

**Bartram Park Community
Development District**

Financial Statements

September 30, 2013

Bartram Park Community Development District
Table of Contents
September 30, 2013

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (required supplemental information)	3 - 7
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Governmental Fund Financial Statements:	
Balance Sheet	10
Reconciliation of the Balance Sheet to the Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balances	12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	13
Notes to Financial Statements	14 - 23
REQUIRED SUPPLEMENTAL INFORMATION (other than MD&A)	
Budget to Actual Comparison Schedule - General Fund	24
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>	25 - 26
Management Letter	27 - 28



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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Bartram Park Community Development District
Duval County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Bartram Park Community Development District (hereinafter referred to as "District"), as of and for the year ended September 30, 2013, and the related notes to the 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 opinions 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 Auditing 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 opinions.

Opinions

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, 2013, and the respective changes in financial position thereof for the year then ended in accordance 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's discussion and analysis and budgetary comparison information, as listed in the table of contents, 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 12, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

Miramar Beach, Florida
June 12, 2014

Management's Discussion And Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Bartram Park Community Development District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2013. Please read it in conjunction with the District's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- At September 30, 2013, the liabilities and deferred inflows of resources of the District exceeded its assets by approximately \$19.2 million (deficit).
- During the fiscal year ended September 30, 2013, the District incurred approximately \$1.8 million of interest expenditures and repaid principal of \$735,000.

USING THE ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 8 – 9 provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 10. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Reporting the District as a Whole

Our analysis of the District as a whole begins on page 4. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and related changes during the current year. You can think of the District's net position – the difference between assets and liabilities and deferred inflows of resources – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's assessment base and the condition of the District's infrastructure, to assess the overall health of the District.

Reporting the District's Most Significant Funds

Our analysis of the District's major funds begins on page 5. The fund financial statements begin on page 10 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. All of the District's funds are governmental fund-types.

- *Governmental funds* – All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities and governmental funds in a reconciliation with the fund financial statements.

THE DISTRICT AS A WHOLE

The following table reflects the condensed Statement of Net Position and is compared to the prior year. Certain prior year amounts have been modified to reflect changes associated with the adoption of new accounting standards in the current year.

<i>September 30,</i>	2013	2012	Change
Assets			
Current and other assets	\$ 3,893,165	\$ 3,944,318	\$ (51,153)
Capital assets, net	23,755,289	29,526,355	(5,771,066)
Total assets	\$ 27,648,454	\$ 33,470,673	\$ (5,822,219)
Liabilities			
Current liabilities	\$ 1,538,823	\$ 1,692,103	\$ (153,280)
Other liabilities	43,464,021	47,050,322	(3,586,301)
Total liabilities	45,002,844	48,742,425	(3,739,581)
Deferred inflows of resources			
Deferred charge on refunding	1,875,587	2,568,292	(692,705)
Total deferred inflows of resources	1,875,587	2,568,292	(692,705)
Net position			
Net investment in capital assets	3,795,740	(135,715)	3,931,455
Restricted for:			
Debt service	551,583	380,153	171,430
Capital projects	114,572	99,150	15,422
Unrestricted	(23,691,872)	(18,183,632)	(5,508,240)
Total net position (deficit)	(19,229,977)	(17,840,044)	(1,389,933)
Total liabilities, deferred inflows of resources, and net position	\$ 27,648,454	\$ 33,470,673	\$ (5,822,219)

For more detailed information, see the accompanying Statement of Net Position.

During fiscal year ended September 30, 2013, total assets, liabilities and deferred inflows of resources decreased by approximately \$5.8 million, \$3.7 million, and \$693,000, respectively. The decrease in assets is primarily due to the conveyance of and depreciation on capital assets. The decrease in liabilities is primarily due to the extinguishment of approximately \$3.6 million of Series 2012-4 bonds and the repayment of outstanding long-term bond principal. The decrease in deferred inflows of resources is primarily due to current year amortization on the deferred charge on refunding.

The following schedule compares the Statement of Activities for the current and previous fiscal year. Certain prior year amounts have been modified to reflect changes associated with the adoption of new accounting standards in the current year.

<i>Year ended September 30,</i>	2013	2012	Change
Revenues:			
Program revenues:			
Charges for services	\$ 2,572,449	\$ 2,353,771	\$ 218,678
Grants and contributions	17,010	44,404	(27,394)
General revenues:			
Developer contributions	10,245	1,098,418	(1,088,173)
Bad debt recovery	-	311,415	(311,415)
<i>Special item:</i>			
Gain on extinguishment of debt	3,625,000	-	3,625,000
Bond debt restructure	-	781,515	(781,515)
Total revenues	6,224,704	4,589,523	1,635,181
Expenses:			
General government	127,638	166,002	(38,364)
Unallocated depreciation	473,406	677,162	(203,756)
Capital infrastructure	5,297,660	-	5,297,660
Interest	1,715,933	2,433,141	(717,208)
Total expenses	7,614,637	3,276,305	4,338,332
Increase (decrease) in net assets	(1,389,933)	1,313,218	(2,703,151)
Net assets (deficit), beginning	(17,840,044)	(19,153,262)	1,313,218
Net assets (deficit), ending	\$ (19,229,977)	\$ (17,840,044)	\$ (1,389,933)

For more detailed information, see the accompanying Statement of Activities.

Revenues and expenses increased approximately \$1.6 million and \$4.3 million, respectively, from the prior. The increase in revenues is primarily due to the gain on extinguishment of debt. The increase in expenses is primarily due to the conveyance of capital assets. The overall result was a \$1.4 million decrease in net position for fiscal year 2013.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 10) reported a combined fund balance of approximately \$3.8 million, which is a decrease from last year's balance that totaled approximately \$3.9 million. Significant transactions are discussed below.

- During the fiscal year ended September 30, 2013, the District incurred approximately \$1.8 million of interest expenditures and repaid principal of approximately \$735,000.

The overall decrease in fund balance for the year ended September 30, 2013 totaled approximately \$54,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2013, the District had approximately \$23.8 million invested in capital assets (net of accumulated depreciation). This amount represents a net decrease of approximately \$5.8 million from the fiscal year 2012 total.

A listing of capital assets by major category for the current and prior year follows:

<i>September 30,</i>	2013	2012	Change
Capital assets not being depreciated	\$ 11,917,847	\$ 11,917,847	\$ -
Capital assets being depreciated	14,202,167	20,314,852	(6,112,685)
Total, prior to depreciation	26,120,014	32,232,699	(6,112,685)
Accumulated depreciation	(2,364,725)	(2,706,344)	341,619
Net capital assets	\$ 23,755,289	\$ 29,526,355	\$ (5,771,066)

More information about the District's capital assets is presented in Note 4 to the financial statements.

Debt

At September 30, 2013, the District has approximately \$44.2 million of bonds outstanding. This amount represents a net decrease of approximately \$3.7 million from the fiscal year 2012 total.

A listing of debt amounts outstanding for the current and prior year is as follows:

<i>September 30,</i>	2013	2012	Change
Special Assessment Bonds:			
Series 2005	\$ 24,295,000	\$ 24,960,000	\$ (665,000)
Series 2012-1	5,075,000	5,075,000	-
Series 2012-2	3,475,000	3,545,000	(70,000)
Series 2012-3	4,960,000	4,960,000	-
Series 2012-4	4,425,000	8,050,000	(3,625,000)
Series 2012-5	3,430,000	3,430,000	-
Bond accretion, net	(1,425,979)	(2,099,678)	673,699
Total	\$ 44,234,021	\$ 47,920,322	\$ (3,686,301)

More information about the District's long-term debt is presented in Note 5 to the financial statements.

GOVERNMENTAL FUNDS BUDGETARY HIGHLIGHTS

An Operating budget was established by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the General Fund, including the original budget and final adopted budget, is shown at page 24.

The District experienced a favorable variance in revenues as compared to the budget in the amount of \$353. Conversely, the District experienced an unfavorable variance in expenditures as compared to the budget in the amount of \$2,422. These differences do not represent significant deviations from budgeted amounts.

FUTURE FINANCIAL FACTORS

Bartram Park Community Development District is an independent special district that operates under the provisions of Chapter 190, Florida Statutes. The District operates under an elected Board of Supervisors, which establishes policy and sets assessment rates. Assessment rates for fiscal year 2014 were established to provide for the operations of the District as well as necessary debt service requirements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. If you have questions about this report or need additional financial information, contact the Bartram Park Community Development District's management company at 5385 N. Nob Hill Road, Sunrise, Florida 33351.

Basic Financial Statements

Bartram Park Community Development District

Statement of Net Position

<i>September 30,</i>	2013
	Governmental Activities
Assets	
Cash and cash equivalents	\$ 5,254
Investments	3,751,353
Assessments receivable	120,390
Due from developer	10,245
Prepaid expenses	5,923
Capital assets:	
Not being depreciated	11,917,847
Depreciable, net	11,837,442
Total assets	27,648,454
Liabilities	
Accounts payable	56,754
Accrued interest payable	712,069
Non-current liabilities:	
Due within one year	770,000
Due in more than one year	43,464,021
Total liabilities	45,002,844
Deferred inflows of resources	
Deferred charge on refunding	1,875,587
Total deferred inflows of resources	1,875,587
Net position	
Net investment in capital assets	3,795,740
Restricted for:	
Debt service	551,583
Capital projects	114,572
Unrestricted	(23,691,872)
Total net position (deficit)	\$ (19,229,977)

See accompanying notes to financial statements.

Bartram Park Community Development District

Statement of Activities

Year ended September 30,

2013

Functions/Programs	Expenses	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ (127,638)	\$ 125,478	\$ -	\$ -	\$ (2,160)
Unallocated depreciation	(473,406)	-	-	-	(473,406)
Capital infrastructure	(5,297,660)	-	-	-	(5,297,660)
Interest	(1,715,933)	2,446,971	16,971	39	748,048
Total governmental activities	\$ (7,614,637)	\$ 2,572,449	\$ 16,971	\$ 39	(5,025,178)

General revenues

Developer contributions	10,245
<i>Special item</i> - gain on extinguishment of debt	3,625,000
<hr/>	
Total general revenues and special item	3,635,245
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Change in net position	(1,389,933)
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Net position (deficit) - beginning of year, as restated	(17,840,044)
<hr/>	
Net position (deficit) - end of year	\$ (19,229,977)

See accompanying notes to financial statements.

Bartram Park Community Development District

Balance Sheet - Governmental Funds

September 30,

2013

	General	Debt Service	Capital Projects	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 5,254	\$ -	\$ -	\$ 5,254
Investments	16,370	3,601,852	133,131	3,751,353
Assessments receivable	42	120,348	-	120,390
Due from developer	10,245	-	-	10,245
Prepaid expenditures	5,923	-	-	5,923
Due from other funds	6,029	-	-	6,029
Total assets	\$ 43,863	\$ 3,722,200	\$ 133,131	\$ 3,899,194
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities				
Accounts payable	\$ 38,195	\$ -	\$ 18,559	\$ 56,754
Due to other funds	-	6,029	-	6,029
Total liabilities	38,195	6,029	18,559	62,783
Deferred inflows of resources				
Unavailable revenue	10,245	-	-	10,245
Total deferred inflow of resources	10,245	-	-	10,245
Fund balances				
Nonspendable	5,923	-	-	5,923
Restricted for debt service	-	3,716,171	-	3,716,171
Restricted for capital projects	-	-	114,572	114,572
Unassigned	(10,500)	-	-	(10,500)
Total fund balances (deficit)	(4,577)	3,716,171	114,572	3,826,166
Total liabilities, deferred inflows of resources, and fund balances	\$ 43,863	\$ 3,722,200	\$ 133,131	\$ 3,899,194

See accompanying notes to financial statements.

Bartram Park Community Development District

Reconciliation of the Balance Sheet to the Statement of Net Position

<i>September 30,</i>	2013
Total fund balances, governmental funds	\$ 3,826,166
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund level statements.	23,755,289
Deferred charges on refunding are not financial resources and therefore are not reported as deferred inflows of resources in governmental funds. The Statement of Net Position includes these charges, net of amortization.	(1,875,587)
Assets that are not available to pay for current-period expenditures are deferred in the fund level statements.	10,245
Liabilities not due and payable from current resources, including accrued interest, are not reported in the fund level statements.	(44,946,090)
Total net position (deficit) - governmental activities	\$ (19,229,977)

See accompanying notes to financial statements.

Bartram Park Community Development District

Statement of Revenues, Expenditures and Changes in Fund Balances-
Governmental Funds

Year ended September 30,

2013

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Assessments	\$ 125,478	\$ 2,446,971	\$ -	\$ 2,572,449
Prepayment revenue	-	15,997	-	15,997
Interest and other revenues	-	974	39	1,013
Total revenues	125,478	2,463,942	39	2,589,459
Expenditures				
Current:				
General government	127,547	-	91	127,638
Debt service:				
Principal	-	735,000	-	735,000
Interest	-	1,781,015	-	1,781,015
Total expenditures	127,547	2,516,015	91	2,643,653
Excess (deficit) of revenues over expenditures	(2,069)	(52,073)	(52)	(54,194)
Other Financing Sources (Uses)				
Transfer in	-	-	15,474	15,474
Transfer out	(15,000)	(474)	-	(15,474)
Total other financing sources (uses)	(15,000)	(474)	15,474	-
Net change in fund balances	(17,069)	(52,547)	15,422	(54,194)
Fund balances, beginning of year	12,492	3,768,718	99,150	3,880,360
Fund balances (deficit), end of year	\$ (4,577)	\$ 3,716,171	\$ 114,572	\$ 3,826,166

See accompanying notes to financial statements.

Bartram Park Community Development District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

<i>Year ended September 30,</i>	2013
Net change in fund balances - governmental funds	\$ (54,194)
Depreciation on capital assets is not recognized in the fund financial statements but is reported as an expense in the Statement of Activities.	(473,406)
The conveyance of capital assets is recorded as an expense on the Statement of Activities, but not in the fund financial statements.	(5,297,660)
Amortization of deferred refunding amounts is not recognized in the fund financial statements but is reported as an expense in the Statement of Activities.	692,705
The accretion of the discount on deep discount bonds is not recognized in the governmental fund statements but is reported as an expense in the Statement of Activities.	(673,699)
Gain on extinguishment of debt is reported as a special item on the Statement of Activities but not on the fund financial statements.	3,625,000
Governmental funds report principal payments on bonds when debt is paid, whereas these payments are eliminated in the Statement of Activities and recognized as a decrease in bonds payable in the Statement of Net Position.	735,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the fund level statements.	10,245
The change in accrued interest between the current and prior year is recorded on the Statement of Activities but not on the fund financial statements.	46,076
Change in net position of governmental activities	\$ (1,389,933)

See accompanying notes to financial statements.

NOTE 1 – NATURE OF ORGANIZATION

The Bartram Park Community Development District (the "District") was established on January 25, 2005 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by the City of Jacksonville, Florida Ordinance No. 2004-1280-E. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by a Board of Supervisors ("Board"), which is comprised of five members. Some of the Supervisors are elected on an at large basis by the owners of the property within the District. Other Supervisors are elected by the "Qualified Electors" living within the District in the general election conducted by the Supervisor of Elections. Certain supervisors are affiliated with the Developer of the community, Eastland Development Partners, Inc. and Bartram Crescent Development, LLC. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the final responsibility for:

1. Assessing and levying special assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth by Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB) in Statements No. 14 and No. 61. Based on the foregoing criteria, no potential component units were found.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to GAAP as applicable to governments in accordance with those promulgated by GASB. The following is a summary of the more significant policies:

Government-wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2013, the District did not have any significant business-type activities. Therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use, or directly benefit from goods or services) are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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. However, debt service expenditures are recorded only when payment is due.

Assessments, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District benefited by the District's activities. Operation and maintenance assessments are levied and certified for collection by the District annually prior to the start of the fiscal year which begins October 1st and ends on September 30th. Operation and maintenance special assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed at the time of bond issuance and certified for collection as described in the District's annual assessment resolution.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund – The Capital Projects Fund accounts for the financial resources to be used in the acquisition or construction of major infrastructure within the District financed with the bonds previously issued or other means.

For the year ended September 30, 2013, the District does not report any proprietary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for us in the governmental fund financial statements, it is the government's policy to use committed resources first, followed by assigned resources, then unassigned resources as needed.

Cash, Deposits and Investments

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities in accordance with collateral requirements determined by the State's Chief Financial Officer. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by GASB, Statement Number 40, *Deposits and Investment Disclosures (An Amendment of GASB, Statement Number 3)*.

The District is authorized to invest in financial instruments as established by Section 218.415, Florida Statutes. The authorized investments include among others direct obligations of the United States Treasury; the Local Government Surplus Funds Trust as created by Section 218.405, Florida Statutes; SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and interest-bearing time deposits or savings accounts in authorized financial institutions.

Capital Assets

Capital assets, which include primarily infrastructure assets (e.g., roads, sidewalks, water management systems and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial/individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Infrastructure	20 - 40

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.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective-interest or straight-line method. Bonds payable are reported net of premiums or discounts. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current period expenses.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any of this type of item at September 30, 2013.

In addition to liabilities, the Statement of Net Position and Balance Sheet – Governmental Funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items, a deferred charge on refunding and unavailable revenue, which qualify for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Unavailable revenue represents assets that are not considered available to pay for current period expenditures and are deferred in the fund level financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity

Net position in the government-wide financial statements represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources and is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents assets related to infrastructure and property, plant and equipment, net of any related debt. Restricted net position represents the net position restricted by the District's bond covenants.

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the District board through approval of resolutions. Assigned fund balances is a limitation imposed by a designee of the District board. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budgets

The District is required to establish a budgetary system and an approved annual budget. Annual budgets are legally adopted on a basis consistent with GAAP for the General Fund. Any revision to the budget must be approved by the District Board. The budgets are compared to actual expenditures. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represents final authorization amounts. For the year ended September 30, 2013, actual expenditures exceeded budget appropriations due to unanticipated legal costs.

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

- A. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- B. A public hearing is conducted to obtain comments.
- C. Prior to October 1, the budget is legally adopted by the District Board.
- D. All budget changes must be approved by the District Board, subject to the District's appropriation resolution.
- E. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Bartram Park Community Development District

Notes to Financial Statements

NOTE 3 – INVESTMENTS

All investments held at September 30, 2013 are reported at fair value based on quoted market prices, which approximates amortized cost.

<i>September 30,</i>	2013	Credit Risk	Maturities
Short-term Money Market Funds	\$ 3,751,353	S&P AAAM	47 - 51 days
Total investments	\$ 3,751,353		

Concentration risk – The District's investment policy requires diversification, but does not specify limits on types of investments.

Custodial credit risk – For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At September 30, 2013, none of the investments listed above are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Interest rate risk – The District does not have a formal policy for addressing interest rate 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.

NOTE 4 – CAPITAL ASSETS

The following is a summary of changes in the capital assets for the year ended September 30, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 11,866,091	\$ -	\$ -	\$ 11,866,091
Construction in progress	51,756	-	-	51,756
Total capital assets, not being depreciated	11,917,847	-	-	11,917,847
Capital assets being depreciated				
Infrastructure - roadways	20,314,852	-	(6,112,685)	14,202,167
Total capital assets, being depreciated	20,314,852	-	(6,112,685)	14,202,167
Less accumulated depreciation for:				
Infrastructure - roadways	(2,706,344)	(473,406)	815,025	(2,364,725)
Total accumulated depreciation	(2,706,344)	(473,406)	815,025	(2,364,725)
Total capital assets, being depreciated, net	17,608,508	(473,406)	(5,297,660)	11,837,442
Governmental activities capital assets, net	\$ 29,526,355	\$ (473,406)	\$ (5,297,660)	\$ 23,755,289

Bartram Park Community Development District

Notes to Financial Statements

NOTE 4 – CAPITAL ASSETS (CONTINUED)

Depreciation expense of \$473,406 was unallocated on the Statement of Activities. During the fiscal year ended September 30, 2013, the District conveyed capital assets totaling approximately \$5.3 million, net of accumulated depreciation, to a third-party entity.

NOTE 5 – BONDS PAYABLE

On July 22, 2005, the District issued \$28,715,000 of Special Assessment Bonds, Series 2005 consisting of \$5,225,000 Term Bonds and \$23,490,000 Term bonds with a fixed interest rate of 4.875% and 5.300%, respectively. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1. Principal payments are made serially commencing on May 1, 2006 through May 1, 2035.

In June 2012, the District entered into an exchange agreement, whereby the District exchanged approximately \$26 million of the Series 2006 Bonds for Special Assessment Bonds Series 2012-1, 2012-2, 2012-3, 2012-4, and 2012-5. The Series 2012 bonds were issued with various terms. The Series 2012-1, 2012-3, and 2012-5 Bonds, as shown below, were exchanged at a deep discount which will accrete over a period of time to the principal amount of the bonds.

Series	Initial Principal Amount	Conversion Date Accreted Value	Interest Rate	Maturity Date	Principal Payments Commencing	Interest Payments Commencing
2012-1	\$ 4,415,808	\$ 5,075,000	5.875%	May 1, 2037	May 1, 2015	May 1, 2015
2012-2	3,545,000	3,545,000	5.400%	May 1, 2037	May 1, 2013	November 1, 2012
2012-3	4,072,954	4,960,000	5.875%	May 1, 2037	May 1, 2016	May 1, 2016
2012-4	8,050,000	8,050,000	5.400%	May 1, 2037	May 1, 2013	November 1, 2012
2012-5	2,666,654	3,430,000	5.800%	May 1, 2037	May 1, 2017	May 1, 2017
	<u>\$ 22,750,416</u>	<u>\$ 25,060,000</u>				

The "conversion date accreted value" represents the initial principal amount of the bonds plus accrued interest between the date of issuance and the date the principal payments commence on each separate issue.

During the fiscal year ended September 30, 2012, in lieu of foreclosure on certain delinquent 2006 assessments on Tract 24, the landowner transferred the property to a special purpose entity ("SPE"), Eastland Group Bartram Park LLC, for the purposes of holding and selling Tract 24 for the benefit of the District, the Trustee, and the bondholders. For the period in which the SPE owned Tract 24, the District did not levy or collect operations and maintenance assessments. In March 2013, tract 24 was sold to a third party buyer. In connection with the sale of land, upon closing, the buyer forgave and cancelled approximately \$3.6 million of the Series 2012-4 Bonds, which is recorded as a gain on extinguishment of debt on the accompanying Statement of Activities.

Bartram Park Community Development District

Notes to Financial Statements

NOTE 5 – BONDS PAYABLE (CONTINUED)

The Bond Indentures require that the District maintain adequate funds in the reserve accounts to meet the debt service reserve requirements as defined in the Indentures. The requirement for the Series 2005 and 2012 Bonds has been met for the fiscal year ended September 30, 2013.

The Bond Indentures have 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements of the Bond Indentures.

Long-term liability activity for the year ended September 30, 2013, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental Activities</i>					
Bonds Payable:					
Series 2005	\$ 24,960,000	\$ -	\$ (665,000)	\$ 24,295,000	\$ 605,000
Series 2012-1	5,075,000	-	-	5,075,000	-
Series 2012-2	3,545,000	-	(70,000)	3,475,000	75,000
Series 2012-3	4,960,000	-	-	4,960,000	-
Series 2012-4	8,050,000	-	(3,625,000)	4,425,000	90,000
Series 2012-5	3,430,000	-	-	3,430,000	-
	\$ 50,020,000	\$ -	\$ (4,360,000)	\$ 45,660,000	\$ 770,000

At September 30, 2013, the scheduled debt service requirements on long-term debt were as follows:

Year ending September 30,	Principal	Interest	Total Debt Service
2014	\$ 770,000	\$ 1,708,965	\$ 2,478,965
2015	910,000	1,819,639	2,729,639
2016	1,080,000	2,068,113	3,148,113
2017	1,220,000	2,254,535	3,474,535
2018	1,295,000	2,287,345	3,582,345
2019 - 2023	7,635,000	10,293,503	17,928,503
2024 - 2028	10,020,000	7,959,592	17,979,592
2029 - 2033	13,205,000	4,889,730	18,094,730
2034 - 2037	9,525,000	1,160,225	10,685,225
	\$ 45,660,000	\$ 34,441,647	\$ 80,101,647

Bartram Park Community Development District

Notes to Financial Statements

NOTE 5 – BONDS PAYABLE (CONTINUED)

The balance of bonds payable at September 30, 2013 is summarized as follows:

<i>September 30,</i>		2013
Bond principal balance	\$	45,660,000
Less unamortized bond accretion		(1,425,979)
Net bonds payable	\$	44,234,021

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District maintains commercial insurance coverage to mitigate the risk of loss. Coverage may not extend to all situations. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. There have been no settled claims in the previous three years.

NOTE 7 – MANAGEMENT COMPANY

The 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.

NOTE 8 – INTERFUND TRANSFERS

During the fiscal year ended September 30, 2013, the District transferred \$15,000 from the General Fund to the Capital Projects Fund to pay for certain legal costs.

NOTE 9 – CONCENTRATION

A significant portion of the District's future activity is dependent upon the continued involvement of the Developers, Eastland Development Partners, Inc. and Bartram Crescent Development, LLC, and several significant landowners, the loss of which could have a material adverse effect on the District's operations.

NOTE 9 – CONCENTRATION (CONTINUED)

The District directly assessed one of the Developers \$874 and \$17,751 for operations and maintenance and debt service costs, respectively. In addition, the Developer was assessed \$20,749 for operation and maintenance as well as debt service costs through the local tax collector.

During the year ended, September 30, 2013, the District directly assessed four significant landowners \$1,135,853 for operations and maintenance and debt service costs on undeveloped property. In addition, one significant landowner was assessed \$90,407 through the local tax collector. These significant landowners plus the Developers accounted for approximately 53% of the District's total assessments.

NOTE 10 – CHANGE IN ACCOUNTING PRINCIPLES

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement established standards for reporting deferred outflows of resources, deferred inflows of resources, and net position and creates a new format for the statement of financial position that requires deferred outflows of resources and deferred inflows of resources to be reported separately from assets and liabilities.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement improves financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

The District made the decision to implement these standards effective October 1, 2012.

As a result of implementation, government-wide net position at the beginning of the year ended September 30, 2013 has been restated. GASB statement No. 65 requires, among other things, that bond issue costs be shown as current-period outflows of resources (expenses) and not capitalized. Accordingly, prior year deferred charges have been removed from the current year financial statements. The restatement resulted in a decrease in the beginning net position of \$784,729.

In addition to the above restatement, other items have been reclassified in the financial statements in order to conform to the newly required presentation. On the government-wide Statement of Net Position, the deferred charge on refunding was previously included in long-term debt. In the current year financial statements, this amount is presented separately as a deferred inflow of resources. On the Balance Sheet – Governmental Funds, the unavailable revenue was previously deferred revenue under liabilities. In the current year financial statements, this amount is presented as a deferred inflow of resources.

**Required Supplemental Information
(Other Than MD&A)**

Bartram Park Community Development District

Budget to Actual Comparison Schedule- General Fund

<i>Year ended September 30,</i>	2013		
	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenues			
Assessments	\$ 125,125	\$ 125,478	\$ 353
Total revenues	125,125	125,478	353
Expenditures			
General government	125,125	127,547	(2,422)
Total expenditures	125,125	127,547	(2,422)
Excess of revenues over expenditures	\$ -	\$ (2,069)	\$ (2,069)



**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
Bartram Park Community Development District
Duval County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Bartram Park Community Development District (hereinafter referred to as the "District"), as of and for the year ended September 30, 2013, and the related notes to the financial statements which collectively comprise the District's basic financial statements, and have issued our report dated June 12, 2014.

Internal Control Over Financial Reporting

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

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

Our consideration of the 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 result 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.

Cary Riggs & Ingram, L.L.C.

Miramar Beach, Florida
June 12, 2014

MANAGEMENT LETTER

To the Board of Supervisors
Bartram Park Community Development District
Duval County, Florida

We have audited the financial statements of Bartram Park Community Development District ("District") as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated June 12, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report, which is dated June 12, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report:

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 annual financial audit report. There were no recommendations made in the preceding annual audit report.

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes.

Section 10.554(1)(i)3., 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)4., 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.

Section 10.554(1)(i)5., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to financial statements. The information required is disclosed in the notes to the financial statements.

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes during the year ended September 30, 2013.

Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the District for the fiscal year ended September 30, 2013, 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, 2013. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Cary Riggs & Ingram, L.L.C.

Miramar Beach, Florida
June 12, 2014



June 12, 2014

To the Board of Supervisors
Bartram Park Community Development District

We have audited the financial statements of the governmental activities and each major fund of Bartram Park Community Development District for the year ended September 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 7, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Bartram Park Community Development District are described in Note 2 to the financial statements. In 2013, the District adopted Governmental Accounting Standards Board Statement (GASBS) No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASBS No. 65, *Items Previously Reported as Assets and Liabilities*. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the District's financial statements was the estimate of depreciation expense on capital assets. We evaluated the key factors and assumptions used to develop the estimate of depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure in Note 9 to the financial statements regarding the District's dependence on the Developers and significant landowners and the nature of the transactions with the Developers and significant landowners.
- The disclosure in Note 10 to the financial statements regarding the prior period restatement due to the implementation of GASBS No. 65.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The following material misstatements were detected as a result of audit procedures and corrected by management:

- An adjustment to agree beginning general fund equity to the prior year audited financial statements and properly state accounts payable, legal fees, and interfund balance.
- An adjustment to remove noncash transactions from the fund level financial statements.
- An adjustment to recognize legal fees and defer developer contributions not received within sixty days of year end.
- An adjustment to remove improvements and the related payable to the cancellation of the transaction and subsequent reimbursement of the funds from the Florida Department of Transportation.
- An adjustment to agree accrued legal fees to the outstanding amount per the legal letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 12, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Supervisors and management of Bartram Park Community Development District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC
Certified Public Accountants