

**St. Johns Forest Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2018**

**St. Johns Forest Community Development District**

**ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended September 30, 2018**

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
St. Johns Forest Community Development District  
St. Johns County, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of St. Johns Forest Community Development District as of and for the year ended September 30, 2018, and the related notes to 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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Accounting 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 opinion.

Fort Pierce / Stuart

To the Board of Supervisors  
St. Johns Forest Community Development District

## Opinion

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 St. Johns Forest Community Development District, as of September 30, 2018, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 28, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Johns Forest Community Development District's internal control over financial reporting and compliance.



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

February 28, 2019

**St. Johns Forest Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

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

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

**St. Johns Forest Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

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

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

**Financial Highlights**

The following are the highlights of financial activity for the year ended September 30, 2018.

- ◆ The District's total assets exceeded total liabilities by \$3,483,158 (net position). Net investment in capital assets for the District was \$3,111,365. Unrestricted net position for Governmental Activities was \$350,003. Governmental activities restricted net position was \$21,790.
- ◆ Governmental activities revenues totaled \$489,816 while governmental activities expenses totaled \$441,719.

**St. Johns Forest Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District**

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

**Net Position**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Current assets	\$ 362,704	\$ 339,338
Restricted assets	198,149	192,232
Capital assets	6,224,669	6,367,849
Total Assets	6,785,522	6,899,419
Deferred outflows of resources	86,750	92,317
Total Assets and Deferred Outflows of Resources	6,872,272	6,991,736
Current liabilities	222,882	220,043
Non-current liabilities	3,166,232	3,336,632
Total Liabilities	3,389,114	3,556,675
Net position - net investment in capital assets	3,111,365	3,094,712
Net position - restricted	21,790	14,477
Net position - unrestricted	350,003	325,872
Total Net Position	\$ 3,483,158	\$ 3,435,061

The increases in current assets and net position – unrestricted is primarily due to revenues in excess of expenditures at the fund statement level.

The decrease in capital assets was due to depreciation.

**St. Johns Forest Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

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

**Change In Net Position**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Program Revenues		
Charges for services	\$ 484,711	\$ 484,845
General Revenues		
Miscellaneous	-	631
Investment earnings	5,105	2,806
Total Revenues	<u>489,816</u>	<u>488,282</u>
Expenses		
General government	93,486	102,432
Physical environment	235,638	205,310
Interest on long-term debt	112,595	115,980
Total Expenses	<u>441,719</u>	<u>423,722</u>
Change in Net Position	48,097	64,560
Net Position - Beginning of Year	<u>3,435,061</u>	<u>3,370,501</u>
Net Position - End of Year	<u><u>\$ 3,483,158</u></u>	<u><u>\$ 3,435,061</u></u>

The decrease in general government is related to a decrease in legal costs.

The increase in physical environment expenses is primarily related to an increase in other landscape and streetlight repairs and maintenance expenses.



**St. Johns Forest Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets as of September 30, 2018 and 2017.

	Governmental Activities	
	2018	2017
Land and improvements	\$ 3,879,381	\$ 3,879,381
Infrastructure	4,183,623	4,183,623
Less: accumulated depreciation	(1,838,335)	(1,695,155)
Governmental Activities Capital Assets	\$ 6,224,669	\$ 6,367,849

During the year, depreciation was \$143,180.

**General Fund Budgetary Highlights**

The final budget exceeded actual expenditures primarily because of lower landscaping and reserve expenditures than were anticipated.

There were no amendments to the September 30, 2018 budget.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In February 2016, the District issued \$3,685,000 Series 2016 Capital Improvement Revenue Refunding Bonds. These bonds were issued to refund and redeem the outstanding Series 2003A Capital Improvement Revenue Bonds. The balance outstanding on the Series 2016 Bonds at September 30, 2018 was \$3,330,000.

**Economic Factors and Next Year's Budget**

St. Johns Forest Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2019.

**St. Johns Forest Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Request for Information**

The financial report is designed to provide a general overview of St. Johns Forest Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the St. Johns Forest Community Development District, Inframark Infrastructure Management Services, Inc., 210 North University Drive, Suite 702, Coral Springs, Florida 33071.

**St. Johns Forest Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2018**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 350,524
Prepaid expenses	7,862
Due from other governments	4,318
Total Current Assets	362,704
Non-Current Assets	
Restricted Assets	
Investments	198,149
Capital Assets, Not Being Depreciated	
Land and improvements	3,879,381
Capital Assets, Being Depreciated	
Infrastructure	4,183,623
Less: accumulated depreciation	(1,838,335)
Total Non-Current Assets	6,422,818
Total Assets	6,785,522
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on refunding	86,750
Total Assets and Deferred Outflows of Resources	6,872,272
 <b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	10,213
Bonds payable	170,000
Accrued interest	42,669
Total Current Liabilities	222,882
Non-Current Liabilities	
Bonds payable, net	3,166,232
Total Liabilities	3,389,114
 <b>NET POSITION</b>	
Net investment in capital assets	3,111,365
Restricted for debt service	21,790
Unrestricted	350,003
Total Net Position	\$ 3,483,158

*See accompanying notes to financial statements.*

**St. Johns Forest Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2018**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>	<b>Net (Expense) Revenues and Changes in Net Position</b>
		<b>Charges for Services</b>	<b>Governmental Activities</b>
Governmental Activities			
General government	\$ (93,486)	\$ 58,354	\$ (35,132)
Physical environment	(235,638)	147,085	(88,553)
Interest on long-term debt	(112,595)	279,272	166,677
Total Governmental Activities	\$ (441,719)	\$ 484,711	42,992
			<b>General Revenues</b>
			Investment earnings
			5,105
			Change in Net Position
			48,097
			Net Position - October 1, 2017
			3,435,061
			Net Position - September 30, 2018
			\$ 3,483,158

*See accompanying notes to financial statements.*

**St. Johns Forest Community Development District**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**September 30, 2018**

	General	Debt Service 202	Total Governmental Funds
<b>ASSETS</b>			
Cash	\$ 350,524	\$ -	\$ 350,524
Due from other governments	1,830	2,488	4,318
Prepaid expenses	7,862	-	7,862
Restricted assets			
Investments, at fair value	-	198,149	198,149
Total Assets	\$ 360,216	\$ 200,637	\$ 560,853
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 10,213	\$ -	\$ 10,213
 <b>FUND BALANCES</b>			
Nonspendable:			
Prepaid expenses	7,862	-	7,862
Restricted:			
Debt service	-	200,637	200,637
Assigned:			
Operating reserves	57,647	-	57,647
Entry signs and columns	87,447	-	87,447
Storwater/roads	51,428	-	51,428
Entry fountain	18,993	-	18,993
Streetlights	8,718	-	8,718
Unassigned	117,908	-	117,908
Total Fund Balances	350,003	200,637	550,640
Total Liabilities and Fund Balances	\$ 360,216	\$ 200,637	\$ 560,853

*See accompanying notes to financial statements.*

**St. Johns Forest Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2018**

Total Governmental Fund Balances	\$	550,640
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets not being depreciated, land and improvements, used in governmental activities are not financial resources and; therefore, are not reported at the fund statement level.		3,879,381
Capital assets being depreciated, infrastructure, \$4,183,623; net of accumulated depreciation, \$(1,838,335), used in governmental activities are not financial resources and; therefore, are not reported at the fund statement level.		2,345,288
Long-term liabilities, including bonds payable, \$(3,330,000), and bond premium, net, \$(6,232), are not due and payable in the current period and; therefore, are not reported at the fund statement level.		(3,336,232)
Deferred outflows of resources are financial resources and therefore, are not reported at the fund statement level.		86,750
Accrued interest expense for long-term debt is not a financial use and; therefore, is not reported at the fund statement level.		<u>(42,669)</u>
Net Position of Governmental Activities	\$	<u><u>3,483,158</u></u>

*See accompanying notes to financial statements.*

**St. Johns Forest Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2018**

	General	Debt Service 202	Total Governmental Funds
Revenues			
Special assessments	\$ 205,439	\$ 279,272	\$ 484,711
Investment earnings	4,636	469	5,105
Total Revenues	<u>210,075</u>	<u>279,741</u>	<u>489,816</u>
Expenditures			
Current			
General government	93,486	-	93,486
Physical environment	92,458	-	92,458
Debt service			
Principal	-	165,000	165,000
Interest	-	105,705	105,705
Other	-	3,098	3,098
Total Expenditures	<u>185,944</u>	<u>273,803</u>	<u>459,747</u>
Net Change in Fund Balances	24,131	5,938	30,069
Fund Balances - October 1, 2017	<u>325,872</u>	<u>194,699</u>	<u>520,571</u>
Fund Balances - September 30, 2018	<u><u>\$ 350,003</u></u>	<u><u>\$ 200,637</u></u>	<u><u>\$ 550,640</u></u>

*See accompanying notes to financial statements.*

**St. Johns Forest Community Development District**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2018**

Net Change in Fund Balances - Total Governmental Funds	\$	30,069
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current period.		(143,180)
Repayments of long-term liabilities are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		165,000
Deferred outflows of resources for refunding debt is recognized as a component of interest on long term debt in the Statement of Activities, but not in the governmental funds. This is the amount of interest in the current year period.		(5,567)
Amortization of bond premium does not require the use of current resources and therefore is not reported in the governmental funds. This is the amount of amortization in the current period.		400
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the change in accrued interest in the current period.		1,375
Change in Net Position of Governmental Activities	\$	48,097

*See accompanying notes to financial statements.*



**St. Johns Forest Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND**  
**For the Year Ended September 30, 2018**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 204,982	\$ 204,982	\$ 205,439	\$ 457
Investment earnings	1,500	1,500	4,636	3,136
Total Revenues	<u>206,482</u>	<u>206,482</u>	<u>210,075</u>	<u>3,593</u>
Expenditures				
Current				
General government	110,839	110,839	93,486	17,353
Physical environment	120,978	120,978	92,458	28,520
Capital outlay	<u>28,772</u>	<u>28,772</u>	-	<u>28,772</u>
Total Expenditures	<u>260,589</u>	<u>260,589</u>	<u>185,944</u>	<u>74,645</u>
Net Change in Fund Balances	(54,107)	(54,107)	24,131	78,238
Fund Balances - October 1, 2017	<u>279,285</u>	<u>279,285</u>	<u>325,872</u>	<u>46,587</u>
Fund Balances - September 30, 2018	<u>\$ 225,178</u>	<u>\$ 225,178</u>	<u>\$ 350,003</u>	<u>\$ 124,825</u>

See accompanying notes to financial statements.

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Reporting Entity**

The District was established on March 6, 2003, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Ordinance #2003-12 of the Board of County Commissioners of St. Johns County, as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the St. Johns Forest Community Development District. The District is governed by a Board of Supervisors who are elected to four year terms. The District operates within the criteria established by Chapter 190.

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

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards Board Statement Number 61, The Financial Reporting Entity, the District has identified no component units.

**2. Measurement Focus and Basis of Accounting**

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

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

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**a. Government-wide Financial Statements**

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments and interest. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

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

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

**b. Fund Financial Statements**

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

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

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds**

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

The District has various policies governing the fund balance classifications.

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

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

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

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

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

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds (Continued)**

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

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

**3. Basis of Presentation**

**a. Governmental Major Funds**

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

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Basis of Presentation (Continued)**

**a. Governmental Major Funds (Continued)**

Debt Service Fund – Accounts for debt service requirements to retire the special assessment bonds which were used to finance the construction of District infrastructure improvements. The bonds are secured by a first lien on and pledge of the Pledged Revenues.

**b. Non-current Governmental Assets/Liabilities**

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

**4. Assets, Liabilities, and Net Position or Equity**

**a. Cash and Investments**

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

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

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

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Liabilities, and Net Position or Equity (Continued)**

**b. Restricted Net Position**

Certain net position of the District are classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted net position, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

**c. Capital Assets**

Capital assets, which include land and improvements, and construction in progress, are reported in the governmental activities column.

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

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

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Infrastructure	20 – 30 years
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**d. Deferred Outflows of Resources**

Deferred outflows of resources is the consumption of net position by the government that is applicable to a future reported period. Deferred amount on refunding is amortized and recognized as a component of interest expense over the life of the bond.

**St. Johns Forest Community Development District  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Liabilities, and Net Position or Equity (Continued)**

**e. Budgets**

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190 and Section 200.065, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget columns of the accompanying financial statements may occur.

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

“Total fund balances” of the District’s governmental funds (\$550,640) differs from “net position” of governmental activities (\$3,483,158) reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

**Capital related items**

When capital assets (land, buildings and improvements and infrastructure that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Land and improvements	\$ 3,879,381
Infrastructure	4,183,623
Less: accumulated depreciation	<u>(1,838,335)</u>
Total	<u><u>\$ 6,224,669</u></u>



**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

**Long-term debt transactions**

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2018 were:

Bonds payable	\$ (3,330,000)
Bond premium, net	<u>(6,232)</u>
Bonds payable, net	<u>\$ (3,336,232)</u>

**Deferred outflows of resources**

Deferred outflows of resources applicable to the District's governmental activities are not financial resources and therefore, are not reported as fund deferred outflows of resources.

Deferred amount on refunding	<u>\$ 86,750</u>
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**Accrued interest**

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to the accrued interest on bonds.

Accrued interest	<u>\$ (42,669)</u>
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**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities**

The "net change in fund balances" for government funds (\$30,069) differs from the "change in net position" for governmental activities (\$48,097) reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds.

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)**

**Capital related items**

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Depreciation	\$ <u>(143,180)</u>
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**Long-term debt transactions**

Repayments of long-term debt is an expenditure at the fund level, but the repayment reduces non-current liabilities at the government-wide level.

Repayments of long-term debt	\$ <u>165,000</u>
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Amortization of the bond premium does not require the use of current resources and therefore is not reported in governmental funds.

Amortization of bond premium	\$ <u>400</u>
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Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable	\$ 1,375
Decrease in deferred amount on refunding	<u>(5,567)</u>
Total	<u>\$ (4,192)</u>

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE C – CASH AND INVESTMENTS**

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2018, the District's bank balance was \$358,651 and the carrying value was \$350,524. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2018, the District had the following investments and maturities:

<b>Investment</b>	<b>Maturities</b>	<b>Fair Value</b>
Commercial Paper	N/A	\$ 198,149

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

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

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

Interest Rate Risk

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

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

Credit Risk

The District's investments in commercial paper are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2018, the District's investments in Commercial Paper were rated A-1+ by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Commercial Paper are 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2018 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**NOTE D – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2018 was as follows:

	Balance October 1, 2017	Additions	Deletions	Balance September 30, 2018
<b><u>Governmental activities:</u></b>				
Capital assets, not being depreciated:				
Land and land improvements	\$ 3,879,381	\$ -	\$ -	\$ 3,879,381
Capital assets, being depreciated:				
Infrastructure - storm drainage	2,877,726	-	-	2,877,726
Infrastructure - common areas	689,417	-	-	689,417
Infrastructure - entrance and roadways	616,480	-	-	616,480
Total Capital Assets, Being Depreciated	<u>4,183,623</u>	<u>-</u>	<u>-</u>	<u>4,183,623</u>
Less accumulated depreciation for:				
Infrastructure - storm drainage	(1,095,619)	(95,924)	-	(1,191,543)
Infrastructure - common areas	(330,684)	(26,706)	-	(357,390)
Infrastructure - entrance and roadways	(268,852)	(20,550)	-	(289,402)
Total Accumulated Depreciation	<u>(1,695,155)</u>	<u>(143,180)</u>	<u>-</u>	<u>(1,838,335)</u>
Total Capital Assets Depreciated, Net	<u>2,488,468</u>	<u>(143,180)</u>	<u>-</u>	<u>2,345,288</u>
Governmental Activities Capital Assets	<u>\$ 6,367,849</u>	<u>\$ (143,180)</u>	<u>\$ -</u>	<u>\$ 6,224,669</u>

Current year depreciation of \$143,180 was charged to physical environment.

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE E – LONG-TERM DEBT**

The following is a summary of activity in the long-term debt account group of the District for the year ended September 30, 2018:

Long-term debt at October 1, 2017	\$	3,495,000
Principal payments		(165,000)
Long-term debt at September 30, 2018		3,330,000
Plus bond premium, net		6,232
Bonds payable, net	\$	3,336,232

Long-term debt is comprised of the following:

Capital Improvement Revenue Refunding Bonds

\$3,685,000 Series 2016 Bonds, interest at various rates between 2.0% and 3.8% maturing thru May 1, 2034, payable on May 1 and November 1; collateralized by the pledged revenues of special assessments levied against the benefited property owners.

\$ 3,330,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2018 are as follows:

Year Ending September 30,	Principal	Interest	Total
2019	\$ 170,000	\$ 102,405	\$ 272,405
2020	170,000	99,005	269,005
2021	175,000	95,605	270,605
2022	180,000	92,105	272,105
2023	185,000	88,505	273,505
2024-2028	1,000,000	366,550	1,366,550
2029-2033	1,185,000	185,900	1,370,900
2034	265,000	10,070	275,070
Totals	\$ 3,330,000	\$ 1,040,145	\$ 4,370,145

**St. Johns Forest Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE E – LONG-TERM DEBT (CONTINUED)**

Significant Bond Provisions

The Series 2016 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2026 at a redemption price set in the Bond indenture, together with accrued interest to the date of redemption. The Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond indenture.

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

Depository Funds

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

1. Reserve Fund – The 2016 Reserve Account is funded from the proceeds of the Series 2016 Bonds in an amount equal to fifty percent of the maximum annual debt service requirement for all outstanding Series 2016 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

	Reserve Balance	Reserve Requirement
Series 2016 Capital Improvement Revenue Refunding Bonds	\$ 135,890	\$ 135,890

**NOTE F – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no claims or settled claims from these risks have not exceeded commercial insurance coverage over the past three years.



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## **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  
St. Johns Forest Community Development District  
St. Johns 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 St. Johns Forest Community Development District, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2019.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered St. Johns Forest Community Development District's internal control over financial reporting 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 St. Johns Forest Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Johns Forest Community Development District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting 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.

Fort Pierce / Stuart

To the Board of Supervisors  
St. Johns Forest Community Development District

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



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

February 28, 2019





# Berger, Toombs, Elam, Gaines & Frank

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## MANAGEMENT LETTER

To the Board of Supervisors  
St. Johns Forest Community Development District  
St. Johns County, Florida

### Report on the Financial Statements

We have audited the financial statements of the St. Johns Forest Community Development District as of and for the year ended September 30, 2018, and have issued our report thereon dated February 28, 2019.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated February 28, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not St. Johns Forest Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the St. Johns Forest Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Fort Pierce / Stuart

To the Board of Supervisors  
St. Johns Forest Community Development District

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2018 for the St. Johns County Community Development District. It is management's responsibility to monitor the St. Johns Forest Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

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

#### **Additional Matters**

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

#### **Purpose of this Letter**

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

*Berger Toombs Elam  
Gaines + Frank*

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

February 28, 2019



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

To the Board of Supervisors  
St. Johns Forest Community Development District  
St. Johns County, Florida

We have examined St. Johns Forest Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for St. Johns Forest Community Development District's compliance with those requirements. Our responsibility is to express an opinion on St. Johns Forest Community Development District's compliance based on our examination.

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

In our opinion, St. Johns Forest Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

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

February 28, 2019