

**Baytree
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2021

Baytree Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-8
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet – Governmental Funds	11
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	15
Notes to Financial Statements	16-26
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	27-28
MANAGEMENT LETTER	29-32
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	33



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Baytree Community Development District
Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Baytree Community Development District as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Fort Pierce / Stuart

To the Board of Supervisors
Baytree Community Development District

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Baytree Community Development District, as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 15, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Baytree Community Development District's internal control over financial reporting and compliance.



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

June 15, 2022

Baytree Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Assets, liabilities, and net position are reported for all Governmental activities.

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

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

**Baytree Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021.

- ◆ The District's total assets exceeded total liabilities by \$6,522,213 (net position). Net investment in capital assets was \$6,031,818 and unrestricted net position was \$490,395.
- ◆ Governmental activities revenues totaled \$908,775 while governmental activities expenses totaled \$892,045.

**Baytree Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2021	2020
Current assets	\$ 536,247	\$ 449,014
Capital assets, net	<u>6,030,767</u>	<u>6,076,201</u>
Total Assets	<u>6,567,014</u>	<u>6,525,215</u>
Current liabilities	<u>44,801</u>	<u>19,732</u>
Net investment in capital assets	6,031,818	6,076,201
Net position - unrestricted	<u>490,395</u>	<u>429,282</u>
Total Net Position	<u><u>\$ 6,522,213</u></u>	<u><u>\$ 6,505,483</u></u>

The increase in current assets is related to the increase in cash caused by revenues exceeding expenditures at the fund level in the current year.

The increase in current liabilities is related to the increase in accounts payable in the current year.

The decrease in capital assets is related to additions being exceeded by depreciation in the current year.

**Baytree Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change in Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Charges for services	\$ 855,982	\$ 856,759
General Revenues		
Investment earnings	32	83
Miscellaneous	52,761	73,132
Total Revenues	<u>908,775</u>	<u>929,974</u>
Expenses		
General government	157,586	175,620
Physical environment	734,459	687,619
Total Expenses	<u>892,045</u>	<u>863,239</u>
Change in Net Position	16,730	66,735
Net Position - Beginning of Year	<u>6,505,483</u>	<u>6,438,748</u>
Net Position - End of Year	<u>\$ 6,522,213</u>	<u>\$ 6,505,483</u>

The decrease in general government is related to a decrease in engineering fees in the current year.

The increase in physical environment is related to the increase in security and landscaping costs in the current year.

**Baytree Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2021 and September 30, 2020.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Capital assets not being depreciated:		
Land improvements	<u>\$ 5,466,583</u>	<u>\$ 5,466,583</u>
Capital assets being depreciated:		
Infrastructure	2,255,869	2,227,422
Equipment	96,273	87,188
Accumulated depreciation	<u>(1,787,958)</u>	<u>(1,704,992)</u>
Total Capital Assets, depreciated	<u>564,184</u>	<u>609,618</u>
Total Capital Assets	<u><u>\$ 6,030,767</u></u>	<u><u>\$ 6,076,201</u></u>

Current year activity consisted of additions of \$28,447 and \$9,085 to infrastructure and equipment and depreciation of \$82,966.

General Fund Budgetary Highlights

Budgeted expenditures exceeded actual expenditures primarily due to less maintenance, engineering and utility costs than were anticipated.

The September 30, 2021 budget was amended for increased legal and maintenance costs.

**Baytree Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

The District does not expect any economic factors to have a significant effect on the financial position or results of operations of the District in fiscal year 2022.

Request for Information

The financial report is designed to provide a general overview of Baytree Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Baytree Community Development District, Governmental Management Services, 219 E Livingston Street, Orlando, Florida 32801.

Baytree Community Development District
STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 513,165
Investments	1,030
Accounts receivable	11,626
Assessments receivable	11
Due from others	3,357
Prepaid expenses	7,058
Total Current Assets	536,247
Capital Assets, Not Being Depreciated	
Land and improvements	5,466,583
Capital Assets, Being Depreciated	
Infrastructure	2,255,869
Equipment	96,273
Accumulated depreciation	(1,787,958)
Total Non-Current Assets	6,030,767
Total Assets	6,567,014
 LIABILITIES	
Current Liabilities	
Accounts payable	44,801
 NET POSITION	
Net investment in capital assets	6,031,818
Unrestricted	490,395
Total Net Position	\$ 6,522,213

See accompanying notes to financial statements.

Baytree Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for Sevices</u>	<u>Net (Expense) Revenues and Changes in Net Position</u> <u>Governmental Activities</u>
Governmental Activities			
General government	\$ (157,586)	\$ 192,602	\$ 35,016
Physical environment	(734,459)	663,380	(71,079)
Total Governmental Activities	<u>\$ (892,045)</u>	<u>\$ 855,982</u>	<u>(36,063)</u>
	General Revenues		
	Investment income		32
	Miscellaneous revenues		52,761
	Total General Revenues		<u>52,793</u>
	Change in Net Position		16,730
	Net Position - October 1, 2020		<u>6,505,483</u>
	Net Position - September 30, 2021		<u>\$ 6,522,213</u>

See accompanying notes to financial statements.

Baytree Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021

	General	Capital Projects	Total Governmental Funds
ASSETS			
Cash	\$ 138,378	\$ 374,787	\$ 513,165
Investments	1,030	-	1,030
Accounts receivable	11,626	-	11,626
Assessments receivable	11	-	11
Due from others	3,357	-	3,357
Prepaid expenses	7,058	-	7,058
Total Assets	\$ 161,460	\$ 374,787	\$ 536,247
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 44,801	\$ -	\$ 44,801
 DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	1,051	-	1,051
 FUND BALANCES			
Nonspendable-prepaid expenses	7,058	-	7,058
Assigned			
Capital projects	-	374,787	374,787
Unassigned	108,550	-	108,550
Total Fund Balances	115,608	374,787	490,395
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 161,460	\$ 374,787	\$ 536,247

See accompanying notes to financial statements.

Baytree Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Total Governmental Fund Balances	\$	490,395
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, land and improvements, \$5,466,583, infrastructure, \$2,255,869, and equipment, \$96,273, net of accumulated depreciation, \$(1,787,958), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.		6,030,767
Unavailable revenues are recognized as a deferred inflow at the fund level, revenues are recognized when earned at the government-wide level.		<u>1,051</u>
Net Position of Governmental Activities	<u>\$</u>	<u><u>6,522,213</u></u>

See accompanying notes to financial statements.

Baytree Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	General	Capital Projects	Total Governmental Funds
Revenues			
Special assessments	\$ 855,982	\$ -	\$ 855,982
Investment income	-	32	32
Miscellaneous revenues	60,714	-	60,714
Total Revenues	<u>916,696</u>	<u>32</u>	<u>916,728</u>
Expenditures			
Current			
General government	156,373	1,213	157,586
Physical environment	538,597	112,896	651,493
Capital outlay	-	37,532	37,532
Total Expenditures	<u>694,970</u>	<u>151,641</u>	<u>846,611</u>
Excess of revenues over/(under) expenditures	<u>221,726</u>	<u>(151,609)</u>	<u>70,117</u>
Other Financing Sources/(Uses)			
Transfers in	-	205,796	205,796
Transfers out	<u>(205,796)</u>	<u>-</u>	<u>(205,796)</u>
Total Other Financing Sources/(Uses)	<u>(205,796)</u>	<u>205,796</u>	<u>-</u>
Net Change in Fund Balances	15,930	54,187	70,117
Fund Balances - October 1, 2020	<u>99,678</u>	<u>320,600</u>	<u>420,278</u>
Fund Balances - September 30, 2021	<u>\$ 115,608</u>	<u>\$ 374,787</u>	<u>\$ 490,395</u>

See accompanying notes to financial statements.

Baytree Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$	70,117
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount that capital outlay, \$37,532, was exceeded by depreciation, \$(82,966), in the current period.		(45,434)
Unavailable revenues are recognized as a deferred inflow at the fund level. However, at the government-wide level revenue is recognized when earned.		<u>(7,953)</u>
Change in Net Position of Governmental Activities	\$	<u>16,730</u>

See accompanying notes to financial statements.

Baytree Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 853,142	\$ 853,142	\$ 855,982	\$ 2,840
Miscellaneous revenues	50,299	61,304	60,714	(590)
Total Revenues	<u>903,441</u>	<u>914,446</u>	<u>916,696</u>	<u>2,250</u>
Expenditures				
Current				
General government	148,002	165,351	156,373	8,978
Physical environment	519,565	558,708	538,597	20,111
Total Expenditures	<u>667,567</u>	<u>724,059</u>	<u>694,970</u>	<u>29,089</u>
Total revenues over/(under expenditures)	<u>235,874</u>	<u>190,387</u>	<u>221,726</u>	<u>31,339</u>
Other Financing Sources/(Uses)				
Transfers out	<u>(235,874)</u>	<u>(205,796)</u>	<u>(205,796)</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(15,409)</u>	<u>15,930</u>	<u>31,339</u>
Fund Balances - October 1, 2020	<u>-</u>	<u>15,409</u>	<u>99,678</u>	<u>84,269</u>
Fund Balances - September 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,608</u>	<u>\$ 115,608</u>

See accompanying notes to financial statements.

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on June 24, 1992, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Ordinance No. 92-11 of the Board of County Commissioners of Brevard County, as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Baytree Community Development District. The District is governed by a Board of Supervisors who are elected by the registered voters of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

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

Based upon the application of the above-mentioned criteria as set forth in Governmental Accounting Standards the District has identified no component units.

2. Measurement Focus and Basis of Accounting

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

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

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

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

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

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

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

b. Fund Financial Statements

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

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

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

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

The District has various policies governing the fund balance classifications.

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

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

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

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

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

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Capital Projects Fund – The Capital Projects Fund accounts for acquisition and construction of infrastructure improvements located within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

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

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

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

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

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

Cash and investments include time deposits, certificates of deposit, money market funds, and all highly liquid debt instruments with original maturities of three months or less

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

b. Restricted Assets

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

c. Capital Assets

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

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

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

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

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

Infrastructure	30 years
Equipment	5-10 years

d. Deferred Inflows of Resources

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

**Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

e. Budgets

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

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

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

“Total fund balances” of the District’s governmental funds, \$490,395, differs from “net position” of governmental activities, \$6,522,213, reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below:

Capital related items

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

Land and improvements	\$ 5,466,583
Infrastructure	2,255,869
Equipment	96,273
Accumulated depreciation	<u>(1,787,958)</u>
Total	<u>\$ 6,030,767</u>

Deferred inflows of resources

Unavailable revenues are recognized as deferred inflows of resources at the fund level. Revenues are recognized when earned at the government-wide level.

Unavailable revenues	<u>\$ 1,051</u>
----------------------	-----------------

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

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

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$70,117, differs from the “change in net position” for governmental activities, \$16,730, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below:

Capital related items

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

Capital outlay	\$	37,532
Depreciation		<u>(82,966)</u>
Total		<u><u>\$ (45,434)</u></u>

Deferred inflows of resources

Unavailable revenues are recognized as deferred inflows of resources at the fund level. Revenues are recognized when earned at the government-wide level.

Unavailable revenues	\$	<u><u>(7,953)</u></u>
----------------------	----	-----------------------

NOTE C – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2021, the District's bank balance was \$517,461 and the carrying value was \$513,165. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments

As of September 30, 2021, the District had the following investments and maturities:

Investment	Maturity Date	Fair Value
Managed Money Market Fund	N/A	\$ 1,030

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

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

As of September 30, 2021, the District did not hold any investments subject to the fair value measurement.

Interest Rate Risk

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

Credit Risk

The District has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in Managed Money Market Fund represent 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2021 were typical of these items during the fiscal year then ended.

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2021 was as follows:

	Balance 10/1/20	Additions	Deletions	Balance 09/30/21
<u>Governmental Activities:</u>				
Capital assets, not depreciated:				
Land and improvements	\$ 5,466,583	\$ -	\$ -	\$ 5,466,583
Capital assets, being depreciated:				
Infrastructure	2,227,422	28,447	-	2,255,869
Equipment	87,188	9,085	-	96,273
Total Capital Assets, Being Depreciated	<u>2,314,610</u>	<u>37,532</u>	<u>-</u>	<u>2,352,142</u>
Less accumulated depreciation for:				
Infrastructure	(1,620,607)	(74,247)	-	(1,694,854)
Equipment	(84,385)	(8,719)	-	(93,104)
Total Accumulated Depreciation	<u>(1,704,992)</u>	<u>(82,966)</u>	<u>-</u>	<u>(1,787,958)</u>
Total Capital Assets Depreciated, Net	<u>609,618</u>	<u>(45,434)</u>	<u>-</u>	<u>564,184</u>
Governmental Activities Capital Assets	<u>\$ 6,076,201</u>	<u>\$ (45,434)</u>	<u>\$ -</u>	<u>\$ 6,030,767</u>

Depreciation of \$82,966 was allocated to physical environment.

NOTE E – INTERFUND ACTIVITY

Transfers for the year ended September 30, 2021, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>
	General Fund
Capital Projects Fund	<u>\$ 205,796</u>

Transfers out of the General Fund were completed to fund various maintenance projects in the current year.

Baytree Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE F – LONG-TERM LIABILITIES

In September 2009, the District secured a revolving line of credit with Regions Bank (“Lender”), not to exceed \$100,000, at an interest rate of prime plus 1.0%, but never less than 4.75% per annum. The District will pay the interest on the loan in monthly installments and the principal amount on demand. The Note was issued to finance authorized District expenses or improvements. The District has renewed the line of credit multiple times, and it now has no maturity date. As of September 30, 2021, the line of credit has not been utilized by the District.

NOTE G – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no claims or settled claims from these risks that have exceeded commercial insurance coverage in the past three years.

NOTE H – HOMEOWNERS’ ASSOCIATION AGREEMENT

In a prior year, the District established a maintenance cost sharing agreement with the Isles of Baytree Homeowners’ Association (“Association”). During the fiscal year ended September 30, 2008, the agreement was amended to include certain road resurfacing, gate house and lighting costs and adjusted the number of lots used in calculating certain contribution amounts. Under the terms of the agreement, the District will be reimbursed for certain shared costs. The reimbursements are recorded as miscellaneous revenues by the District. Revenue for the fiscal year ended September 30, 2021 was \$51,304.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

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

To the Board of Supervisors
Baytree Community Development District
Brevard 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 Baytree Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated June 15, 2022.

Internal Control Over Financial Reporting

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

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

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

To the Board of Supervisors
Baytree Community Development District

Compliance and Other Matters

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

Purpose of this Report

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



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

June 15, 2022



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

MANAGEMENT LETTER

To the Board of Supervisors
Baytree Community Development District
Brevard County, Florida

Report on the Financial Statements

We have audited the financial statements of the Baytree Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated June 15, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 15, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition and Management

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

To the Board of Supervisors
Baytree Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Baytree Community Development District. It is management's responsibility to monitor the Baytree Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2021.

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

Specific Information

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

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

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 15
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$10,400
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$836,213
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District had no construction projects during the year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was amended, see below.

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

- 7) The rate or rates of non-ad valorem special assessments imposed by the District: \$1,885
- 8) The amount of special assessments collected by or on behalf of the District: Total Special Assessments collected was \$855,982.
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds: The District has no outstanding bonds.

To the Board of Supervisors
Baytree Community Development District

	Original Budget	Actual	Variance with Original Budget Positive (Negative)
Revenues			
Special assessments	\$ 853,142	\$ 855,982	\$ 2,840
Miscellaneous revenues	50,299	60,714	10,415
Total Revenues	<u>903,441</u>	<u>916,696</u>	<u>13,255</u>
Expenditures			
Current			
General government	148,002	156,373	(8,371)
Physical environment	519,565	538,597	(19,032)
Total Expenditures	<u>667,567</u>	<u>694,970</u>	<u>(27,403)</u>
Total revenues over/(under expenditures)	<u>235,874</u>	<u>221,726</u>	<u>(14,148)</u>
Other Financing Sources/(Uses)			
Transfers out	<u>(235,874)</u>	<u>(205,796)</u>	<u>30,078</u>
Net changes in fund balance	<u>-</u>	<u>15,930</u>	<u>15,930</u>
Fund Balances - October 1, 2020	<u>-</u>	<u>99,678</u>	<u>99,678</u>
Fund Balances - September 30, 2021	<u>\$ -</u>	<u>\$ 115,608</u>	<u>\$ 115,608</u>

Additional Matters

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



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

To the Board of Supervisors
Baytree Community Development District

Purpose of this Letter

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

*Berger Toombs Elam
Gaines & Frank*

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

June 15, 2022



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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

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

To the Board of Supervisors
Baytree Community Development District
Brevard County, Florida

We have examined Baytree Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for Baytree Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Baytree Community Development District's compliance based on our examination.

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

In our opinion, Baytree Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

*Berger Toombs Elam
Gaines & Frank*

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

June 15, 2022