

Magnolia Creek  
Community Development District

Financial Statements  
(Unaudited)

September 30, 2016

Prepared by  
Rizzetta & Company, Inc.  
District Manager

**Magnolia Creek Community Development District**

Balance Sheet  
As of 9/30/2016  
(In Whole Numbers)

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds	General Fixed Assets Account Group	General Long-Term Debt Account Group
<b>Assets</b>						
Cash In Bank	212,245	0	0	212,245	0	0
Investments	0	378,801	1,730,413	2,109,213	0	0
Accounts Receivable	71,491	273,151	0	344,641	0	0
Accounts Receivable - Other	0	0	0	0	0	0
Allowance for Doubtful Accounts	(70,769)	(266,011)	0	(336,780)	0	0
Prepaid Expenses	4,725	4,925	0	9,650	0	0
Due From Other Funds	0	0	0	0	0	0
Amount To Be Provided Debt Service	0	0	0	0	0	21,640,000
Fixed Assets	0	0	0	0	15,603,473	0
<b>Total Assets</b>	<u>217,692</u>	<u>390,865</u>	<u>1,730,413</u>	<u>2,338,969</u>	<u>15,603,473</u>	<u>21,640,000</u>
<b>Liabilities</b>						
Accounts Payable	2,272	0	0	2,272	0	0
Accrued Expenses Payable	1,500	0	0	1,500	0	0
Other Current Liabilities	0	0	0	0	0	0
Due To Other Funds	0	0	0	0	0	0
Debt Service Obligations - Current	0	22,438,707	0	22,438,707	0	0
Revenue Bonds Payable--Long Term	0	0	0	0	0	21,640,000
<b>Total Liabilities</b>	<u>3,772</u>	<u>22,438,707</u>	<u>0</u>	<u>22,442,479</u>	<u>0</u>	<u>21,640,000</u>
<b>Fund Equity &amp; Other Credits</b>						
Beginning Fund Balance	132,301	(20,571,208)	1,729,536	(18,709,371)	15,603,473	0
Net Change in Fund Balance	81,619	(1,476,634)	877	(1,394,139)	0	0
<b>Total Fund Equity &amp; Other Credits</b>	<u>213,920</u>	<u>(22,047,842)</u>	<u>1,730,413</u>	<u>(20,103,509)</u>	<u>15,603,473</u>	<u>0</u>
<b>Total Liabilities &amp; Fund Equity</b>	<u>217,692</u>	<u>390,865</u>	<u>1,730,413</u>	<u>2,338,969</u>	<u>15,603,473</u>	<u>21,640,000</u>

See Notes to Unaudited Financial Statements

**Magnolia Creek Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 9/30/2016

(In Whole Numbers)

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>YTD Variance</u>	<u>Percent Annual Budget Remaining</u>
<b>Revenues</b>					
Special Assessments					
Tax Roll	31,760	31,760	7,966	(23,794)	74.91%
Off Roll	94,715	94,715	94,715	0	0.00%
Total Revenues	<u>126,475</u>	<u>126,475</u>	<u>102,681</u>	<u>(23,794)</u>	<u>18.81%</u>
<b>Expenditures</b>					
Legislative					
Supervisor Fees	4,000	4,000	2,200	1,800	45.00%
Financial & Administrative					
Administrative Services	4,500	4,500	4,500	0	0.00%
District Management	25,000	25,000	25,000	(0)	0.00%
District Engineer	3,000	3,000	1,520	1,480	49.33%
Disclosure Report	1,500	1,500	3,900	(2,400)	(160.00)%
Trustees Fees	4,000	4,000	0	4,000	100.00%
Financial Consulting Services	10,000	10,000	10,000	(0)	0.00%
Accounting Services	13,900	13,900	13,900	0	0.00%
Auditing Services	3,700	3,700	3,700	0	0.00%
Arbitrage Rebate Calculation	650	650	500	150	23.07%
Travel	500	500	0	500	100.00%
Public Officials Liability Insurance	2,700	2,700	2,250	450	16.66%
Legal Advertising	1,000	1,000	207	793	79.29%
Bank Fees	250	250	48	202	80.80%
Dues, Licenses & Fees	175	175	175	0	0.00%
Website Hosting, Maintenance, Backup	2,600	2,600	2,100	500	19.23%
Legal Counsel					
District Counsel	15,000	15,000	20,025	(5,025)	(33.49)%
Electric Utility Services					
Utility Services	1,000	1,000	0	1,000	100.00%
Stormwater Control					
Aquatic Maintenance	5,000	5,000	0	5,000	100.00%
Lake/Pond Bank Maintenance	5,000	5,000	0	5,000	100.00%
Other Physical Environment					
General Liability Insurance	2,500	2,500	2,475	25	1.00%
Landscape Maintenance	10,000	10,000	0	10,000	100.00%
Irrigation Repairs	3,500	3,500	0	3,500	100.00%
Road & Street Facilities					
Roadway Repair & Maintenance	7,000	7,000	0	7,000	100.00%
Total Expenditures	<u>126,475</u>	<u>126,475</u>	<u>92,500</u>	<u>33,975</u>	<u>26.86%</u>
Excess of Revenue Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>10,181</u>	<u>10,181</u>	<u>0.00%</u>
Other Financing Sources (Uses)					
Interfund Transfer	0	0	71,438	71,438	0.00%
Excess of Rev./Other Sources Over (Under) Expend./Other Uses	<u>0</u>	<u>0</u>	<u>81,619</u>	<u>81,619</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	132,301	132,301	0.00%
Fund Balance, End of Period	<u>0</u>	<u>0</u>	<u>213,920</u>	<u>213,920</u>	<u>0.00%</u>

See Notes to Unaudited Financial Statements

**Magnolia Creek Community Development District**

Statement of Revenues and Expenditures

200 - Debt Service Fund

From 10/1/2015 Through 9/30/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	208	208	0.00%
Special Assessments				
Tax Roll	76,209	76,209	0	0.00%
<b>Total Revenues</b>	<u>76,209</u>	<u>76,417</u>	<u>208</u>	<u>0.27%</u>
<b>Expenditures</b>				
Financial & Administrative				
Trustees Fees	0	9,808	(9,808)	0.00%
Legal Counsel				
Trustee Counsel	0	2,996	(2,996)	0.00%
Debt Service				
Interest	76,209	1,234,745	(1,158,536)	(1,520.21)%
Principal	0	135,000	(135,000)	0.00%
<b>Total Expenditures</b>	<u>76,209</u>	<u>1,382,548</u>	<u>(1,306,340)</u>	<u>(1,714.16)%</u>
Excess of Revenue Over (Under) Expenditures	0	(1,306,132)	(1,306,132)	0.00%
<b>Other Financing Sources (Uses)</b>				
Interfund Transfer	0	(107,403)	(107,403)	0.00%
SPE Costs	0	(63,099)	(63,099)	0.00%
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>(170,502)</u>	<u>(170,502)</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over (Under) Expend./Other Uses	0	(1,476,634)	(1,476,634)	0.00%
Fund Balance, Beginning of Period	0	(20,571,208)	(20,571,208)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(22,047,842)</u>	<u>(22,047,842)</u>	<u>0.00%</u>

**Magnolia Creek Community Development District**

Statement of Revenues and Expenditures

300 - Capital Projects Fund

From 10/1/2015 Through 9/30/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	849	849	0.00%
Total Revenues	<u>0</u>	<u>849</u>	<u>849</u>	<u>0.00%</u>
Excess of Revenue Over (Under) Expenditures	<u>0</u>	<u>849</u>	<u>849</u>	<u>0.00%</u>
Other Financing Sources (Uses)				
Interfund Transfer	0	28	28	0.00%
Excess of Rev./Other Sources Over (Under) Expend./Other Uses	<u>0</u>	<u>877</u>	<u>877</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	1,729,536	1,729,536	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>1,730,413</u></u>	<u><u>1,730,413</u></u>	<u><u>0.00%</u></u>

**Magnolia Creek CDD  
Investment Summary  
September 30, 2016**

<u>Account</u>	<u>Investment</u>	<u>Balance as of September 30, 2016</u>
US Bank Series 2007 Reserve A	US Bank Managed Money Market	\$ 181,674
US Bank Series 2007 Reserve B	US Bank Managed Money Market	468
US Bank Series 2007 Revenue AB	US Bank Managed Money Market	143,108
US Bank Series 2007 Prepayment A	US Bank Managed Money Market	6,177
US Bank Series 2007 Prepayment B	US Bank Managed Money Market	47,374
	<b>Total Debt Service Fund Investments</b>	<b><u>\$ 378,801</u></b>
US Bank Series 2007 Construction	US Bank Managed Money Market	\$ 1,730,315
US Bank Series 2007 Deferred Cost	US Bank Managed Money Market	98
	<b>Total Capital Project Fund Investments</b>	<b><u>\$ 1,730,413</u></b>

**Magnolia Creek Community Development District**

Summary A/R Ledger

001 - General Fund

From 9/1/2016 Through 9/30/2016

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
10/1/2009	Walton County Tax Collector	FY 09-10	39,351.17
10/1/2011	Walton County Tax Collector	FY11-12	9,595.06
10/1/2012	Walton County Tax Collector	FY12-13	9,133.53
10/1/2013	Walton County Tax Collector	FY13-14	8,563.51
10/1/2014	Walton County Tax Collector	FY14-15	4,125.72
10/1/2015	Walton County Tax Collector	FY15-16	<u>721.88</u>
		Total 001 - General Fund	71,490.87

**Magnolia Creek Community Development District**

Summary A/R Ledger

200 - Debt Service Fund

From 9/1/2016 Through 9/30/2016

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
10/1/2009	Walton County Tax Collector	FY 09-10	116,550.28
10/1/2011	Walton County Tax Collector	FY11-12	31,701.73
10/1/2012	Walton County Tax Collector	FY12-13	39,725.14
10/1/2013	Walton County Tax Collector	FY13-14	37,245.92
10/1/2014	Walton County Tax Collector	FY14-15	40,788.15
10/1/2015	Walton County Tax Collector	FY15-16	7,139.40
		Total 200 - Debt Service Fund	273,150.62
			<hr/>
Report Balance			344,641.49
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**Magnolia Creek Community Development District**

Summary A/P Ledger

001 - General Fund

From 9/1/2016 Through 9/30/2016

<u>Invoice Date</u>	<u>Vendor Name</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Current Balance</u>
9/22/2016	Hopping Green & Sams	89843	General/Monthly Legal Services 08/16	<u>2,271.81</u>
			Total 001 - General Fund	<u>2,271.81</u>
Report Balance				<u><u>2,271.81</u></u>

**Magnolia Creek Community Development District**  
**Notes to Unaudited Financial Statements**  
**September 30, 2016**

**Balance Sheet**

1. Trust statement activity has been recorded through 09/30/16.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. Debt Service Obligations-Current, represents scheduled Series 2007 Debt Service payments that were not made May 2010 – May 2016.
4. The District utilized funds from the Debt Service Reserve Account for the Nov 2009 and the May 2010 Series 2007 Bond payments.

**Statement of Revenue and Expenditures – Debt Service Fund**

5. The scheduled Series 2007 Debt Service payments that were not made have been accrued, and are reflected in the accompanying Balance Sheet.

**Summary A/R Ledger**

6. Payment terms for landowner assessments are (a) defined in the FY15-16 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.