

*Indigo East*  
*Community Development District*

*Agenda*

*February 21, 2023*

# AGENDA

# *Indigo East*

## *Community Development District*

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219 East Livingston Street, Orlando, Florida 32801

Phone: 407-841-5524 – Fax: 407-839-1526

February 14, 2023

Board of Supervisors  
Indigo East Community  
Development District

The Board of Supervisors of the Indigo East Community Development District will meet on **Tuesday, February 21, 2023 at 9:00 a.m., or as shortly thereafter as reasonably possible at the Circle Square Commons, Cultural Center, 8395 SW 80<sup>th</sup> Street, Ocala, Florida 34481.** Following is the advance agenda for the meeting:

- I. Roll Call
- II. Public Comment Period
- III. Notice for Meeting
- IV. Organizational Matters
  - A. Administration of Oath of Office to Newly Elected Supervisor
  - B. Appointment of Individuals to Fulfill Board Vacancies in Seats 2 & 5
  - C. Administration of Oath of Office to Newly Appointed Board Members
  - D. Consideration of Resolution 2023-03 Election of Officers
- V. Approval of Minutes of the November 15, 2022 Meeting
- VI. Consideration of Proposal for 2 Additional Speed Limit Signs
- VII. Ratification of Proposal from Precision Curbs & Landscape for Sidewalk Repair
- VIII. Consideration of Proposal from Facility Resources for Sidewalk Pressure Washing
- IX. Consideration of Resolution 2023-04 Authorizing the Use of Electronic Documents and Signatures
- X. Ratification of Proposal from Earthscapes for Replacement Plants
  - A. Proposal from MHS for Comparison
- XI. Review and Acceptance of Draft Fiscal Year 2022 Audit Report
- XII. Staff Reports
  - A. Attorney
  - B. District Manager
    1. Approval of Check Register
    2. Balance Sheet and Income Statement
    3. Presentation of Arbitrage Rebate Calculation Report
- XIII. Other Business
- XIV. Supervisors Requests
- XV. Adjournment

Sincerely,

*George Flint*

George S. Flint  
District Manager

Cc: Gerald Colen, District Counsel  
Ken Colen, On Top of the World  
Guy Woolbright, On Top of the World  
Darrin Mossing, GMS

## SECTION III

# LOCALiQ

The Gainesville Sun | The Ledger  
Daily Commercial | Ocala StarBanner  
News Chief | Herald-Tribune

PO Box 631244 Cincinnati, OH 45263-1244

## PROOF OF PUBLICATION

Indigo East Cdd-Gms-Cf  
Indigo East Cdd-Gms-Cf  
219 E Livingston ST  
Orlando FL 32801-1508

STATE OF FLORIDA, COUNTY OF MARION

The Star Banner, a newspaper printed and published in the city of Ocala, and of general circulation in the County of Marion, State of Florida, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issues dated or by publication on the newspaper's website, if authorized, on:

08/30/2022

and that the fees charged are legal.  
Sworn to and subscribed before on 08/30/2022

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

Publication Cost: \$133.34

Order No: 7698094

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1

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SARAH BERTELSEN  
Notary Public  
State of Wisconsin

## NOTICE OF MEETING DATES INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors of the *Indigo East Community Development District* will hold their regularly scheduled public meetings for the Fiscal Year 2023 at 9:00 AM, or as shortly thereafter as reasonably possible, at the Circle Square Commons, Cultural Center, 8395 SW 80th Street, Ocala, FL 34476 as follows:

September 6, 2022 at 10:00 AM  
November 15, 2022  
February 21, 2023  
May 16, 2023  
August 15, 2023

The meetings are open to the public and will be conducted in accordance with the provision of Florida Law for Community Development Districts. A copy of the agenda for a particular meeting may be obtained from the District Manager, at 219 E. Livingston Street, Orlando, FL 32801. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when one or more Supervisors will participate by telephone.

Any person requiring special accommodations at these meetings because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service 1-800-955-8770, for aid in contacting the District Office.

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

George S. Flint  
Governmental Management  
Services - Central Florida, LLC  
District Manager  
August 30, 2022 7698094

## SECTION IV

# SECTION D



**RESOLUTION 2023-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
ELECTING THE OFFICERS OF THE DISTRICT AND  
PROVIDING FOR AN EFFECTIVE DATE**

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

**WHEREAS**, the Board of Supervisors of the District (“Board”) desires to elect the Officers of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE INDIGO EAST COMMUNITY  
DEVELOPMENT DISTRICT:**

**Section 1.** \_\_\_\_\_ is elected Chairperson.

**Section 2.** \_\_\_\_\_ is elected Vice-Chairperson.

**Section 3.** \_\_\_\_\_ is elected Secretary.

**Section 4.** \_\_\_\_\_ is elected Assistant Secretary.  
\_\_\_\_\_ is elected Assistant Secretary.  
\_\_\_\_\_ is elected Assistant Secretary.  
\_\_\_\_\_ is elected Assistant Secretary.

**Section 5.** \_\_\_\_\_ is elected Treasurer.

**Section 6.** \_\_\_\_\_ is elected Assistant Treasurer.

**Section 7.** This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED** this 21st day of February, 2023.

**ATTEST:**

**INDIGO EAST COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chairperson/Vice-Chairperson

# MINUTES

**MINUTES OF MEETING  
INDIGO EAST  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Indigo East Community Development District was held on Tuesday, **November 15, 2022** at 9:00 a.m. at Circle Square Commons, 8395 SW 80<sup>th</sup> Street, Ocala, FL.

Present and constituting a quorum:

John Gysen	Chairman
Cynthia LaFrance	Vice Chairperson
Terry Solan	Assistant Secretary
Harold Brouillard	Assistant Secretary
Bob Hutson	Assistant Secretary

Also present were:

George Flint	District Manager
Jerry Colen	Colen Wagoner
Rachel Wagoner	Colen Wagoner

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order. Five members of the Board were present at the meeting, constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint: Next is the public comment period. Are there any members of the public that would like to provide comments to the Indigo East Board? Hearing no comments, we will move on to the next item.

**THIRD ORDER OF BUSINESS**

**Notice for Meeting**

Mr. Flint: This meeting was advertised as a special meeting in the Ocala Star Banner.

**FOURTH ORDER OF BUSINESS****Consideration of Resolution 2023-01  
Declaring a Vacancy in Seats #2 and #5**

Mr. Flint: This resolution declares seat #2 and #5 vacant as of the second Tuesday after the election, which is per statute. That would be November 22<sup>nd</sup>. We had three seats that were up for election, and there was a qualifying period in June. Mr. Solan qualified for his seat unopposed (seat #3). The other two seats held by Mr. Gysen and Mr. Hudson, no one qualified to run for those seats. The process is that the Board has to declare those seats vacant as of the second Tuesday after the election and then what happens is the incumbents would stay in that seat as a carryover until the Board takes action to either reappoint the incumbent or appoint someone else. The qualified elector has to live within the District and be registered to vote with their address within Indigo East. Today, the action is just adopting the resolution, declaring those two seats vacant, and then you have a meeting in February, and at that meeting on February 21<sup>st</sup>, the Board can either take no action, and the incumbents stay in a carryover situation until you appoint a qualified elector, or you could reappoint the incumbents if they chose to be reappointed, or you could appoint someone else.

Ms. LaFrance: We can't ask to retain them today?

Mr. Flint: No, you have to wait until they actually become vacant and that is the 22<sup>nd</sup>. The only thing you can do today is declare them vacant as of the 22<sup>nd</sup>, but the action to appoint someone to those seats has to happen after the 22<sup>nd</sup>. You could schedule another meeting between now and February, but I don't know if it's necessary.

On MOTION by Mr. Gysen, seconded by Ms. LaFrance, with all in favor, Resolution 2023-01 Declaring a Vacancy in Seats #2 and #5, was approved.

**FIFTH ORDER OF BUSINESS****Approval of Minutes of the September 6,  
2022 Meeting**

Mr. Flint: The next item is approval of the September 6, 2022 meeting minutes. Did the Board have any comments or corrections to the minutes? Hearing no changes,

On MOTION by Mr. Brouillard, seconded by Ms. LaFrance, with all in favor, the Minutes of the September 6, 2022 Meeting, were approved.

**SIXTH ORDER OF BUSINESS****Consideration of Resolution 2023-02  
Amending the Fiscal Year 2022 Budget**

Mr. Flint: Next is Resolution 2023-02 which amends the Fiscal Year 2022 Budget. The statutes require that if the total expenses exceed the total budget bottom line, the Board is required to amend the budget within 60 days of the end of the fiscal year, which would be by the end of this month. We have prepared a proposed amendment. This gives us a little leeway in the event that some of the invoices come in late or during the audit there are adjustments. It doesn't exactly balance with the projected just because we don't want the Board to approve it to the penny just to have another invoice come in. What we've done on the revenue side is we have recognized an additional carry-forward of \$21,559. You can see we are projecting to end the year with \$15,957, so it's only an increase of about \$6,000, but we are giving ourselves some extra room just in the event that some of the additional invoices come in. On the expense side there were some additional meetings related to the financing, so you see some Supervisor fees. The additional engineering fees were related to the new statutory requirement that we do that annual stormwater report, and then there's also some geotechnical engineering invoices in there related to some sinkholes that were repaired. That's the primary reason for that \$7,800 increase. The attorney's fees were related to cleaning up all of the ownership between the CDD, the HOA, and the developer. There was a significant amount of attorney time involved in that process. I don't anticipate that we will have that type of expense on a yearly basis, but we did have a fair amount this year. Other current charges are primarily bank fees that came in higher than normal. And then we've made some adjustments on the maintenance side as well. Any questions on the budget? After this adjustment we still have an excess of the 90-day operating reserve, so we are fine as our operating revenue goes. Any questions? Hearing none,

On MOTION by Mr. Brouillard, seconded by Mr. Gysen, with all in favor, Resolution 2023-02 Amending the Fiscal Year 2022 Budget, was approved.

**SEVENTH ORDER OF BUSINESS****Discussion of Additional Speed Limit  
Signs**

Mr. Flint: I was contacted by Mr. Hutson about a concern that there was a need for additional speed limit signs on the major road that runs north and south through Indigo East. We do currently have speed limit signs at each of the three entrances. We also added speed limit signs

north and south of the clubhouse, but I think the concern is the main road and whether there is a need for additional speed limit signs on that road.

Mr. Brouillard: I find it hard to drive over 25 mph on that road with all of the curves and golfcarts. The only place you can do that is going past the clubhouse going south, but the rest of it is so curvy that you can't drive 40 mph.

Mr. Solan: It'll be more signs that people will ignore.

Ms. LaFrance: I think they will go the speed they want to go honestly.

Mr. Gysen: Do you recall how much we paid for the two additional signs?

Mr. Flint: I have to go back and look. If the Board was to take action for one additional sign, I would get a proposal and bring it back in February.

Mr. Gysen: Let's do that.

Mr. Flint: Okay. They are probably around \$300.

Mr. Gysen: Okay, yeah. Let's get a proposal.

Mr. Flint: And if I bring a proposal back and you guys don't want to do it, that's okay too. We will bring a proposal back for two additional signs at the February meeting.

## **EIGHTH ORDER OF BUSINESS**

### **Ratification of Proposal from Taylor & Sons for Depression Excavation**

Mr. Flint: We got two proposals for this repair, and Taylor & Sons was the least expensive of the two and they have also done work for us in the past. Because this needed to be repaired, I had to go ahead and approve the work, so I am asking the Board to ratify my action in doing that. My understanding is that they've staked off the property boundaries this week, and I believe they are supposed to start work this week. These sink holes are fairly typical in this area of Florida. Over time, if they are under a certain size our landscape contractor would just fill them in with dirt but that's if they are fairly small. This one was really deep and required a Geotech engineer to come out and look at it and come up with a plan for how it would be remediated and that is what this price is based on.

Ms. LaFrance: Where is this located?

Mr. Flint: I'll send a map out after the meeting with the area highlighted. Is there a motion to ratify?

On MOTION by Mr. Brouillard, seconded by Mr. Gysen, with all in favor, Proposal from Taylor & Sons for Depression Excavation, was approved.

**NINTH ORDER OF BUSINESS****Consideration of Proposal for Fiscal Year 2022 Audit Services**

Mr. Flint: The CDD as a government entity is required to have an annual independent audit performed. You had previously selected Grau & Associates as your independent auditor. They have provided an engagement letter with a not-to-exceed of \$3,900. This is for Fiscal Year 2022 which just ended on September 30<sup>th</sup>. Your budget is \$3,800, but that was based on the cost of last year's and they have increased their fee by \$100. It is still going to be less expensive than if you bid it out. I think that what you will find when we bid it, we will see the cost go up. The number of auditors doing CDD audits has shrunk, and because of that there is less competition, and the fees are starting to go up. It's hard to make money on these audits unless you do a lot of them and there's only two or three firms right now that are bidding on these. Grau does the most CDD audits in the state. My recommendation would be to approve this, and next spring we will start the audit RFQ process.

On MOTION by Mr. Gysen, seconded by Ms. LaFrance, with all in favor, the Proposal for Fiscal Year 2022 Audit Services, was ratified.

**TENTH ORDER OF BUSINESS****Staff Reports****A. Attorney**

Mr. Wagoner: I have no updates for the Board.

**B. District Manager****1. Approval of Check Register**

Mr. Flint: We have the check register. This is from July 1<sup>st</sup> through September 30<sup>th</sup>. It's for the general fund and the Board compensation and it totals \$38,002.52. Are there any questions on the check register? Hearing none,

On MOTION by Ms. LaFrance, seconded by Mr. Solan, with all in favor, the Check Register, was approved.

**2. Balance Sheet and Income Statement**

Mr. Flint: You also have the unaudited financials through September 30<sup>th</sup>. There is no action required. If the Board has any questions, we can discuss those. You can see the combined balance sheet that shows your general fund, debt service, and capital reserves. Your general fund, as of September 30<sup>th</sup>, you had \$130,000 in your operating account. There are some funds due from capital reserve for some expenses that would've been paid out of that fund. Your capital reserves have about \$482,000 in that account. And then you have your statement of revenue and expenditures for each one of the funds. You can see that we were fully collected on our on-roll assessments. Any questions on the financials?

**ELEVENTH ORDER OF BUSINESS****Other Business**

Mr. Flint: The refinancing that Indigo is doing on behalf of Bay Laurel is in a holding pattern because of interest rates. You all adopted a delegation resolution which delegated authority to the Chair. If certain parameters were met, the bonds could be refinanced. One of those is the net present value of the savings that would resolve from the refinancing. Because interest rates have gone up, we are not meeting that net present value that is delineated in delegation resolution, so for the time being, we are just in a holding pattern pending rates coming back down at some point. Anything else that the Board wanted to discuss that was not on the agenda?

Mr. Hutson: I'd like to bring up the trees and shrubs around the area. Everything looks like it hasn't been trimmed as you drive down 8<sup>th</sup> street.

Mr. Flint: I will get with the landscape contractor to have them fix that. And some of those issues are for the master association, some were CDD, some were HOA. All of those contracts are managed by the same people, so I will get with those folks.

Mr. LaFrance: Also, when you're coming from the south side and you're going down 79<sup>th</sup> and you turn into 81<sup>st</sup> loop, right there the trees are covering the sign. So, if the landscapers could trim that back a little that would be great.

Mr. Flint: Okay, I can have them do that.

**TWELFTH ORDER OF BUSINESS****Supervisors Request**

Mr. Flint: Are there any Supervisor requests? Hearing none, we will move on to the next item.



**THIRTEENTH ORDER OF BUSINESS**

**Adjournment**

The meeting was adjourned.

On MOTION by Ms. LaFrance, seconded by Mr. Gysen, with all in favor, the meeting was adjourned.
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Secretary / Assistant Secretary

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Chairman / Vice Chairman

## SECTION VI



7999 NW 60 Ave  
Ocala, FL 34482

## Proposal

Date

11/17/2022

### Bill To

On Top of the World Communities  
8445 SW 80th ST  
Ocala, FL 34481

### Ship To

Project		Terms	
		Net 15	
Quantity	Description	Rate	Total
2	R2-1 24" X 30" H.I.P.	52.00	104.00T
2	2.5" X 1/8" X 12.6' DOT ALUMINUM ROUND POST	58.25	116.50T
2	Brackets for Round Post 2 pc set	8.00	16.00T
2	Soil Plate and U-Bolt Set for 2.5" Round Post	20.00	40.00T
	Sales Tax	7.00%	19.36
		Total	\$295.86

## SECTION VII



# Proposal

11222 SE 55th Ave.  
Bellevue, FL 34420  
(352) 427-7918

Name / Address
On Top of the World Communities, LLC. Brandon Sites 10881 SW 94th St., Bldg. 107 Ocala, FL 34481

Description	Total
Removal and Replacement of Concrete Sidewalk Two sections 5x10 at \$15 per Sq. Ft.	750.00

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<b>Total</b>	\$750.00
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## SECTION VIII

Facility Resources, Inc.

15038 US Hwy 301  
Summerfield, FL 34491



# Estimate

Date	Estimate #
1/10/2023	111432

Name / Address
On Top of the World Communities, LLC 8445 SW 80th St. Ocala, FL 34481

				Project
				Pressure Washing
Description	Qty	U/M	Cost	Total
Indigo Pressure Washing Sidewalks 89,389/Curbing 23,775 Square ft. .14 per square foot (113,164)	113,164		0.14	15,842.96
Fuel Charge	1		792.15	792.15
This is an Estimate Only. Thank you for your business.		Subtotal		
		\$16,635.11		
		Sales Tax (7.0%)		
		\$0.00		
		Total		
		\$16,635.11		

## SECTION IX



## **RESOLUTION 2023-04**

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT PROVIDING FOR AND AUTHORIZING THE USE OF ELECTRONIC DOCUMENTS AND SIGNATURES; ADOPTING AND IMPLEMENTING ELECTRONIC DOCUMENT CONTROL PROCESSES AND PROCEDURES; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

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

**WHEREAS**, Chapter 190, *Florida Statutes*, authorizes the District to construct, install, operate, and/or maintain systems and facilities for certain basic infrastructure; and

**WHEREAS**, Chapter 190, *Florida Statutes* authorizes the District Board of Supervisors, to enter into various contracts for the purposes set forth therein; and

**WHEREAS**, the District Board of Supervisors finds that it is the interest of the District and its residents to reduce waste, costs, and to enhance services; and

**WHEREAS**, the District Board of Supervisors recognizes that the Florida Legislature, through the passage of The Electronic Signature Act of 1996, intended to, among other goals, facilitate economic development and efficient delivery of government services by means of reliable electronic messages and foster the development of electronic commerce through the use of electronic signatures to lend authenticity and integrity to writings in any electronic medium; and

**WHEREAS**, the District Board of Supervisors wishes to further these goals through the use of electronic documents and signatures.

### **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT:**

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

**SECTION 2. FORCE AND EFFECT OF ELECTRONIC DOCUMENTS AND SIGNATURES.** Unless otherwise provided by law, electronic documents and signatures submitted to and on behalf of the District may be used for all purposes and shall have the same force and effect as printed documents and manual signatures.

**SECTION 3. AUTHORIZING UTILIZATION OF ELECTRONIC SIGNATURES AND DOCUMENTS.** All contractors and personnel associated with the District are hereby authorized and encouraged to utilize electronic documents and signatures when reasonably practicable and as permitted by law. The District Manager is authorized and directed to obtain the provision of electronic document services or platforms offered by nationally recognized third party vendors that increase the efficiency of the District's operations.

**SECTION 4. CONTROLS PROCESSES AND PROCEDURES.** The District Board of Supervisors hereby authorizes and directs the District Manager to create control processes and procedures consistent with Florida Law to ensure adequate integrity, security, confidentiality, and auditability of all transactions conducted using electronic commerce.

**SECTION 5. SEVERABILITY.** If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 6. EFFECTIVE DATE.** This Resolution shall take effect upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this 21<sup>st</sup> day of February, 2023.

ATTEST:

**INDIGO EAST COMMUNITY  
DEVELOPMENT DISTRICT**

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Secretary/Assistant Secretary

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Chair/Vice Chair

# SECTION X



# Proposal

**Client Name:** On Top Of The World Communities  
**Project Name:** Indigo Juniper Replacement 1  
**Jobsite Address:** Ocala, Florida 34481  
**Estimate ID:** EST3599673  
**Date:** Dec 15, 2022

**Billing Address:** 8445 SW 80th St Ocala, Florida 34481

<b>Indigo Juniper Replacement 1 - Indigo Juniper Replacement 1</b>	<b>\$2,197.69</b>
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Remove existing Juniper in 2 front entry island beds and install 1 gallon Flax Lily using existing irrigation.

	Foreman		\$169.75
	Install Labor		\$463.05
	Crew Truck + Maintenance Trailer	Crew Truck w/ an Empty Maint. Trailer for Hauling Materials/Debris	\$70.65
264 ea	Flax Lily - 1Gal	\$4.11	\$1,085.04
88 ea	Pine Straw - Bale	\$4.65	\$409.20
<b>Subtotal</b>			\$2,197.69
<b>Taxes</b>			\$0.00
<b>Estimate Total</b>			<b>\$2,197.69</b>

**Payment Terms and Conditions** Upon the acceptance of the work, payment of the unpaid balance Contract Price when due together with such Value Added Taxes as may be applicable to such payment.

- Should the Client fail to make payments as they become due under the terms of the Contract or in the event of any claim, interest at twelve percent (12%) per annum above the prime rate on such unpaid amounts shall also become due and payable until payment.
- The act of non-payment creates a lien in favor of the Contractor Inc. in any and all equipment and property of the Client in the possession of the Contractor Inc. as well as in the Work in progress as at the date of termination. the Contractor Inc. shall be at liberty to retain possession of the same pending payment in full.
- Notwithstanding anything contained herein to the contrary, the completion date of the Work shall be deemed to be extended by that number of days equal to any delay in payment to the Contractor Inc.

## Exclusions

The Following matters are excluded from the Work, unless specified in writing to the contrary:

- Tree Replanting on entire project shall be done by way of CHANGE ORDER- They are not inclusive in this proposal
- ANY Monument/Roadway/Preservation or Instructional Signs are Supplied, Permitted and Installed by OTHERS
- Any and all permits or fees
- HARDSCAPE Install/Purchase by OTHERS
- Sod/Seed watering/establishment on others unless it's specified as 'IRRIGATED'
- Tree Protection shall be done by others prior to, during and after project
- Design and Permitting of Proposed Well, if Applicable
- Irrigation Pump/Water Meter/Well/Tap Location, if applicable, are to supplied and installed by others
- Construction of Planter Boxes
- Any and all Fencing
- Surveying
- Electrical Work is to be done by a certified electrician only and is always additional to the Contract.
- Iron railings removed during construction are always re-attached at an additional cost.
- Damage to existing irrigation lines during construction is considered to be an additional cost.
- Drainage: Should the Client's property be the lowest elevation in relation to surrounding property or buildings, the Contractor, Inc. reserves the right to retain a Soil Engineer to evaluate and propose drainage solutions. All costs for engineering services, as well as the actual drainage work will be at the Client's expense. Unless the Client has a detailed Topographical survey completed, the above clause may come into effect.
- Painting and Staining
- Conduit and connections for electrical, gas, and all other utilities and services
- Site Unknowns: Including, but not limited to, sub-surface conditions/obstacles that create unforeseen labor, equipment, material or disposal charges

### **Procedure for Extra Work and Changes**

If it shall become necessary for the Contractor to make changes in any designs, drawings, plans, software, reports or specifications for any part of the project or reasons over which we have no control, or we are put to any extra work, cost or expense by reason of any act or matter over which it has no control, the Customer will pay to the Contractor a fee for such changed or extra Work calculated on a time and materials basis. All changes to Work or pricing or the terms of this Agreement will be read and understood within the context and meanings of this Agreement unless stated explicitly to the contrary. Extras to the Contract are payable by the Owner forthwith upon receipt of the Company's invoice.

*Change Notice:* Any Contract change in scope in excess of one thousand dollars (\$1,000.00) requires a Contract Change Notice under which Work is to proceed. Work will not commence under a Contract Change Notice (CNN) unless with written Owner approval.

For Changes in scope of less than one thousand dollars (\$1,000.00), the Contractor will provide the Customer notification by way of its Progress Report. In either instance, such notification shall be plain and clear in terms of scope and reason. Any record, telephone conversation or meeting in which such change in scope was introduced, shall be attached as supporting documentation.

### **Warranty and Tolerances**

- **Payments Received:** The Warranty for the contract is only valid if payment is received in full on acceptance of the work.
- **Diligence:** the Contractor agrees to carry out its Work diligently and to provide sufficient supervision and inspection of its staff and subcontractors and that it's work will be of proper and professional quality, and in full conformity with the requirements of the contract.
- **Competence:** the Contractor warrants that it is competent to perform the Work and that it has the necessary qualifications including knowledge and skill with the ability to use them effectively.
- **Site Unknowns:** It is the responsibility of the Client or the Client's Representative to fully inform the Contractor of all the information regarding site unknowns that may include difficult buried materials, cables, and pipes, tree stumps, drainage or water table issues, rock and shale sub-surfaces and/or other impediments, issues or factors that could otherwise impact the quality, cost and timeliness of project completion. Failure to notify the Contractor may lead to additional costs to the Client (at the Contractor's discretion) and schedule time not included in the Quotation in Schedule 1, and may require changes in design and construction to overcome such problems – all for which the Client will be responsible. Client can avoid such risks by permitting the Contractor to do appropriate soil and ground tests, review the site, and to secure additional required site information from appropriate government and other authorities. The cost(s) of such additional work is not included in the Quotation in Schedule 1 attachment.
- **Damaged Utilities:** Should damage occur to utilities during construction, the Contractor is only liable for the cost of the repair. the Contractor is not liable in any way for inconvenience to the Client caused by damage to the utilities.
- **Damage to neighbors buried utilities,** on the Client's property, are the responsibility of the Client.
- **Building/Window/Vehicle Washing:** Buildings, windows, or vehicles of the Client, including neighbors, are not intended to be

kept clean due to dust during Construction or Work performed by the Contractor. Any necessary cleaning due to Construction or Work by the Contractor will be the responsibility of the Client.

#### Material Tolerances

- Wood: Pressure treated wood cannot be guaranteed against warp age, checking, or cupping. Cedar is expected to crack especially 6X6 up to 3/8 inch gaps and the entire length of the wood. Ipe is expected to crack especially 4X4 up to 3/8 inch gaps and the entire length of the wood.
- Stone: Natural stone has color variations that vary from stone to stone. In addition, mineral deposits such as lime, iron, etc. can change the stone and even bleed. This is the nature of the product and the Client accepts this as a natural and acceptable quality of the stone.
- Metal: Metal, which is not galvanized, is not guaranteed from rusting commencing immediately after installation.
- Concrete: Spider cracks (hairline stress-fractures) are considered a normal characteristic of all types of concrete. Concrete may crack substantially over time due to proximity of tree roots. Colored concrete consistencies vary from truck to truck; therefore it is not possible to produce an exact match with pours over nine meters. The Client absolves the Contractor of liability if "smooth" concrete is the desired finish (due to slippage).
- Warranty Time Period: the Contractor warrants all construction and installation for a period of one (1) year, providing that they have been maintained properly. All construction materials are subject to manufacturer's specific warranties/guarantees. Planting is warranted for one (1) year if there is an approved irrigation system.
- Client Responsibilities: The Client recognizes and agrees that they have a responsibility to maintain constructions, plants, bushes, trees, and other installations in keeping with standard quality maintenance requirements in order for the Warranty to remain in affect. Failure to properly maintain materials or horticulture installations will void the warranty. Client further recognizes and agrees that damage to construction, materials, horticulture elements and other warrantable items of the project will not be warranted if the damage or loss is due to elements beyond the control of the Contractor. For example, flooding eaves troughs that damage plants, fallen branches, animal caused damage, frozen/ burst irrigation or drainage pipes that were not seasonally drained at the proper time, use of improper chemicals, improper maintenance, extreme or unusual weather conditions, and similar and/or related situations – void all warranties provided by the Contractor.
- Use of Client Selected and Approved Substandard Materials: Client recognized and agrees that if the Client has chosen and approved the use of substandard materials for any application that the one year warranty will be void or otherwise limited in writing on those items so impacted, but will remain in affect for all other elements of the project not impacted directly or indirectly by use of substandard materials. the Contractor will notify in writing to the Client any material that the Client has selected that would negatively impact the one year warranty of the Contractor – prior to purchasing and/or installing such materials.
- Material Grades: The Client recognizes that all materials come in a range of grades of quality and finishes, and that natural materials are not perfect. Natural wood have knots, and other natural materials have variability in color due to a wide range of factors, and that sample while useful in material selection decision-making, cannot be expected to accurately represent the total completed surface of a given construction or installation. the Contractor shall endeavor to enable the Client to see or understand the representative range of color, surface texture, and related of all materials begin seriously considered for installation on a project, however, it will be responsibility of the Client for the final selection of those materials. Once the selection has been approved by the Client, the Client will be responsible for all costs associated with changing any given material should the Client change their mind during or after material is purchased or constructed.

Estimate authorized by: \_\_\_\_\_

Company Representative

Signature Date: \_\_\_\_\_

Estimate approved by: \_\_\_\_\_

Customer Representative

Signature Date: \_\_\_\_\_

# SECTION A

MHS Companies Inc  
P.O. Box 2023  
Inverness, FL 34451  
+352 3221142  
michelle@getmhs.com



## Estimate

### ADDRESS

Brandon Sites

ESTIMATE # 1087

DATE 12/16/2022

EXPIRATION DATE 12/16/2022

---

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
12/16/2022	Landscape Install	Remove juniper at Indigo entrance. Replace with 1 gallon flax lilly. Add pine straw.	1	2,950.00	2,950.00
TOTAL					\$2,950.00

Accepted By

Accepted Date



# SECTION XI

**INDIGO EAST  
COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**

**DRAFT**

**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
Indigo East Community Development District  
Marion County, Florida

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

In our opinion, the 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, 2022, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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In performing an audit in accordance with GAAS, we:

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

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

#### ***Required Supplementary Information***

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

#### ***Other Information Included in the Financial Report***

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

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated Xxxx, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Xxxx, 2023

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Indigo East Community Development District, Marion County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2022. 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 assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$1,650,334.
- The change in the District's total net position in comparison with the prior fiscal year was (31,822), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2022, the District's governmental funds reported combined ending fund balances of \$721,856 a decrease of (\$20,113), in comparison with the prior fiscal year. The total fund balance is restricted for debt service, assigned for renewal and replacement and subsequent year's expenditures, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

### OVERVIEW OF FINANCIAL STATEMENTS

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

#### Government-Wide Financial Statements

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

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

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

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

#### Fund Financial Statements

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

## OVERVIEW OF FINANCIAL STATEMENTS (Continued)

### Governmental Funds

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

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

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

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

### Notes to the Financial Statements

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

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

NET POSITION SEPTEMBER 30,			
	2022	2021	
Current and other assets	\$ 762,095	\$ 752,677	
Capital assets, net of depreciation	1,844,353	1,922,090	
Total assets	2,606,448	2,674,767	
Current liabilities	56,114	27,611	
Long-term liabilities	900,000	965,000	
Total liabilities	956,114	992,611	
Net Position			
Net investment in capital assets	944,353	957,090	
Restricted	114,732	119,662	
Unrestricted	591,249	605,404	
Total net position	\$ 1,650,334	\$ 1,682,156	

## 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 remaining balance of unrestricted net position may be used to meet the District's other obligations.

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 and depreciation expense exceeded ongoing program revenues.

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

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,			
	2022	2021	
Revenues:			
Program revenues			
Charges for services	\$ 354,321	\$ 356,160	
Operating grants and contributions	95	5	
General revenues			
Unrestricted investment earnings	4,087	775	
Miscellaneous	1,477	-	
Total revenues	359,980	356,940	
Expenses:			
General government	64,086	36,872	
Maintenance and operations	288,606	258,962	
Interest	39,110	40,909	
Total expenses	391,802	336,743	
Change in net position	(31,822)	20,197	
Net position - beginning	1,682,156	1,661,959	
Net position - ending	\$ 1,650,334	\$ 1,682,156	

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2022 was \$391,802. The costs of the District's activities were paid by program revenues. In addition, general revenues increased as a result of an increase in investment earnings. In total, expenses, including depreciation, increased from the prior fiscal year. The majority of the increase was the result of an increase in attorney fees and pressure washing.

## 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. The general fund budget for the fiscal year ended September 30, 2022 was amended to increase revenues by \$919 and increase appropriations by \$22,477. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2022.



## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2022, the District had \$2,974,518 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$1,130,165 has been taken, which resulted in a net book value of \$1,844,353. More detailed information about the District's capital assets is presented in the notes of the financial statements.

### Capital Debt

At September 30, 2022, the District had \$900,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Indigo East Community Development District's Finance Department at 219 E. Livingston Street, Orlando, FL 32801.

**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 148,056
Investments	481,825
Accounts receivable	1,508
Accrued interest receivable	289
Restricted assets:	
Investments	130,417
Capital assets:	
Nondepreciable	1,046,428
Depreciable, net	797,925
Total assets	<u>2,606,448</u>
 <b>LIABILITIES</b>	
Accounts payable	40,239
Accrued interest payable	15,875
Non-current liabilities:	
Due within one year	45,000
Due in more than one year	855,000
Total liabilities	<u>956,114</u>
 <b>NET POSITION</b>	
Net investment in capital assets	944,353
Restricted	114,732
Unrestricted	591,249
Total net position	<u>\$ 1,650,334</u>

See notes to the financial statements

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Primary government:				
Governmental activities:				
General government	\$ 64,086	\$ 64,086	\$ -	\$ -
Maintenance and operations	288,606	191,150	-	(97,456)
Interest on long-term debt	39,110	99,085	95	60,070
Total governmental activities	391,802	354,321	95	(37,386)
General revenues:				
Unrestricted investment earnings				4,087
Miscellaneous				1,477
Total general revenues				5,564
Change in net position				(31,822)
Net position - beginning				1,682,156
Net position - ending				\$ 1,650,334

See notes to the financial statements

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b>ASSETS</b>				
Cash	\$ 148,056	\$ -	\$ -	\$ 148,056
Investments	-	130,417	481,825	612,242
Accrued interest receivable	-	190	99	289
Due from other funds	21,055	-	-	21,055
Accounts receivable	1,508	-	-	1,508
Total assets	<u>\$ 170,619</u>	<u>\$ 130,607</u>	<u>\$ 481,924</u>	<u>\$ 783,150</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 40,239	\$ -	\$ -	\$ 40,239
Due to other funds	-	-	21,055	21,055
Total liabilities	<u>40,239</u>	<u>-</u>	<u>21,055</u>	<u>61,294</u>
Fund balances:				
Restricted for:				
Debt service	-	130,607	-	130,607
Assigned to:				
Renewal and replacement	-	-	460,869	460,869
Subsequent year's expenditures	33,470	-	-	33,470
Unassigned	96,910	-	-	96,910
Total fund balances	<u>130,380</u>	<u>130,607</u>	<u>460,869</u>	<u>721,856</u>
Total liabilities and fund balances	<u>\$ 170,619</u>	<u>\$ 130,607</u>	<u>\$ 481,924</u>	<u>\$ 783,150</u>

See notes to the financial statements

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

Fund balance - governmental funds \$ 721,856

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

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

Cost of capital assets	2,974,518	
Accumulated depreciation	<u>(1,130,165)</u>	1,844,353

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

Accrued interest payable	(15,875)	
Bonds payable	<u>(900,000)</u>	<u>(915,875)</u>
Net position of governmental activities		<u>\$ 1,650,334</u>

See notes to the financial statements

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
REVENUES				
Assessments	\$ 255,236	\$ 99,085	\$ -	\$ 354,321
Miscellaneous Income	1,477	-	-	1,477
Interest	19	95	4,068	4,182
Total revenues	256,732	99,180	4,068	359,980
EXPENDITURES				
Current:				
General government	64,086	-	-	64,086
Maintenance and operations	189,814	-	21,055	210,869
Debt Service:				
Principal	-	65,000	-	65,000
Interest	-	40,138	-	40,138
Total expenditures	253,900	105,138	21,055	380,093
Excess (deficiency) of revenues over (under) expenditures	2,832	(5,958)	(16,987)	(20,113)
Fund balances - beginning	127,548	136,565	477,856	741,969
Fund balances - ending	\$ 130,380	\$ 130,607	\$ 460,869	\$ 721,856

See notes to the financial statements

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balances - total governmental funds	\$ (20,113)
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation on capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(77,737)
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	65,000
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the governmental fund financial statements.	<u>1,028</u>
Change in net position of governmental activities	<u>\$ (31,822)</u>

See notes to the financial statements

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY**

Indigo East Community Development District ("the District") was created on November 19, 2002 pursuant to Ordinance No. 02-26 enacted by the County Commission of the Marion County, Florida, under the "Uniform Community Development District Act of 1980", otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, 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 a five-member Board of Supervisors ("Board"). 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.

The Board has the 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 Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-Wide and Fund Financial Statements**

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

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

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



## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

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

### **Assessments**

Assessments are non-ad valorem assessments on benefited property within the District. Operating and maintenance assessments are based upon the adopted budget and levied annually at a public hearing of the District. Debt service assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection under Florida Statutes. Direct collected assessments are due as determined by the annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by the County Tax Collector on November 1 and are due on or before March 31 of each year. Property owners may prepay a portion or all of the debt service assessments on their property subject to various provisions in the Bond documents.

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

The District reports the following major governmental funds:

### **General Fund**

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

### **Debt Service Funds**

The debt service funds are used to account for the accumulation of resources for the annual payment of principal and interest on the Bonds.

### **Capital Projects Fund**

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure and for the accumulation of renewal and replacement reserves.

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

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

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity**

#### **Restricted Assets**

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

#### **Deposits and Investments**

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

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

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Inter-local 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.

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a "2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The District has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

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

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

#### **Prepaid Items**

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

#### **Capital Assets**

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

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities and Net Position or Equity (Continued)

#### Capital Assets (Continued)

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Stormwater drainage system	30
Entry features, landscape, security and other	10 - 25

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.

#### Long-Term Obligations

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

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

#### Deferred Outflows/Inflows of Resources

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

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

#### Fund Equity/Net Position

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

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

#### Fund Equity/Net Position (Continued)

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

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

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

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

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

### **Other Disclosures**

#### Use of Estimates

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

## **NOTE 3 - BUDGETARY INFORMATION**

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

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

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

## NOTE 4 - DEPOSITS AND INVESTMENTS

### Deposits

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

### Investments

The District's investments were held as follows at September 30, 2022:

	Amortized Cost	Credit Risk	Maturities
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	\$ 481,825	S&P AAAm	Weighted average of the fund portfolio: 21 days
US Bank Money Market Fund	130,417	N/A	N/A
	<u>\$ 612,242</u>		

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

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

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

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

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

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

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

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

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the District's investments have been reported at amortized cost above.

## NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

### Investments (Continued)

*External Investment Pool* – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.”

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

## NOTE 5 – INTERFUND RECEIVABLES & PAYABLES

Interfund receivables and payables at September 30, 2022 were as follows:

Fund	Receivable	Payable
General	\$ 21,055	\$ -
Capital projects	-	21,055
Total	<u>\$ 21,055</u>	<u>\$ 21,055</u>

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. In the case of the District, the balances between the general fund and the capital projects fund relate to expenditures that were paid by the general fund on behalf of the capital projects fund.

## NOTE 6 - CAPITAL ASSETS

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

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and land improvements	\$ 1,046,428	\$ -	\$ -	\$ 1,046,428
Total capital assets, not being depreciated	1,046,428	-	-	1,046,428
Capital assets, being depreciated				
Stormwater drainage system	231,014	-	-	231,014
Entry features, landscape, security and other	1,697,076	-	-	1,697,076
Total capital assets, being depreciated	1,928,090	-	-	1,928,090
Less accumulated depreciation for:				
Stormwater drainage system	107,800	7,700	-	115,500
Entry features, landscape, security and other	944,628	70,037	-	1,014,665
Total accumulated depreciation	1,052,428	77,737	-	1,130,165
Total capital assets, being depreciated, net	875,662	(77,737)	-	797,925
Governmental activities capital assets, net	\$ 1,922,090	\$ (77,737)	\$ -	\$ 1,844,353

Depreciation was charged to the maintenance and operations function.

## NOTE 7 – LONG-TERM LIABILITIES

### Series 2016

On November 17, 2016, Bay Laurel Community Development District (“Bay Laurel”) issued conduit debt of \$1,745,000 of Special Assessment Revenue Refunding Bonds, Series 2016. Bay Laurel loaned the Bonds funds of \$1,745,000 to the District. The proceeds of the Series 2016 Bonds will be applied to refund the outstanding Series 2006 Bonds. The Bonds are special limited obligations of the Bay Laurel, payable solely from and secured by pledged revenues to be collected by Indigo East Community Development District. The Bonds consist of term Bonds due May 1, 2037 with a fixed interest rates from 3.00% to 4.5% to be paid semiannually on each May 1 and November 1, commencing May 1, 2017 and principal to be paid annually on each May 1, commencing May 1, 2017 through May 1, 2037.

The Series 2016 Bonds are subject to optional redemption at the option of the District prior to their maturity. In addition, the Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. This occurred during the current fiscal year as the District collected prepaid assessments which were used to pay down the Bonds by \$25,000. See Note 13 - Subsequent Events for additional call amounts subsequent to the fiscal year end.

The Bond Indenture established a debt service reserve requirement as well as other restrictions 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, 2022.

### Long-term debt activity

Changes in long-term liability activity for the fiscal year ended September 30, 2022 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2016	\$ 965,000	\$ -	\$ 65,000	\$ 900,000	\$ 45,000
Total	\$ 965,000	\$ -	\$ 65,000	\$ 900,000	\$ 45,000

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## **NOTE 7 – LONG-TERM LIABILITIES (Continued)**

### **Long-term debt activity (Continued)**

At September 30, 2022, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2023	\$ 45,000	\$ 38,100	\$ 83,100
2024	45,000	36,525	81,525
2025	50,000	34,838	84,838
2026	50,000	32,963	82,963
2027	50,000	30,900	80,900
2028-2032	295,000	120,881	415,881
2033-2037	365,000	50,850	415,850
Total	<u>\$ 900,000</u>	<u>\$ 345,057</u>	<u>\$ 1,245,057</u>

## **NOTE 8 - DEVELOPER TRANSACTIONS**

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

## **NOTE 9 - 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 10 - MANAGEMENT COMPANY**

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

## **NOTE 11 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.

## **NOTE 12 - INTERLOCAL AGREEMENT**

On April 7, 2003, the District entered into an Inter-local Agreement with Bay Laurel whereby Bay Laurel has the sole and exclusive right to sell and deliver to the District's residents, and the District's residents shall purchase and receive from Bay Laurel, utility services at the rates, fees, and charges set by Bay Laurel. Bay Laurel has the power and authority to establish reasonable rules and standards governing the delivery of utility services pursuant to the terms of the agreement.

On February 13, 2006, the District entered into an Inter-local Agreement with Bay Laurel whereby Bay Laurel agreed to issue Series 2006 Bonds – as discussed in Note 6. According to the terms of the agreements, Bay Laurel loaned a part of the proceeds of the Bond issuance to the District to finance the cost of the acquisition of the Developer's rights or interest in the Development Improvements, including the real property acquisitions and other related purposes, the terms of which are outlined in the Development Improvement Acquisition Agreement entered between the District and Bay Laurel on May 4, 2006. This agreement has been extended with the issuance of Series 2016 Refunding Bonds.

## **NOTE 13 – SUBSEQUENT EVENTS**

Subsequent to fiscal year end, the District prepaid a total of \$10,000 of the Series 2016 Bonds. The prepayments were considered extraordinary mandatory redemptions as outlined in the Bond Indenture.

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Assessments	\$ 254,337	\$ 255,236	\$ 255,236	\$ -
Miscellaneous income	-	-	1,477	1,477
Interest	-	20	19	(1)
Total revenues	254,337	255,256	256,732	1,476
EXPENDITURES				
Current:				
General government	45,481	68,987	64,086	4,901
Maintenance and operations	221,234	220,205	189,814	30,391
Total expenditures	266,715	289,192	253,900	35,292
Excess (deficiency) of revenues over (under) expenditures	(12,378)	(33,936)	2,832	36,768
OTHER FINANCING SOURCES				
Carryforward Surplus	-	33,936	-	(33,936)
Total other financing sources (uses)	-	33,936	-	(33,936)
Net change in fund balances	\$ (12,378)	\$ -	2,832	\$ 2,832
Fund balance - beginning			127,548	
Fund balance - ending			\$ 130,380	

See notes to required supplementary information

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**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2022 was amended to increase revenues by \$919 and increase appropriations by \$22,477. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2022.

**INDIGO EAST COMMUNITY DEVELOPMENT DISTRICT  
MARION COUNTY, FLORIDA  
OTHER INFORMATION – DATA ELEMENTS  
REQUIRED BY FL STATUTE 218.39(3)(C)  
UNAUDITED**

Element	Comments
Number of district employees compensated at 9/30/2022	5
Number of independent contractors compensated in September 2022	3
Employee compensation for FYE 9/30/2022 (paid/accrued)	\$5,800
Independent contractor compensation for FYE 9/30/2022	\$286,043
Construction projects to begin on or after October 1; (>\$65K)	Not applicable
Budget variance report	See page 22 of annual financial report
Ad Valorem taxes;	Not applicable
Millage rate FYE 9/30/2022	Not applicable
Ad valorem taxes collected FYE 9/30/2022	Not applicable
Outstanding Bonds:	Not applicable
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2022	Operations and maintenance - \$447
	Debt service - \$483
Special assessments collected FYE 9/30/2022	\$354,321
Outstanding Bonds:	
Series 2016, due May 1, 2037,	see Note 6 for details

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

To the Board of Supervisors  
Indigo East Community Development District  
Marion 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 Indigo East Community Development District, Marion County, Florida (the "District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated Xxxx, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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.

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

Xxxx, 2023

**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  
Indigo East Community Development District  
Marion County, Florida

We have examined Indigo East Community Development District, Marion 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, 2022. 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, 2022.

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 Indigo East Community Development District, Marion County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Xxxx, 2023

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

To the Board of Supervisors  
Indigo East Community Development District  
Marion County, Florida

### **Report on the Financial Statements**

We have audited the accompanying basic financial statements of Indigo East Community Development District, Marion County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated Xxxx, 2023.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the 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 the financial statements performed in accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated Xxxx, 2023, should be considered in conjunction with this management letter.

### **Purpose of this Letter**

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

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

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

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

Xxxx, 2023

## **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, 2021.

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, 2022.

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, 2022.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2022. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 24.



## SECTION XII

## SECTION B

# SECTION 1

# Indigo East

## Community Development District

### Summary of Invoices

October 1, 2022 to December 31, 2022

Fund	Date	Check No.'s		Amount
General Fund	10/11/22	1593 - 1595	\$	5,576.86
	10/27/22	1596 - 1600	\$	41,844.53
	11/11/22	1601 - 1603	\$	8,515.98
	12/29/22	1604 - 1609	\$	36,078.49
			\$	92,015.86
Payroll	<u>October - December 2022</u>			
	Cynthia Lafrance	50263	\$	184.70
	Harold Brouillard	50264	\$	184.70
	Robert D Hutson	50265	\$	184.70
	John Gysen	50266	\$	200.00
	Terrance Solan	50267	\$	184.70
			\$	938.80
			\$	92,954.66

AP300R	YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER										RUN	2/14/23	PAGE	1
*** CHECK DATES 10/01/2022 - 12/31/2022 ***														
INDIGO EAST - GENERAL FUND														
BANK A INDIGO EAST CDD														

  

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
10/11/22	00061	9/30/22 8	202209 310-51300-31300		*	100.00	
			AMORT SCH SER2016 11/1/22	DISCLOSURE SERVICES LLC			100.00 001593
10/11/22	00019	9/15/22 236	202210 310-51300-31700		*	5,000.00	
			FY23 ASSESSMENT ROLL CRTG	GOVERNMENTAL MANAGEMENT SERVICES			5,000.00 001594
10/11/22	00073	9/20/22 00048462	202208 310-51300-48000		*	476.86	
			NOT OF MEETING 8/30/22	LOCALIQ			476.86 001595
10/27/22	00067	10/03/22 86667	202210 310-51300-54000		*	175.00	
			SPECIAL DISTRICT FEE FY23	DEPARTMENT OF ECONOMIC OPPORTUNITY			175.00 001596
10/27/22	00039	10/03/22 17365	202210 310-51300-45000		*	7,236.00	
			GEN LIAB/PUB OFF INS FY23				
		10/03/22 17365	202210 320-53800-45000		*	527.00	
			PROPERTY INSURANCE FY23	EGIS INSURANCE ADVISORS, LLC			7,763.00 001597
10/27/22	00047	8/08/22 73309	202207 320-53800-47300		*	10,708.91	
			ROW MAINTENANCE JUL 22				
		9/05/22 73792	202208 320-53800-47300		*	10,708.91	
			ROW MAINTENANCE AUG 22				
		10/03/22 74425	202209 320-53800-47300		*	10,708.91	
			ROW MAINTENANCE SEP22				
		10/07/22 74446	202210 320-53800-43200		*	260.07	
			4 STATION NODE OCT22	EARTHSCAPES UNLIMITED INC.			32,386.80 001598
10/27/22	00019	10/01/22 237	202210 310-51300-34000		*	652.83	
			MANAGEMENT FEE OCT22				
		10/01/22 237	202210 310-51300-34200		*	50.00	
			WEBSITE ADMIN OCT22				
		10/01/22 237	202210 310-51300-34100		*	66.67	
			INFORMATION TECH OCT22				
		10/01/22 237	202210 310-51300-31300		*	208.33	
			DISSEMINATION AGENT SVC				
		10/01/22 237	202210 310-51300-51000		*	55.15	
			OFFICE SUPPLIES				
		10/01/22 237	202210 310-51300-42000		*	2.85	
			POSTAGE				
		10/01/22 237	202210 310-51300-42500		*	33.90	
			COPIES	GOVERNMENTAL MANAGEMENT SERVICES			1,069.73 001599

  

INDE INDIGO EAST				ZYAN
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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
10/27/22	00066	10/07/22 152458	202210 310-51300-31100	ENGINEER SERVICE 10/22	*	450.00	
				GEO-TECHNOLOGIES, INC.			450.00 001600
11/11/22	00002	11/07/22 2335	202204 310-51300-31500	PREPARE/ATTEND MTG APR22	*	1,500.00	
		11/07/22 2335A	202205 310-51300-31500	PREPARE/ATTEND MTG MAY22	*	1,500.00	
		11/07/22 2335B	202206 310-51300-31500	PREPARE/ATTEND MTG JUN22	*	165.75	
		11/07/22 2335C	202208 310-51300-31500	PREPARE/ATTEND MTG AUG22	*	2,550.00	
		11/07/22 2335D	202209 310-51300-31500	PREPARE/ATTEND MTG SEP22	*	1,620.00	
				COLEN & WAGONER P.A.			7,335.75 001601
11/11/22	00052	10/19/22 2188753	202209 310-51300-31100	STORMWATER ANALYSIS REPOT	*	200.00	
				DEWBERRY ENGINEERS INC.			200.00 001602
11/11/22	00019	11/01/22 238	202211 310-51300-34000	MANAGEMENT FEES NOV22	*	652.83	
		11/01/22 238	202211 310-51300-34200	WEBSITE ADMIN NOV22	*	50.00	
		11/01/22 238	202211 310-51300-34100	INFORMATION TEC NOV22	*	66.67	
		11/01/22 238	202211 310-51300-31300	DISSEMINATION SVCS NOV22	*	208.33	
		11/01/22 238	202211 310-51300-51000	OFFICE SUPPLIES	*	.12	
		11/01/22 238	202211 310-51300-42000	POSTAGE	*	2.28	
				GOVERNMENTAL MANAGEMENT SERVICES			980.23 001603
12/29/22	00072	11/18/22 6676-11-	202211 310-51300-31400	ARBITRAGE SER 2016 FY23	*	450.00	
				AMTEC			450.00 001604
12/29/22	00002	11/15/22 2361	202211 310-51300-31500	PREPARE/ATTEND MTG NOV 22	*	1,500.00	
				COLEN & WAGONER P.A.			1,500.00 001605
12/29/22	00047	11/04/22 74833	202210 320-53800-47300	ROW MAINTENANCE OCT 22	*	11,210.33	
		11/04/22 74853	202211 320-53800-43200	REPLACE STATION NODE	*	148.76	

INDE INDIGO EAST ZYAN

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
		12/05/22	75439 202211 320-53800-47300		*	11,210.33	
			ROW MAINTENANCE - NOV 22				
		12/05/22	75459 202211 320-53800-43200		*	799.77	
			RPLC NODE/CNTRLR FACEPLTE				
				EARTHSCAPES UNLIMITED INC.			23,369.19 001606
12/29/22	00019	12/01/22	239 202212 310-51300-34000		*	652.83	
			MANAGEMENT FEES - DEC 22				
		12/01/22	239 202212 310-51300-34200		*	50.00	
			WEBSITE MANAGEMENT-DEC 22				
		12/01/22	239 202212 310-51300-34100		*	66.67	
			INFORMATION TECH - DEC 22				
		12/01/22	239 202212 310-51300-31300		*	208.33	
			DISSEMINATION SVCS-DEC 22				
		12/01/22	239 202212 310-51300-51000		*	27.71	
			OFFICE SUPPLIES				
		12/01/22	239 202212 310-51300-42000		*	3.99	
			POSTAGE				
		12/01/22	239 202212 310-51300-42500		*	61.65	
			COPIES				
				GOVERNMENTAL MANAGEMENT SERVICES			1,071.18 001607
12/29/22	00073	11/30/22	00050952 202211 310-51300-48000		*	140.12	
			NOT OF MEETING - 11/15/22				
				LOCALIQ			140.12 001608
12/29/22	00069	11/18/22	7308 202211 320-53800-49000		*	9,548.00	
			EXCAVATION / SOD INSTALL				
				TAYLOR & SONS GROUND BREAKING, LLC			9,548.00 001609
				TOTAL FOR BANK A		92,015.86	
				TOTAL FOR REGISTER		92,015.86	

## SECTION 2



***Indigo East***  
***Community Development District***

***Unaudited Financial Reporting***  
***December 31, 2022***



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1	<u>Balance Sheet</u>
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4	<u>Debt Service Fund</u>
5	<u>Capital Reserve Fund</u>
6	<u>Month to Month</u>
7	<u>Long-Term Debt</u>
8	<u>Assessment Receipt Schedule</u>

**Indigo East**  
**Community Development District**  
**Combined Balance Sheet**  
**December 31, 2022**

	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Capital Reserves Fund</i>	<i>Totals Governmental Funds</i>
<b>Assets:</b>				
Cash				
Operating Account	\$ 180,153	\$ -	\$ -	\$ 180,153
<u>Investment</u>				
State Board Administration	\$ -	\$ -	\$ 465,284	\$ 465,284
<u>Series 2016</u>				
Reserve	\$ -	\$ 32,905	\$ -	\$ 32,905
Revenue	\$ -	\$ 68,956	\$ -	\$ 68,956
Prepayment	\$ -	\$ 27	\$ -	\$ 27
Accrued Interest Receivable	\$ -	\$ 190	\$ 99	\$ 289
Due from General Fund	\$ -	\$ 28,697	\$ -	\$ 28,697
<b>Total Assets</b>	<b>\$ 180,153</b>	<b>\$ 130,774</b>	<b>\$ 465,383</b>	<b>\$ 776,310</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 2,020	\$ -	\$ -	\$ 2,020
Due to Debt Service	\$ 28,697	\$ -	\$ -	\$ 28,697
<b>Total Liabilities</b>	<b>\$ 30,717</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,717</b>
<b>Fund Balance:</b>				
Assigned For:				
Capital Reserve	\$ -	\$ -	\$ 465,383	\$ 465,383
Restricted For:				
Debt Service Series 2016	\$ -	\$ 130,774	\$ -	\$ 130,774
Unassigned	\$ 149,436	\$ -	\$ -	\$ 149,436
<b>Total Fund Balances</b>	<b>\$ 149,436</b>	<b>\$ 130,774</b>	<b>\$ 465,383</b>	<b>\$ 745,593</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 180,153</b>	<b>\$ 130,774</b>	<b>\$ 465,383</b>	<b>\$ 776,310</b>

**Indigo East**  
**Community Development District**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending December 31, 2022**

	Adopted	Prorated Budget	Actual	
	Budget	Thru 12/31/22	Thru 12/31/22	Variance
<b><u>Revenues:</u></b>				
Assessments - Tax Roll	\$ 254,337	\$ 99,184	\$ 99,184	\$ -
Interest	\$ -	\$ -	\$ 4	\$ 4
<b>Total Revenues</b>	<b>\$ 254,337</b>	<b>\$ 99,184</b>	<b>\$ 99,188</b>	<b>\$ 4</b>
<b><u>Expenditures:</u></b>				
<b><u>General &amp; Administrative:</u></b>				
Supervisor Fees	\$ 4,000	\$ 1,000	\$ 1,000	\$ -
FICA Expense	\$ 306	\$ 77	\$ 61	\$ 15
Engineering	\$ 1,200	\$ 300	\$ 450	\$ (150)
Trustee Fees	\$ 2,050	\$ 2,050	\$ 2,020	\$ 30
Dissemination	\$ 2,500	\$ 625	\$ 625	\$ 0
Arbitrage	\$ 450	\$ 450	\$ 450	\$ -
Assessment Roll	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Attorney	\$ 6,000	\$ 1,500	\$ 1,500	\$ -
Annual Audit	\$ 3,800	\$ -	\$ -	\$ -
Management Fees	\$ 7,834	\$ 1,959	\$ 1,958	\$ 0
Information Technology	\$ 800	\$ 200	\$ 200	\$ (0)
Website Maintenance	\$ 600	\$ 150	\$ 150	\$ -
Telephone	\$ 100	\$ 25	\$ -	\$ 25
Postage	\$ 625	\$ 156	\$ 9	\$ 147
Printing & Binding	\$ 500	\$ 125	\$ 96	\$ 29
Insurance	\$ 8,077	\$ 8,077	\$ 7,236	\$ 841
Legal Advertising	\$ 1,000	\$ 250	\$ 140	\$ 110
Other Current Charges	\$ 1,200	\$ 300	\$ 285	\$ 15
Office Supplies	\$ 200	\$ 50	\$ 83	\$ (33)
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
<b>Total General &amp; Administrative:</b>	<b>\$ 46,417</b>	<b>\$ 22,468</b>	<b>\$ 21,439</b>	<b>\$ 1,029</b>

**Indigo East**  
**Community Development District**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending December 31, 2022**

	Adopted	Prorated Budget	Actual	
	Budget	Thru 12/31/22	Thru 12/31/22	Variance
<b><i>Operation and Maintenance</i></b>				
Property Insurance	\$ 526	\$ 132	\$ 527	\$ (396)
Water Expense	\$ 2,481	\$ 620	\$ 547	\$ 73
Electric Expense	\$ 26,473	\$ 6,618	\$ 6,163	\$ 455
Irrigation Repairs	\$ 2,925	\$ 731	\$ 1,209	\$ (477)
Retention Ponds/ROW Maintenance	\$ 186,435	\$ 46,609	\$ 22,421	\$ 24,188
Plant Replacement	\$ 2,500	\$ 625	\$ -	\$ 625
Tree Trimming	\$ 1,000	\$ 250	\$ -	\$ 250
Pressure Washing	\$ 15,000	\$ 3,750	\$ -	\$ 3,750
Well Maintenance/Repairs	\$ 4,050	\$ 1,013	\$ -	\$ 1,013
Contingency	\$ -	\$ -	\$ 9,548	\$ (9,548)
<b>Total O&amp;M Expenditures:</b>	<b>\$ 241,390</b>	<b>\$ 60,348</b>	<b>\$ 40,414</b>	<b>\$ 19,933</b>
<b>Total Expenditures</b>	<b>\$ 287,808</b>	<b>\$ 82,816</b>	<b>\$ 61,854</b>	<b>\$ 20,962</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ (33,470)</b>		<b>\$ 37,334</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 33,470</b>		<b>\$ 112,102</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ 149,436</b>	

**Indigo East**  
**Community Development District**  
**Debt Service Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending December 31, 2022**

	Adopted	Prorated Budget	Actual	
	Budget	Thru 12/31/22	Thru 12/31/22	Variance
<b>Revenues:</b>				
Assessments - Tax Roll	\$ 83,043	\$ 28,697	\$ 28,697	\$ -
Interest Income	\$ -	\$ -	\$ 521	\$ 521
<b>Total Revenues</b>	<b>\$ 83,043</b>	<b>\$ 28,697</b>	<b>\$ 29,218</b>	<b>\$ 521</b>
<b>Expenditures:</b>				
Interest - 11/1	\$ 19,153	\$ 19,050	\$ 19,050	\$ -
Special Call - 11/1	\$ -	\$ -	\$ 10,000	\$ (10,000)
Principal - 5/1	\$ 45,000	\$ -	\$ -	\$ -
Interest - 5/1	\$ 19,153	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 83,306</b>	<b>\$ 19,050</b>	<b>\$ 29,050</b>	<b>\$ (10,000)</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ (264)</b>		<b>\$ 168</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 97,065</b>		<b>\$ 130,606</b>	
<b>Fund Balance - Ending</b>	<b>\$ 96,801</b>		<b>\$ 130,774</b>	

**Indigo East**  
**Community Development District**  
**Capital Reserve Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending December 31, 2022**

	Adopted	Prorated Budget	Actual	
	Budget	Thru 12/31/22	Thru 12/31/22	Variance
<b>Revenues:</b>				
Interest Income	\$ -	\$ -	\$ 4,514	\$ 4,514
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,514</b>	<b>\$ 4,514</b>
<b>Expenditures:</b>				
Roadway Resurfacing	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>		<b>\$ 4,514</b>	
<b>Fund Balance - Beginning</b>	<b>\$ 355,220</b>		<b>\$ 460,869</b>	
<b>Fund Balance - Ending</b>	<b>\$ 355,220</b>		<b>\$ 465,383</b>	

**Indigo East**  
Community Development District  
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
<b>Revenues:</b>													
Assessments - Tax Roll	\$ -	\$ 5,608	\$ 93,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,184
Bay Laurel Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 1	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4
<b>Total Revenues</b>	<b>\$ 1</b>	<b>\$ 5,609</b>	<b>\$ 93,577</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 99,188</b>
<b>Expenditures:</b>													
<u><b>General &amp; Administrative:</b></u>													
Supervisor Fees	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000
FICA Expense	\$ -	\$ 61	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61
Engineering	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450
Trustee Fees	\$ -	\$ -	\$ 2,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,020
Dissemination	\$ 208	\$ 208	\$ 208	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 625
Arbitrage	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450
Assessment Roll	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Attorney	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fees	\$ 653	\$ 653	\$ 653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,958
Information Technology	\$ 67	\$ 67	\$ 67	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
Website Maintenance	\$ 50	\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ 3	\$ 2	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9
Rentals & Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing & Binding	\$ 34	\$ -	\$ 62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96
Insurance	\$ 7,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,236
Legal Advertising	\$ -	\$ 140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
Other Current Charges	\$ 89	\$ 85	\$ 111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 285
Office Supplies	\$ 55	\$ 0	\$ 28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
<b>Total General &amp; Administrative:</b>	<b>\$ 14,020</b>	<b>\$ 4,217</b>	<b>\$ 3,202</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,439</b>
<u><b>Operation and Maintenance</b></u>													
Property Insurance	\$ 527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 527
Water Expense	\$ 209	\$ 151	\$ 186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 547
Electric Expense	\$ 2,079	\$ 2,005	\$ 2,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,163
Irrigation Repairs	\$ 260	\$ 949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,209
Retention Ponds/ROW Maintenance	\$ 11,210	\$ 11,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,421
Plant Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tree Trimming	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pressure Washing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well Maintenance/Repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ 9,548	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,548
<b>Total O&amp;M Expenses:</b>	<b>\$ 14,286</b>	<b>\$ 23,863</b>	<b>\$ 2,266</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,414</b>
<b>Total Expenditures</b>	<b>\$ 28,306</b>	<b>\$ 28,080</b>	<b>\$ 5,468</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 61,854</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ (28,305)</b>	<b>\$ (22,470)</b>	<b>\$ 88,109</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 37,334</b>



# Indigo East

## Community Development District

### Long Term Debt Report

Series 2016, Special Assessment Bonds		
Interest Rate:	3.561%, 4.125% 4.500%	
Maturity Rate:	5/1/2037	
Reserve Fund Definition	Flat Rate	
Reserve Fund Requirement	\$32,905	
Reserve Fund Balance	\$32,905	
Bonds Outstanding - 11/17/16		\$1,745,000
Less: Principal Payment 5/1/17		(\$25,000)
Less: Principal Payment 5/1/17 Prepayment		(\$145,000)
Less: Principal Payment 11/1/17 Prepayment		(\$190,000)
Less: Principal Payment 5/1/18		(\$55,000)
Less: Principal Payment 5/1/18 Prepayment		(\$170,000)
Less: Principal Payment 5/1/19		(\$40,000)
Less: Principal Payment 5/1/19 Prepayment		(\$10,000)
Less: Principal Payment 11/1/19 Prepayment		(\$25,000)
Less: Principal Payment 5/1/20		(\$40,000)
Less: Principal Payment 5/1/20 Prepayment		(\$15,000)
Less: Principal Payment 11/1/20 Prepayment		(\$10,000)
Less: Principal Payment 5/1/21		(\$45,000)
Less: Principal Payment 11/1/21 Prepayment		(\$20,000)
Less: Principal Payment 5/1/22		(\$40,000)
Less: Principal Payment 5/1/22 Prepayment		(\$5,000)
Less: Principal Payment 11/1/22 Prepayment		(\$10,000)
<b>Current Bonds Outstanding</b>		<b>\$900,000</b>

# INDIGO EAST

## COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENTS FY 2023 RECEIPTS

### MAINTENANCE

Gross Assessments	\$270,435.00
Certified Net Assessments	\$254,208.90
	100%

Date	ACH	Gross Assessment Received	Collection Fee	Commissions Paid	Interest Income	Net Assessments Received
11/4/22	ACH	\$ 4,435.41	\$ 88.71			\$4,346.70
11/23/22	ACH	\$ 1,287.36	\$ 25.75			\$1,261.61
12/16/22	ACH	\$ 43,990.77	\$ 879.82			\$43,110.95
12/23/22	ACH	\$ 51,494.59	\$ 1,029.89			\$50,464.70
Total Collected		\$ 101,208.13	\$ 2,024.17	\$ -	\$ -	\$ 99,183.96
Percentage Collected						39%

### DEBT SERVICE

Gross Assessments	\$87,860.50
Certified Net Assessments	\$82,588.87
	100%

Date	ACH	Gross Assessment Received	Collection Fee	Commissions Paid	Interest Income	Net Assessments Received
11/4/22	ACH	\$ 2,402.74	\$ 48.05			\$2,354.69
11/23/22	ACH	\$ 1,390.34	\$ 27.81			\$1,362.53
12/16/22	ACH	\$ 11,122.62	\$ 222.45			\$10,900.17
12/23/22	ACH	\$ 14,366.76	\$ 287.34			\$14,079.42
Total Collected		\$ 29,282.46	\$ 585.65	\$ -	\$ -	\$28,696.81
Percentage Collected						35%

## SECTION 3

# **REBATE REPORT**

**\$1,745,000**

**Indigo East Community Development District  
Special Assessment Revenue Refunding Bonds  
Series 2016**

**Dated: November 17, 2016  
Delivered: November 17, 2016**

---

**Rebate Report to the Computation Date  
October 31, 2022  
Reflecting Activity Through  
October 31, 2022**



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# AMTEC

American Municipal Tax-Exempt Compliance

90 Avon Meadow Lane  
Avon, CT 06001  
(T) 860-321-7521  
(F) 860-321-7581

[www.amteccorp.com](http://www.amteccorp.com)

November 18, 2022

Indigo East Community Development District  
c/o Ms. Katie Costa  
Director of Operations – Accounting Division  
Governmental Management Services-CF, LLC  
6200 Lee Vista Boulevard, Suite 300  
Orlando, FL 32822

Re: \$1,745,000 Indigo East Community Development District, Special Assessment Revenue  
Refunding Bonds, Series 2016

Dear Ms. Costa:

AMTEC has prepared certain computations relating to the above referenced bond issue (the “Bonds”) at the request of the Indigo East Community Development District (the “District”).

The scope of our engagement consisted of preparation of the computations shown in the attached schedules to determine the Rebatable Arbitrage as described in Section 103 of the Internal Revenue Code of 1954, Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable Regulations issued thereunder. The methodology used is consistent with current tax law and regulations and may be relied upon in determining the rebate liability. Certain computational methods used in the preparation of the schedules are described in the Summary of Computational Information and Definitions.

Our engagement was limited to the computation of Rebatable Arbitrage based upon the information furnished to us by the District. In accordance with the terms of our engagement, we did not audit the information provided to us, and we express no opinion as to the completeness, accuracy or suitability of such information for purposes of calculating the Rebatable Arbitrage.

We have scheduled our next Report as of October 31, 2023. Thank you and should you have any questions, please do not hesitate to contact us.

Very truly yours,

Michael J. Scarfo  
Senior Vice President

## SUMMARY OF REBATE COMPUTATIONS

Our computations, contained in the attached schedules, are summarized as follows:

For the October 31, 2022 Computation Date  
Reflecting Activity from November 17, 2016 through October 31, 2022

<b>Fund Description</b>	<b>Taxable Inv Yield</b>	<b>Net Income</b>	<b>Rebatable Arbitrage</b>
Reserve Account	0.175028%	115.32	(2,775.79)
<b>Totals</b>	<b>0.175028%</b>	<b>\$115.32</b>	<b>\$(2,775.79)</b>
<b>Bond Yield</b>	<b>4.255983%</b>		
Prior Rebate Liability			(6,434.97)
Rebate Computation Credits			(3,686.56)
<b>Net Rebatable Arbitrage</b>			<b>\$(12,897.32)</b>

**Based upon our computations, no rebate liability exists.**

# **SUMMARY OF COMPUTATIONAL INFORMATION AND DEFINITIONS**

## **COMPUTATIONAL INFORMATION**

1. For the purpose of computing Rebatale Arbitrage, investment activity is reflected from November 17, 2016, the date of the closing, to October 31, 2022, the Computation Date. The activity from November 17, 2016 through October 31, 2020 was taken from the prior consultant's rebate report dated November 20, 2020, which included the following (as reported by the initial consultant):
  - a. Cumulative rebate liability from November 17, 2016 through October 31, 2020 - \$(5,915.17).
2. Computations of yield are based on a 360-day year and semiannual compounding on the last day of each compounding interval. Compounding intervals end on a day in the calendar year corresponding to Bond maturity dates or six months prior.
3. For investment cash flow, debt service and yield computation purposes, all payments and receipts are assumed to be paid or received respectively, as shown on the attached schedules.
4. Purchase prices on investments are assumed to be at fair market value, representing an arm's length transaction.

5. During the period between November 17, 2016 and October 31, 2022, the District made periodic payments into the Revenue, Sinking, Principal and Interest Funds (collectively, the "Debt Service Fund") that were used, along with the interest earned, to provide the required debt service payments.

Under Section 148(f)(4)(A), the rebate requirement does not apply to amounts in certain bona fide debt service funds. The Regulations define a bona fide debt service fund as one that is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year. The fund must be depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of the earnings on the fund for the immediately preceding bond year or 1/12<sup>th</sup> of the principal and interest payments on the issue for the immediately preceding bond year.

We have reviewed the Debt Service Fund and have determined that the funds deposited have functioned as a bona fide debt service fund and are not subject to the rebate requirement.

6. According to the prior consultant's rebate report dated November 20, 2020, the yield on the Bonds is 4.2559827%.



## **DEFINITIONS**

### **7. Computation Date**

October 31, 2022.

### **8. Computation Period**

The period beginning on November 17, 2016, the date of the closing, and ending on October 31, 2022, the Computation Date.

### **9. Bond Year**

Each one-year period (or shorter period from the date of issue) that ends at the close of business on October 31<sup>st</sup>, the day in the calendar year that was selected by the Issuer, or the final redemption date of the Bonds.

### **10. Bond Yield**

The discount rate that, when used in computing the present value of all the unconditionally payable payments of principal and interest with respect to the Bonds, produces an amount equal to the present value of the issue price of the Bonds. Present value is computed as of the date of issue of the Bonds.

### **11. Taxable Investment Yield**

The discount rate that, when used in computing the present value of all receipts of principal and interest to be received on an investment during the Computation Period, produces an amount equal to the fair market value of the investment at the time it became a nonpurpose investment.

### **12. Issue Price**

The price determined on the basis of the initial offering price to the public at which price a substantial amount of the Bonds were sold.

### **13. Rebatable Arbitrage**

The Code defines the required rebate as the excess of the amount earned on all nonpurpose investments over the amount that would have been earned if such nonpurpose investments were invested at the Bond Yield, plus any income attributable to the excess. Accordingly, the Regulations require that this amount be computed as the excess of the future value of all the nonpurpose receipts over the future value of all the nonpurpose payments. The future value is computed as of the Computation Date using the Bond Yield.

#### 14. Funds and Accounts

The Funds and Accounts activity used in the compilation of this Report was provided from the District and U.S. Bank National Association, the Trustee, as follows:

Account	Number
Revenue	246253000
Interest	246253001
Sinking	246253002
Principal	246253003
Reserve	246253004
Prepayment	246253005

## METHODOLOGY

#### Bond Yield

The methodology used to calculate the bond yield was to determine the discount rate that produces the present value of all payments of principal and interest from November 17, 2016 through the maturity date of the Bonds.

#### Investment Yield and Rebate Amount

The methodology used to calculate the Rebatable Arbitrage, as of October 31, 2022, was to calculate the future value of the disbursements from all funds, subject to rebate, and the value of the remaining bond proceeds, at the yield on the Bonds, to October 31, 2022. This figure was then compared to the future value of the deposit of bond proceeds into the various investment Funds at the same yield. The difference between the future values of the two cash flows, on October 31, 2022, is the Rebatable Arbitrage.

\$1,745,000  
Indigo East Community Development District  
Special Assessment Revenue Refunding Bonds  
Series 2016  
Reserve Account

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (4.255983%)
10/31/20	Bal	-32,905.00	-35,796.54
11/03/20		0.14	0.15
12/02/20		0.13	0.14
01/05/21		0.14	0.15
02/02/21		0.14	0.15
03/02/21		0.13	0.14
04/02/21		0.14	0.15
05/04/21		0.14	0.15
06/02/21		0.14	0.15
07/02/21		0.14	0.15
08/03/21		0.14	0.15
09/02/21		0.14	0.15
10/04/21		0.14	0.15
11/02/21		0.14	0.15
12/02/21		0.14	0.15
01/04/22		0.14	0.14
02/02/22		0.14	0.14
03/02/22		0.13	0.13
04/04/22		0.14	0.14
05/03/22		0.14	0.14
06/02/22		0.14	0.14
07/05/22		0.14	0.14
08/02/22		0.14	0.14
09/02/22		21.71	21.86
10/04/22		40.57	40.70
10/31/22	RA Balance	32,904.69	32,904.69
10/31/22	RA Accrual	50.30	50.30
-----			
10/31/22	TOTALS:	115.32	-2,775.79
-----			

ISSUE DATE:	11/17/16	REBATABLE ARBITRAGE:	-2,775.79
COMP DATE:	10/31/22	NET INCOME:	115.32
BOND YIELD:	4.255983%	TAX INV YIELD:	0.175028%

\$1,745,000  
Indigo East Community Development District  
Special Assessment Revenue Refunding Bonds  
Series 2016  
Prior Rebate Liability

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (4.255983%)
10/31/20		-5,915.17	-6,434.97
-----			
10/31/22	TOTALS:	-5,915.17	-6,434.97
-----			

ISSUE DATE: 11/17/16      REBATABLE ARBITRAGE: -6,434.97  
COMP DATE: 10/31/22  
BOND YIELD: 4.255983%

\$1,745,000  
Indigo East Community Development District  
Special Assessment Revenue Refunding Bonds  
Series 2016  
Rebate Computation Credits

ARBITRAGE REBATE CALCULATION  
DETAIL REPORT

DATE	DESCRIPTION	RECEIPTS (PAYMENTS)	FUTURE VALUE @ BOND YIELD OF (4.255983%)
10/31/21		-1,780.00	-1,856.56
10/31/22		-1,830.00	-1,830.00
-----			
10/31/22	TOTALS:	-3,610.00	-3,686.56
-----			

ISSUE DATE: 11/17/16      REBATABLE ARBITRAGE: -3,686.56  
COMP DATE: 10/31/22  
BOND YIELD: 4.255983%