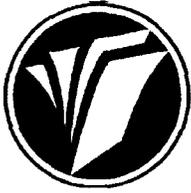


**VILLAGES OF GLEN CREEK
COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2017**



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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Villages of Glen Creek Community Development District
Manatee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Villages of Glen Creek Community Development District, Manatee County, Florida ("District") as of and for the fiscal year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2017, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Villages of Glen Creek Community Development District, Manatee County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2017. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$434,598).
- The change in the District's total net position in comparison with the prior fiscal year was (\$63,583), a decrease. The key components of the District's net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2017, the District's governmental funds reported combined ending fund balances of \$2,303,361. A portion of the fund balance is restricted for debt service and a portion is restricted for 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 and liabilities 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 Developer contributions and assessments. The District does not have any business-type activities. The governmental activities of the District include the maintenance and general government (management) function.

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.

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 END SEPTEMBER 30,		
	2017	2016
Revenues:		
Program revenues		
Charges for services	\$ 236,734	\$ -
Operating grants and contributions	106,883	76,499
Capital grants and contributions	56,236	-
General revenues	22	-
Total revenues	<u>399,875</u>	<u>76,499</u>
Expenses:		
General government	106,050	76,398
Maintenance and operations	894	-
Interest	356,514	75,236
Cost of issuance	-	296,726
Total expenses	<u>463,458</u>	<u>448,360</u>
Change in net position	<u>(63,583)</u>	<u>(371,861)</u>
Net position - beginning	(371,015)	846
Net position - ending	<u>\$ (434,598)</u>	<u>\$ (371,015)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2017 was \$463,458. As in the prior fiscal year, program revenues are comprised of revenue from the Developer. In total, expenses increased from the prior fiscal year, the majority of the increase is a result of interest expense on the District's bonds issued during the prior fiscal year. Revenues increased because the District required more funds from the Developer to fund operations and debt service.

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, 2017. The actual general fund expenditures for the fiscal year ended September 30, 2017 were less than appropriations due primarily to anticipated costs which were not incurred in the current fiscal year.

**VILLAGES OF GLEN CREEK COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017**

	Governmental Activities
ASSETS	
Cash	\$ 943
Due from Developer	27,167
Restricted assets:	
Investments	3,351,867
Capital assets:	
Nondepreciable	4,416,714
Total assets	7,796,691
 LIABILITIES	
Accounts payable	757,365
Retainage payable	319,251
Accrued interest payable	154,673
Non-current liabilities:	
Due within one year	55,000
Due in more than one year	6,945,000
Total liabilities	8,231,289
 NET POSITION	
Net investment in capital assets	(521,695)
Restricted for debt service	87,097
Total net position	\$ (434,598)

See notes to the financial statements

**VILLAGES OF GLEN CREEK COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash	\$ 943	\$ -	\$ -	\$ 943
Investments	-	241,770	3,110,097	3,351,867
Due from Developer	22,032	-	5,135	27,167
Total assets	<u>\$ 22,975</u>	<u>\$ 241,770</u>	<u>\$ 3,115,232</u>	<u>\$ 3,379,977</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 22,975	\$ -	\$ 734,390	\$ 757,365
Retainage payable	-	-	319,251	319,251
Total liabilities	<u>22,975</u>	<u>-</u>	<u>1,053,641</u>	<u>1,076,616</u>
Fund balances:				
Restricted for:				
Debt service	-	241,770	-	241,770
Capital projects	-	-	2,061,591	2,061,591
Total fund balances	<u>-</u>	<u>241,770</u>	<u>2,061,591</u>	<u>2,303,361</u>
Total liabilities and fund balances	<u>\$ 22,975</u>	<u>\$ 241,770</u>	<u>\$ 3,115,232</u>	<u>\$ 3,379,977</u>

See notes to the financial statements

**VILLAGES OF GLEN CREEK COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Developer contributions	\$ 106,492	\$ -	\$ 48,642	\$ 155,134
Assessments	-	236,734	-	236,734
Interest	22	391	7,594	8,007
Total revenues	<u>106,514</u>	<u>237,125</u>	<u>56,236</u>	<u>399,875</u>
EXPENDITURES				
Current:				
General government	106,050	-	-	106,050
Maintenance and operations	894	-	-	894
Debt service:				
Principal	-	50,000	-	50,000
Interest	-	277,077	-	277,077
Capital outlay	-	-	4,341,801	4,341,801
Total expenditures	<u>106,944</u>	<u>327,077</u>	<u>4,341,801</u>	<u>4,775,822</u>
Excess (deficiency) of revenues over (under) expenditures	(430)	(89,952)	(4,285,565)	(4,375,947)
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	4,276	4,276
Transfer (out)	-	(4,276)	-	(4,276)
Total other financing sources (uses)	<u>-</u>	<u>(4,276)</u>	<u>4,276</u>	<u>-</u>
Net change in fund balances	(430)	(94,228)	(4,281,289)	(4,375,947)
Fund balances - beginning	<u>430</u>	<u>335,998</u>	<u>6,342,880</u>	<u>6,679,308</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 241,770</u>	<u>\$ 2,061,591</u>	<u>\$ 2,303,361</u>

See notes to the financial statements

**VILLAGES OF GLEN CREEK COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Villages of Glen Creek Community Development District ("District") was created on December 13, 2006, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by the City of Bradenton, Florida Ordinance 2852. 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 by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2017 all of the Supervisors are affiliated with GTIS I VGC LP the ("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)

Assets, Liabilities and Net Position or Equity

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. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

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 estimated fair market value at the date of donation.

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

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

Unearned Revenue

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

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

NOTE 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 loss.

Investments

The District's investments were held as follows at September 30, 2017:

	<u>Amortized Cost</u>	<u>Credit Risk</u>	<u>Maturities</u>
First American Government Obligation			Weighted average of fund
Fund Class Y	\$ 3,351,867	S&P AAAM	portfolio: 23 days
Total Investments	<u>\$ 3,351,867</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.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

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, 2017.

Changes in long-term liability activity for the fiscal year ended September 30, 2017 were as follows:

<u>Governmental activities</u>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Series 2016 A-1	\$ 3,535,000	\$ -	\$ (50,000)	\$ 3,485,000	\$ 55,000
Series 2016 A-2	3,515,000	-	-	3,515,000	-
Total	<u>\$ 7,050,000</u>	<u>\$ -</u>	<u>\$ (50,000)</u>	<u>\$ 7,000,000</u>	<u>\$ 55,000</u>

At September 30, 2017, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	<u>Governmental Activities</u>		
	Principal	Interest	Total
2018	\$ 55,000	\$ 371,214	\$ 426,214
2019	110,000	368,600	478,600
2020	120,000	363,032	483,032
2021	120,000	356,956	476,956
2022	130,000	350,882	480,882
2023-2027	765,000	1,647,792	2,412,792
2028-2032	1,000,000	1,424,720	2,424,720
2033-2037	1,295,000	1,129,312	2,424,312
2038-2042	1,690,000	742,826	2,432,826
2043-2046	1,715,000	236,768	1,951,768
Total	<u>\$ 7,000,000</u>	<u>\$ 6,992,102</u>	<u>\$ 13,992,102</u>

NOTE 7 – CONCENTRATION

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 8 – 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 the capital projects fund were \$106,492 and 48,642 which include a receivables of \$22,032 and \$5,135, respectively, at September 30, 2017.

For the current fiscal year, Developer assessment revenue in the debt service fund was \$236,734.

NOTE 9 – MANAGEMENT COMPANY

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

**VILLAGES OF GLEN CREEK COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Developer contribution	\$ 236,992	\$ 106,492	\$ (130,500)
Interest	-	22	22
Total revenues	236,992	106,514	(130,478)
EXPENDITURES			
Current:			
General government	114,404	106,050	8,354
Maintenance and operations	122,588	894	121,694
Total expenditures	236,992	106,944	130,048
Excess (deficiency) of revenues over (under) expenditures	\$ -	(430)	\$ (430)
Fund balance - beginning		430	
Fund balance - ending		\$ -	

See notes to required supplementary information



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
Villages of Glen Creek Community Development District
Manatee 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 Villages of Glen Creek Community Development District, Manatee County, Florida ("District") as of and for the fiscal year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated March 15, 2018.

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 may exist that have not been identified.

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*.



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**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
Villages of Glen Creek Community Development District
Manatee County, Florida

We have examined Villages of Glen Creek Community Development District, Manatee 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, 2017. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2017.

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 Villages of Glen Creek Community Development District, Manatee County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

March 15, 2018

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2016.

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, 2017.

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, 2017.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2017 financial audit report.
6. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
7. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2017. 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.