

**Remington Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2016**

**Remington Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2016**

**TABLE OF CONTENTS**

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet – Governmental Funds	12
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	16
Notes to Financial Statements	17-30
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 <i>GOVERNMENT AUDITING STANDARDS</i>	31-32
MANAGEMENT LETTER	33-34
INDEPENDENT ACCOUNTANT'S REPORT / COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	35



# 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  
Remington Community Development District  
Osceola County, Florida

### Report on the Financial Statements

We have audited the accompanying basic financial statements of Remington Community Development District as of and for the year ended September 30, 2016, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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

- 1 -

To the Board of Supervisors  
Remington 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 the District, as of September 30, 2016, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *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 in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding 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 March 22, 2017 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.

To the Board of Supervisors  
Remington Community Development District

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 Remington Community Development District's internal control over financial reporting and compliance.

*Berger, Toombs, Elam,  
Gaines & Frank*

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

March 22, 2017

**Remington Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2016**

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

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

**Remington Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2016**

**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 statement* is designed to provide the reader with a broad overview of the District's finances, in a manner similar to a private sector business. In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis and is reported on a full-accrual economic resource basis, which recognizes all non-current assets and receivables as well as all non-current debt and obligations. The effect of interfund activity has been eliminated from the government-wide financial statements. In contrast, the governmental fund financial statements are grouped into funds to account for and to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis where as revenues are recorded when collected in the current period or within 60 days of year-end and expenditures are recorded when a liability is incurred. The difference between the two statements arises primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. A reconciliation of the government-wide and the fund financial statement is provided to illustrate these differences.

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, 2016.

- ◆ The District's total assets exceeded total liabilities by \$8,836,797 (net position). Unrestricted net position for Governmental Activities was \$1,534,466. Net investment in capital assets was \$7,113,404 . Restricted net position was \$188,927 .
- ◆ Governmental activities revenues totaled \$1,738,361 while governmental activities expenses totaled \$1,698,817.

**Remington Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2016**

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

**Financial Analysis of the District**

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

**Net Position**

	<b>Governmental Activities</b>		<b>Change</b>
	<b>2016</b>	<b>2015</b>	
Current assets	\$ 434,542	\$ 607,515	\$ (172,973)
Restricted assets	1,355,351	1,165,246	190,105
Capital assets	<u>8,647,497</u>	<u>9,106,109</u>	<u>(458,612)</u>
Total Assets	<u>10,437,390</u>	<u>10,878,870</u>	<u>(441,480)</u>
Deferred amount on refunding	<u>50,830</u>	<u>71,162</u>	<u>(20,332)</u>
Current liabilities	581,500	570,887	10,613
Non-current liabilities	<u>1,069,923</u>	<u>1,581,892</u>	<u>(511,969)</u>
Total Liabilities	<u>1,651,423</u>	<u>2,152,779</u>	<u>(501,356)</u>
Net investment in capital assets	7,113,404	7,100,379	13,025
Net position- restricted	188,927	186,368	2,559
Net position - unrestricted	<u>1,534,466</u>	<u>1,510,506</u>	<u>23,960</u>
Total Net Position	<u>\$ 8,836,797</u>	<u>\$ 8,797,253</u>	<u>\$ 39,544</u>

The decrease in current assets and increase in restricted assets is a result of the transfers to the capital projects fund in the current year.

The decrease in capital assets is related to current year depreciation.

The decrease in non-current liabilities is due to the principal payments made on the bonds in the current year.

**Remington Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2016**

**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.

	<b>Change in Net Position</b>		
	<b>Governmental</b>		
	<b>Activities</b>		
	<u>2016</u>	<u>2015</u>	<u>Change</u>
Program Revenues			
Charges for services	\$ 1,727,715	\$ 1,729,595	\$ (1,880)
General Revenues			
Miscellaneous revenues	7,304	15,450	(8,146)
Investment earnings	3,342	1,248	2,094
Total Revenues	<u>1,738,361</u>	<u>1,746,293</u>	<u>(7,932)</u>
Expenses			
General government	197,860	195,153	2,707
Physical environment	1,396,727	1,334,068	62,659
Interest on long term debt	104,230	122,986	(18,756)
Total Expenses	<u>1,698,817</u>	<u>1,652,207</u>	<u>46,610</u>
Change in Net Position	39,544	94,086	(54,542)
Net Position - Beginning of Year	<u>8,797,253</u>	<u>8,703,167</u>	<u>94,086</u>
Net Position - End of Year	<u><u>\$ 8,836,797</u></u>	<u><u>\$ 8,797,253</u></u>	<u><u>\$ 39,544</u></u>

The increase in physical environment expenses was primarily due to repairs and maintenance costs incurred in the current year.

The decrease in interest on long-term debt was primarily due to decrease in the principal balance of the bonds.

**Remington Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2016**

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

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets as of 2016 and 2015.

Description	Governmental Activities	
	2016	2015
Land and improvements	\$ 755,075	\$ 755,075
Buildings and other improvements	1,100,027	1,077,706
Infrastructure	16,120,861	16,002,358
Accumulated depreciation	(9,328,466)	(8,729,030)
Total Capital Assets (Net)	\$ 8,647,497	\$ 9,106,109

During the year, depreciation was \$599,436.

**General Fund Budgetary Highlights**

Actual governmental expenditures did not exceed budgeted expenditures for the year primarily because security and roadway repairs were less than anticipated.

There were no amendments to the September 30, 2016 budget.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ On February 1, 2008, the District issued Series 2008-2 Term Special Assessment Revenue Refunding Bonds in two portions; \$2,915,000 and \$2,580,000, with fixed interest rates of 3.75% and 4%, respectively. These bonds were issued to refund the District's outstanding series 1997A Special Assessment Bond. The balance outstanding at September 30, 2016 was \$1,605,000. More detailed information about the District's debt is presented in the accompanying notes to the financial statements.

**Remington Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2016**

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

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

Remington Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2017.

**Request for Information**

The financial report is designed to provide a general overview of Remington 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 Remington Community Development District, Governmental Management Services, 135 W. Central Blvd, Suite 320, Orlando, FL 32801.

**Remington Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2016**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 144,037
Investments	242,619
Due from other governments	9,173
Prepaid expenses	38,713
Total Current Assets	434,542
Non-Current Assets	
Restricted:	
Cash	684,663
Investments	670,688
Capital Assets Not Being Depreciated:	
Land and improvements	755,075
Capital Assets Being Depreciated:	
Buildings and other improvements	1,100,027
Infrastructure	16,120,861
Less: accumulated depreciation	(9,328,466)
Total Non-Current Assets	10,002,848
Total Assets	10,437,390
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on refunding	50,830
 <b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	39,750
Accrued interest	26,750
Bonds payable-current	515,000
Total Current Liabilities	581,500
Non-Current Liabilities	
Bonds payable	1,069,923
Total Liabilities	1,651,423
 <b>NET POSITION</b>	
Net investment in capital assets	7,113,404
Restricted for debt service	188,927
Unrestricted	1,534,466
Total Net Position	\$ 8,836,797

*See accompanying notes to financial statements.*

**Remington Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2016**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expenses) Revenues and Changes in Net Position Governmental Activities</u>
<b>Primary government</b>			
Governmental Activities			
General government	\$ (197,860)	\$ 228,687	\$ 30,827
Physical environment	(1,396,727)	921,513	(475,214)
Interest and other costs	(104,230)	577,515	473,285
Total Governmental Activities	<u>\$ (1,698,817)</u>	<u>\$ 1,727,715</u>	<u>28,898</u>
General revenues:			
			3,342
			7,304
			<u>10,646</u>
			39,544
			8,797,253
			<u>\$ 8,836,797</u>

*See accompanying notes to financial statements.*

**Remington Community Development District  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2016**

	<u>Governmental Funds</u>			<u>Total Governmental Funds</u>
	<u>General</u>	<u>Debt Service Series 2008-2</u>	<u>Capital Projects</u>	
<b>ASSETS</b>				
Cash	\$ 144,037	\$ -	\$ -	\$ 144,037
Investments	242,619	-	-	242,619
Due from other governments	6,107	3,066	-	9,173
Prepaid expenses	38,713	-	-	38,713
Restricted assets:				
Investments, at fair value	-	212,611	458,077	670,688
Cash	-	-	684,663	684,663
Total Assets	<u>\$ 431,476</u>	<u>\$ 215,677</u>	<u>\$ 1,142,740</u>	<u>\$ 1,789,893</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 39,750	\$ -	\$ -	\$ 39,750
Total Liabilities	<u>39,750</u>	<u>-</u>	<u>-</u>	<u>39,750</u>
<b>FUND BALANCES</b>				
Nonspendable - Prepaid expenses	38,713	-	-	38,713
Restricted for debt service	-	215,677	-	215,677
Committed for pavement management	-	-	1,142,740	1,142,740
Unassigned	353,013	-	-	353,013
Total Fund Balances	<u>391,726</u>	<u>215,677</u>	<u>1,142,740</u>	<u>1,750,143</u>
Total Liabilities and Fund Balances	<u>\$ 431,476</u>	<u>\$ 215,677</u>	<u>\$ 1,142,740</u>	<u>\$ 1,789,893</u>

See accompanying notes to financial statements.

**Remington Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2016**

Total Governmental Fund Balances	\$ 1,750,143
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets not being depreciated (land and improvements) used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	755,075
Capital assets being depreciated (buildings and other improvements (\$1,100,027), Infrastructure (\$16,120,861) net of accumulated depreciation (\$9,328,466)) used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	7,892,422
Bond discount costs (\$88,247), net of amortization (\$68,170) used in governmental activities are not financial resources and therefore, are not reported in the funds.	20,077
Long-term liabilities, including bonds payable and notes payable are not due and payable in the current period, and therefore are not reported in the governmental funds.	(1,605,000)
Deferred charges on refunding (\$223,415), net of accumulated amortization (\$172,585) are not current financial resources and therefore, are not reported as assets in the governmental funds.	50,830
Accrued interest expense for long-term debt is not a financial use and; therefore is not reported in the governmental funds.	<u>(26,750)</u>
Net Position of Governmental Activities	<u><u>\$ 8,836,797</u></u>

*See accompanying notes to financial statements.*

**Remington Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2016**

	<u>Governmental Funds</u>			<b>Totals Governmental Funds</b>
	<u>General</u>	<u>Debt Service 2008-2</u>	<u>Capital Projects</u>	
Revenues				
Special assessments	\$ 1,150,200	\$ 577,515	\$ -	\$ 1,727,715
Miscellaneous revenues	7,304	-	-	7,304
Investment earnings	1,289	911	1,142	3,342
Total Revenues	<u>1,158,793</u>	<u>578,426</u>	<u>1,142</u>	<u>1,738,361</u>
Expenditures				
Current				
General government	197,860	-	-	197,860
Physical environment	780,095	-	17,196	797,291
Debt service				
Principal	-	500,000	-	500,000
Interest	-	84,200	-	84,200
Capital Outlay	-	-	140,824	140,824
Total Expenditures	<u>977,955</u>	<u>584,200</u>	<u>158,020</u>	<u>1,720,175</u>
Other financing sources (uses)				
Transfers in	-	-	353,237	353,237
Transfers out	(353,237)	-	-	(353,237)
Total other financing sources (uses)	<u>(353,237)</u>	<u>-</u>	<u>353,237</u>	<u>-</u>
Net change in fund balances	(172,399)	(5,774)	196,359	18,186
Fund Balances - October 1, 2015	<u>564,125</u>	<u>221,451</u>	<u>946,381</u>	<u>1,731,957</u>
Fund Balances - September 30, 2016	<u>\$ 391,726</u>	<u>\$ 215,677</u>	<u>\$ 1,142,740</u>	<u>\$ 1,750,143</u>

See accompanying notes to financial statements.

**Remington 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, 2016**

Net Change in Fund Balances - Total Governmental Funds	\$	18,186
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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 of current year depreciation in excess of capital outlay.		(458,612)
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Repayments of bond principal are expenditures in the governmental funds and reduce long-term liabilities in the Statement of Net Position.		500,000
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Governmental funds report bond discounts as an expenditure. However, in the Statement of Activities, this cost is allocated over the life of the bond as amortization expense. This is the amount of amortization expense in the current period related to the bond discount.		(8,031)
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Some expenses reported in the statement of activities do not require the use of current resources and therefore, are not reported as expenditures in the governmental funds. This is the amount of amortization expense in the current period related to the deferred amount on refunding.		(20,332)
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In the Statement of Activities, interest is accrued on outstanding and matured bonds; whereas in governmental funds, interest expenditures are reported when due. This is the change in accrued interest from the prior year.		8,333
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Change in Net Position of Governmental Activities	\$	39,544
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*See accompanying notes to financial statements.*

**Remington Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -**  
**GENERAL FUND**  
**For the Year Ended September 30, 2016**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 1,137,222	\$ 1,137,222	\$ 1,150,200	\$ 12,978
Miscellaneous revenues	4,000	4,000	7,304	3,304
Interest	500	500	1,289	789
Total Revenues	<u>1,141,722</u>	<u>1,141,722</u>	<u>1,158,793</u>	<u>17,071</u>
Expenditures				
Current				
General government	167,539	167,539	197,860	(30,321)
Physical environment	832,946	832,946	780,095	52,851
Total Expenditures	<u>1,000,485</u>	<u>1,000,485</u>	<u>977,955</u>	<u>22,530</u>
Other financing uses				
Transfers out	<u>(353,237)</u>	<u>(353,237)</u>	<u>(353,237)</u>	<u>-</u>
Net change in fund balances	<u>(212,000)</u>	<u>(212,000)</u>	<u>(172,399)</u>	<u>39,601</u>
Fund Balances - October 1, 2015	<u>212,000</u>	<u>212,000</u>	<u>564,125</u>	<u>352,125</u>
Fund Balances - September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,726</u>	<u>\$ 391,726</u>

*See accompanying notes to financial statements.*

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

The financial statements of Remington Community Development District (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 February 28, 1994, pursuant to Osceola County Ordinance Number 94-2 and 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 deliver of capital infrastructure. 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 governed by a five-member Board of Supervisors who are elected for two and four year terms. The Board of Supervisors of the District exercises the powers granted to the District pursuant to Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Remington 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 GAAP as defined by the Governmental Accounting Standards Board, the District has not identified any discretely-presented 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

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

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

**a. Government-wide Financial Statements**

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

Governmental activities are supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. 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 another 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.

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 the related cash flows. Assessments are recognized as revenues in the year they are levied.

**b. Fund Financial Statements**

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 become measurable and available. 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.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

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

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

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 other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

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.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

**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 classifies fund balance according to the 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 the state 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** - 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.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

**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.

Debt Service Fund 2008 Bonds - Accounts for debt service requirements to retire the special assessment revenue bonds which were used, among other things, to retire the debt of the bond anticipation notes and to finance the acquisition and construction of certain master infrastructure improvements within the District.

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

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

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, 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**

Chapter 280, 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.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

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

**a. Cash and Investments (continued)**

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 Fund 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.

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less held in a qualified public depository.

**b. Restricted Assets**

Certain net position of the District will be 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.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

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

**c. Capital Assets**

Capital assets, which include primarily infrastructure (e.g. roads, sidewalks, and similar items), are reported in governmental activities in the government-wide financial statements.

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 two years. The valuation basis for all assets is historical cost. Donated assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend 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:

Buildings other improvements	5-30 years
Infrastructure	25-30 years

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.

**d. Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, the Statement of Net Position will sometimes included a separate section for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption of or acquisition of net position that applies to a future period(s) and so will not be recognized as an expense or revenue until that time.

The District has one item qualifying as a deferred outflow of resources, deferred amount on refunding. This resulted from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

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

**e. Net Position**

Equity in the government-wide statement of net position is displayed in three categories: 1) net investment in capital assets, 2) restricted and 3) unrestricted. Net position investment in capital assets, consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets. Net position is reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

**f. 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. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level. As a result, deficits in the budget variance columns of the accompanying financial statements may occur. All budgeted appropriations lapse at year end.

**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, \$1,750,143, differs from “net position” of governmental activities, \$8,836,797, 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.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

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

**Capital related items**

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

Land and improvements	\$ 755,075
Buildings and other improvements	1,100,027
Infrastructure	16,120,861
Accumulated depreciation	<u>(9,328,466)</u>
Total	<u>\$ 8,647,497</u>

**Deferred outflows of resources**

Deferred outflows of resources applicable to the District’s governmental activities are not current financial resources and therefore, are not reported as assets in the governmental funds.

Deferred amount on refunding, net	<u>\$ 50,830</u>
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**Long-term debt transactions**

Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities are reported in the Statement of Net Position. Balances at September 30, 2016 were:

Bonds payable	\$ (1,605,000)
Bond discount costs, net	<u>20,077</u>
Total	<u>\$ (1,584,923)</u>

**Accrued interest**

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

Accrued interest	<u>\$ (26,750)</u>
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**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

**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 \$18,186 differs from the “change in net position” for governmental activities \$39,544 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 expense. 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	\$ 140,824
Depreciation	(599,436)
	<u>\$ (458,612)</u>

**Deferred outflows of resources**

Amortization of deferred outflows of resources does not require the use of current resources and therefore, are not reported as expenditures in the government funds.

Amortization of deferred amount on refunding	\$ <u>(20,332)</u>
--	--------------------

**Long-term debt transactions**

Repayments of bond principal are reported as expenditures in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Bond principal payments	\$ 500,000
Amortization of bond discounts	(8,031)
Total	<u>\$ 491,969</u>

**Remington Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2016**

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

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

**Long-term debt transactions (Continued)**

Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net decrease in accrued interest payable	<u>\$ 8,333</u>
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**NOTE C – CASH AND DEPOSITS**

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

**Custodial Credit Risk**

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 follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2016, the District's carrying value was \$828,700 and the bank balance was \$837,068. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2016, the District had the following investments and maturities:

Investment	Maturities	Fair Value
Managed Money Market Accounts	N/A	\$ 670,688
Local Gov Surplus Funds Trust Fund	N/A	237,404
First American Treasury Obligation Cl Z	25 days *	5,215
		<u>\$ 913,307</u>

\* Weighted Average Maturity

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

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

Custodial Credit Risk (Continued)

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

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

Based on the criteria in the preceding paragraph, the investments in First American Treasury Obligation CI Z are Level 1 assets.

Interest Rate Risk

The District does not have a formal investment policy for addressing interest credit risk; however, investments are made with discretion, to seek reasonable returns, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

Custodial 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 investment. The investments in Managed Money Markets are 74% and in Local Government Surplus Funds are 26% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2016 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**Remington Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2016**

**NOTE D – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2016 was as follows:

	Balance October 1, 2015	Additions	Deletions	Balance September 30, 2016
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land and improvements	\$ 755,075	\$ -	\$ -	\$ 755,075
Total Capital Assets, Not Depreciated	<u>755,075</u>	<u>-</u>	<u>-</u>	<u>755,075</u>
Capital Assets, Being Depreciated:				
Infrastructure	16,002,358	118,503	-	16,120,861
Building and other improvements	<u>1,077,706</u>	<u>22,321</u>	<u>-</u>	<u>1,100,027</u>
Total Capital Assets, Being Depreciated	<u>17,080,064</u>	<u>140,824</u>	<u>-</u>	<u>17,220,888</u>
Less Accumulated Depreciation For:				
Infrastructure	(8,230,516)	(548,470)	-	(8,778,986)
Building and other improvements	<u>(498,514)</u>	<u>(50,966)</u>	<u>-</u>	<u>(549,480)</u>
Total Accumulated Depreciation	<u>(8,729,030)</u>	<u>(599,436)</u>	<u>-</u>	<u>(9,328,466)</u>
Total Capital Assets Depreciated, Net	<u>8,351,034</u>	<u>(458,612)</u>	<u>-</u>	<u>7,892,422</u>
Governmental Activities Capital Assets	<u>\$ 9,106,109</u>	<u>\$ (458,612)</u>	<u>\$ -</u>	<u>\$ 8,647,497</u>

Depreciation of \$599,436 was allocated to physical environment.

**NOTE E– LONG-TERM DEBT**

On February 1, 2008, the District issued Series 2008-2 Term Special Assessment Revenue Refunding Bonds in two portions; \$2,915,000 and \$2,580,000, with fixed interest rates of 3.75% and 4%, respectively. These bonds were issued to refund the District's outstanding series 1997A Special Assessment Bond. Interest is paid semiannually on each May 1 and November 1. Principal is paid serially commencing May 1, 2008 through May 1, 2019.

The following is a summary of debt activity for the District for the year ended September 30, 2016:

Bonds principal at October 1, 2015	\$ 2,105,000
Principal payments	<u>(500,000)</u>
Bond principal balance at September 30, 2016	1,605,000
Less: unamortized discount	<u>(20,077)</u>
Bonds payable, net at September 30, 2016	<u>\$ 1,584,923</u>

**Remington Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2016**

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

The annual requirements to amortize the principal and interest of long term debt as of September 30, 2016 are as follows:

Year Ending September 30,	Principal	Interest	Total
2017	\$ 515,000	\$ 64,200	\$ 579,200
2018	535,000	43,600	578,600
2019	555,000	22,200	577,200
Totals	<u>\$ 1,605,000</u>	<u>\$ 130,000</u>	<u>\$ 1,735,000</u>

Summary of Significant Bonds Resolution Terms and Covenants

**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2008**

The Bond Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2016.

In addition, the Bond Indenture requires the District to maintain adequate funds in the reserve account to meet the debt service reserve requirement as defined in the Indenture. The reserve requirement for the 2008 Series Special Assessment Refunding Bond has been met by the District through the utilization of insurance

**NOTE F – RISK MANAGEMENT**

The government 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. Coverage may not extend in all situations. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District.

**NOTE G – MANAGEMENT COMPANY**

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



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 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  
Remington Community Development District  
Osceola 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 Remington Community Development District, as of and for the year ended September 30, 2016, and the related notes to the financial statements, and have issued our report thereon dated March 22, 2017.

**Internal Control Over Financial Reporting**

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

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

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

Board of Supervisors  
Remington Community Development District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Remington 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 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*

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

March 22, 2017



# 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  
Remington Community Development District  
Osceola County, Florida

We have audited the financial statements of the Remington Community Development District as of and for the year ended September 30, 2016, and have issued our report thereon dated March 22, 2017.

### **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 Reports and Schedule**

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 Independent Accountant's Report on examination conducted in accordance with *ACIPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports which are dated March 22, 2017 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 address in the Management Letter, if not already addressed in the auditor's report on compliance and internal controls, whether or not recommendations made in the preceding annual financial report have been followed. There were no recommendations made in the preceding audit.

### **Financial Condition**

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures. It is management's responsibility to monitor Remington 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.

Fort Pierce / Stuart  
- 33 -

To the Board of Supervisors  
Remington Community Development District

### **Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for Remington Community Development District for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. In connection with our audit, we determined that these two reports were in agreement.

### **Other Matters**

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

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

### **Purpose of this Letter**

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

*Berger, Toombs, Elam,  
Gaines & Frank*

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

March 22, 2017



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

To the Board of Supervisors  
Remington Community Development District  
Osceola County, Florida

We have examined Remington Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2016. Management is responsible for Remington Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Remington 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 Remington 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 Remington Community Development District's compliance with the specified requirements.

In our opinion, Remington Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2016.

*Berger, Toombs, Elam,  
Gaines & Frank*

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

March 22, 2017