	Invoice Total	Comments/Description
Monthly Contract					
INFRAMARK LLC	5/2/2024	#124178	\$2.56	\$2.56	APRIL 2024 POSTAGE
INFRAMARK LLC	7/31/2024	#128881	\$750.00		JULY 2024 ACCOUNTING SVCS
INFRAMARK LLC	7/31/2024	#128881	\$375.00		JULY 2024 ADMIN SVCS
INFRAMARK LLC	7/31/2024	#128881	\$2,083.33		JULY 2024 DISTRICT MANAGER
INFRAMARK LLC	7/31/2024	#128881	\$100.00		JULY 2024 FINANCIAL & REVENUE
INFRAMARK LLC	7/31/2024	#128881	\$200.00		JULY 2024 RECORDING SECRETARY
INFRAMARK LLC	7/31/2024	#128881	\$50.00		JULY 2024 RENTAL & LEASES
INFRAMARK LLC	7/31/2024	#128881	\$50.00		JULY 2024 TECH/DATA STORAGE
INFRAMARK LLC	7/31/2024	#128881	\$100.00		JULY 2024 WEBSITE MAINT
INFRAMARK LLC	7/31/2024	#128881	\$416.67	\$4,125.00	JULY 2024 DISS SVCS
INFRAMARK LLC	8/2/2024	130517	\$750.00		AUG 2024 ACCOUNTING SVCS
INFRAMARK LLC	8/2/2024	130517	\$375.00		AUG 2024 ADMIN SVCS
INFRAMARK LLC	8/2/2024	130517	\$2,083.33		AUG 2024 DISTRICT MANAGER
INFRAMARK LLC	8/2/2024	130517	\$100.00		AUG 2024 FINANCIAL & REVENUE
INFRAMARK LLC	8/2/2024	130517	\$200.00		AUG 2024 RECORDING SECRETARY
INFRAMARK LLC	8/2/2024	130517	\$50.00		AUG 2024 RENTAL & LEASES
INFRAMARK LLC	8/2/2024	130517	\$50.00		AUG 2024 TECH/DATA STORAGE
INFRAMARK LLC	8/2/2024	130517	\$100.00		AUG 2024 WEBSITE MAINT
INFRAMARK LLC	8/2/2024	130517	\$416.67	\$4,125.00	AUG 2024 DISS SVCS
TAMPA BAY TIMES	7/31/2024	073124-5212	\$124.00	\$124.00	LEGAL AD JULY 2024
Monthly Contract Subtotal			\$8,376.56	\$8,376.56	
Variable Contract					
CARLOS DE LA OSSA	8/20/2024	CDLO 082024	\$200.00	\$200.00	SUPERVISOR FEE

TWO RIVERS EAST
Summary of Operations and Maintenance Invoices

Vendor	Invoice Date	Invoice/Account Number	Amount	Invoice Total	Comments/Description
NICHOLAS J. DISTER	8/20/2024	ND 082024	\$200.00	\$200.00	SUPERVISOR FEE
STRALEY ROBIN VERICKER	8/7/2024	25055	\$122.50	\$122.50	PROF SVCS THRU JULY 2024
THOMAS R. SPENCE	8/20/2024	TS 082024	\$200.00	\$200.00	SUPERVISOR FEE
Variable Contract Subtotal			\$722.50	\$722.50	
Regular Services					
TAMPA BAY TIMES	7/24/2024	072424-5212	\$820.00	\$820.00	LEGAL AD- JULY 2024
Regular Services Subtotal			\$820.00	\$820.00	
TOTAL			\$9,919.06	\$9,919.06	

Two Rivers East Community Development District

Financial Statements
(Unaudited)

Period Ending
August 31, 2024

Prepared by:



2005 Pan Am Circle ~ Suite 300 ~ Tampa, Florida 33607
Phone (813) 873-7300 ~ Fax (813) 873-7070

TWO RIVERS EAST**Balance Sheet**

As of August 31, 2024

(In Whole Numbers)

ACCOUNT DESCRIPTION	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	GENERAL LONG-TERM DEBT FUND	TOTAL
<u>ASSETS</u>					
Cash - Operating Account	\$ 31,021	\$ -	\$ -	\$ -	\$ 31,021
Due From Other Funds	-	-	817	-	817
Investments:					
Acq. & Const. (Offsite Project)	-	-	150	-	150
Acquisition & Construction Account	-	-	3,441,019	-	3,441,019
Interest Account	-	58	-	-	58
Reserve Fund	-	1,850,247	-	-	1,850,247
Revenue Fund	-	263,224	-	-	263,224
Amount Avail In Debt Services	-	-	-	2,480,347	2,480,347
Amount To Be Provided	-	-	-	23,779,653	23,779,653
TOTAL ASSETS	\$ 31,021	\$ 2,113,529	\$ 3,441,986	\$ 26,260,000	\$ 31,846,536
<u>LIABILITIES</u>					
Accounts Payable	\$ 22,186	\$ -	\$ -	\$ -	\$ 22,186
Accrued Expenses	2,858	-	-	-	2,858
Accounts Payable - Other	4,125	-	-	-	4,125
Bonds Payable - Series 2023	-	-	-	26,260,000	26,260,000
Due To Other Funds	-	817	-	-	817
TOTAL LIABILITIES	29,169	817	-	26,260,000	26,289,986
<u>FUND BALANCES</u>					
Restricted for:					
Debt Service	-	2,112,712	-	-	2,112,712
Capital Projects	-	-	3,441,986	-	3,441,986
Unassigned:	1,852	-	-	-	1,852
TOTAL FUND BALANCES	1,852	2,112,712	3,441,986	-	5,556,550
TOTAL LIABILITIES & FUND BALANCES	\$ 31,021	\$ 2,113,529	\$ 3,441,986	\$ 26,260,000	\$ 31,846,536

TWO RIVERS EAST
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending August 31, 2024
General Fund (001)
(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
<u>REVENUES</u>				
Special Assmnts- CDD Collected	\$ -	\$ 62,229	\$ 62,229	0.00%
Developer Contribution	118,425	57,243	(61,182)	48.34%
TOTAL REVENUES	118,425	119,472	1,047	100.88%
<u>EXPENDITURES</u>				
<u>Administration</u>				
Supervisor Fees	3,000	5,800	(2,800)	193.33%
ProfServ-Dissemination Agent	4,200	3,334	866	79.38%
ProfServ-Info Technology	600	650	(50)	108.33%
ProfServ-Recording Secretary	2,400	2,600	(200)	108.33%
ProfServ-Tax Collector	1,200	100	1,100	8.33%
ProfServ-Trustee Fees	6,500	4,256	2,244	65.48%
Disclosure Report	-	1,667	(1,667)	0.00%
District Counsel	9,500	19,396	(9,896)	204.17%
District Engineer	9,500	2,376	7,124	25.01%
Administrative Services	4,500	4,875	(375)	108.33%
Management & Accounting Services	9,000	-	9,000	0.00%
District Manager	25,000	27,083	(2,083)	108.33%
Accounting Services	9,000	9,700	(700)	107.78%
Auditing Services	6,000	-	6,000	0.00%
Website Compliance	1,800	1,500	300	83.33%
Postage, Phone, Faxes, Copies	500	10	490	2.00%
Rentals & Leases	600	650	(50)	108.33%
Public Officials Insurance	2,500	2,250	250	90.00%
Legal Advertising	3,500	4,159	(659)	118.83%
Bank Fees	200	-	200	0.00%
Financial & Revenue Collections	-	400	(400)	0.00%
Meeting Expense	4,000	-	4,000	0.00%
Website Administration	1,200	1,300	(100)	108.33%
Miscellaneous Expenses	250	750	(500)	300.00%
Office Supplies	100	-	100	0.00%
Dues, Licenses, Subscriptions	175	1,455	(1,280)	831.43%
Total Administration	105,225	94,311	10,914	89.63%
<u>Other Physical Environment</u>				
Insurance - General Liability	3,200	2,750	450	85.94%
Total Other Physical Environment	3,200	2,750	450	85.94%

TWO RIVERS EAST
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending August 31, 2024
General Fund (001)
(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
<u>Contingency</u>				
Misc-Contingency	10,000	1,500	8,500	15.00%
Total Contingency	<u>10,000</u>	<u>1,500</u>	<u>8,500</u>	<u>15.00%</u>
TOTAL EXPENDITURES	118,425	98,561	19,864	83.23%
Excess (deficiency) of revenues				
Over (under) expenditures	<u>-</u>	<u>20,911</u>	<u>20,911</u>	<u>0.00%</u>
FUND BALANCE, BEGINNING (OCT 1, 2023)		(19,059)		
FUND BALANCE, ENDING		<u>\$ 1,852</u>		

TWO RIVERS EAST
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending August 31, 2024
Debt Service Fund (200)
(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
<u>REVENUES</u>				
Interest - Investments	\$ -	\$ 101,772	\$ 101,772	0.00%
Special Assmnts- CDD Collected	1,736,212	1,236,142	(500,070)	71.20%
TOTAL REVENUES	1,736,212	1,337,914	(398,298)	77.06%
<u>EXPENDITURES</u>				
<u>Debt Service</u>				
Principal Debt Retirement	355,000	355,000	-	100.00%
Interest Expense	1,381,212	1,381,212	-	100.00%
Total Debt Service	1,736,212	1,736,212	-	100.00%
TOTAL EXPENDITURES	1,736,212	1,736,212	-	100.00%
Excess (deficiency) of revenues				
Over (under) expenditures	-	(398,298)	(398,298)	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2023)		2,511,010		
FUND BALANCE, ENDING		\$ 2,112,712		

TWO RIVERS EAST
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending August 31, 2024
Capital Projects Fund (300)
(In Whole Numbers)

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD
<u>REVENUES</u>				
Interest - Investments	\$ -	\$ 615,590	\$ 615,590	0.00%
TOTAL REVENUES	-	615,590	615,590	0.00%
<u>EXPENDITURES</u>				
<u>Administration</u>				
District Manager	-	38,500	(38,500)	0.00%
Total Administration	-	38,500	(38,500)	0.00%
<u>Construction In Progress</u>				
Construction in Progress	-	16,266,841	(16,266,841)	0.00%
Total Construction In Progress	-	16,266,841	(16,266,841)	0.00%
TOTAL EXPENDITURES	-	16,305,341	(16,305,341)	0.00%
Excess (deficiency) of revenues				
Over (under) expenditures	-	(15,689,751)	(15,689,751)	0.00%
FUND BALANCE, BEGINNING (OCT 1, 2023)		19,131,737		
FUND BALANCE, ENDING		\$ 3,441,986		

Two Rivers East CDD

GL Balance (LCY)	31,020.64
GL Balance	31,020.64
Positive Adjustments	0.00
	<hr/>
Subtotal	31,020.64
Negative Adjustments	0.00
	<hr/>
Ending G/L Balance	31,020.64

Posting Date	Document	Document No.	Description	Amount	Cleared	Difference
	Type				Amount	
Checks						
08/23/2024	Payment	1091	Check for Vendor V00003	-4,127.56	-4,127.56	0.00
08/28/2024	Payment	1092	Check for Vendor V00014	-200.00	-200.00	0.00
Total Checks				-4,327.56	-4,327.56	0.00
Outstanding Checks						
08/28/2024	Payment	1093	Check for Vendor V00008			-200.00
08/28/2024	Payment	1094	Check for Vendor V00011			-200.00
Total Outstanding Checks						-400.00
Outstanding Deposits						
Total Outstanding Deposits						