

Magic Reserve Community Development District

3501 Quadrangle Boulevard, Suite 270, Orlando, FL 32817

Phone: 407-723-5900, Fax: 407-723-5901

www.magicreservecdd.com

The following is the agenda for the Board of Supervisors' Meeting and the Auditor Selection Committee Meeting for the **Magic Reserve Community Development District ("District")**, scheduled to begin at **10:00 a.m. on May 11, 2026, at 7430 Brooklyn Dr., Kissimmee, FL 34747**. If you have questions or comments on the Board Meeting, please contact the District Manager's office at (407) 723-5900. A quorum consisting of at least three of the five Board Members will be confirmed prior to the start of the Board Meeting.

For those unable to attend in person, you may participate by telephone:

Call in number: 1-844-621-3956

Passcode: 2539 895 0958 #

BOARD OF SUPERVISORS' MEETING AGENDA

Administrative Matters

- Call to Order / Roll Call
- Public Comment Period
- 1. **Consideration of the Minutes of the April 6, 2026, Board of Supervisors' Meeting**
- 2. **Consideration of Resolution 2026-02, Designating a Date, Time, and Location for the Landowner Meeting** *[suggested date: November 2, 2026]*
- 3. **Review of Letter from the Osceola County Supervisor of Elections Regarding Number of Registered Voters**
- 4. **Seating of Auditor Selection Committee**

General Business Matters

- 5. **Consideration of Resolution 2026-03, Approving a Preliminary Budget for FY 2027 and Setting a Public Hearing Date Thereon** *[suggested date: August 3, 2026]*
- 6. **Continued Discussion Regarding Request for CDD's Approval for a License to use the Existing Pond for the Management and Discharge of Residual Stormwater Runoff**
- 7. **Review and Acceptance of the Fiscal Year 2025 Audit Report**
- 8. **Ratification of Payment Authorization Nos. 261 – 265**
- 9. **Review of District Financial Statements**

Other Business

- **Staff Reports**
 - District Counsel
 - District Engineer
 - District Manager
 - Outstanding Maintenance Items
 - Form 1 Filing – July 1 Deadline
 - Next Meeting – June 1, 2026
- Audience Comments
- Supervisors Requests

Adjournment

AUDITOR SELECTION COMMITTEE MEETING AGENDA

- Roll Call to Confirm a Quorum
- Review and Approval of Audit Documents
 - Audit RFP Notice
 - Instructions to Proposers
 - Evaluation Criteria – with and without price
- Adjournment



Magic Reserve Community Development District

**Consideration of the Minutes of the April 6, 2026,
Board of Supervisors' Meeting**

MINUTES OF MEETING

**MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISORS' MEETING**

**Monday, April 6, 2026, at 10:00 a.m.
7430 Brooklyn Dr.
Kissimmee, FL 34747**

Board Members in attendance:

Doris Houck	Chairperson
Nayara Longaray	Vice Chair
Frederico Gontijo	Assistant Secretary

Also Present:

Jane Gaarlandt	PFM	
Gazmin Kerr	PFM	(via phone)
Audrey Ryan	PFM	(via phone)
Mark Watts	Cobb Cole	(via phone)
Steven Boyd	Boyd Civil Engineering	(via phone)

FIRST ORDER OF BUSINESS

Administrative Matters

Call to Order/Roll Call

Ms. Gaarlandt called to order the Board of Supervisors' Meeting for the Magic Reserve Community Development District at 10:02 a.m. Roll call was taken.

Public Comment Period

There were no members of the public present.

**Consideration of the Minutes of
the February 2, 2026, Board of
Supervisors' Meeting**

The Board reviewed the minutes.

On motion, by Ms. Houck, seconded by, Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District approved the Minutes of the February 2, 2026, Board of Supervisors' Meeting.

SECOND ORDER OF BUSINESS

General Business Matters

Update on Irrigation/TOHO

There were no updates at this time. It was noted the irrigation is down to a normal level.

There was brief discussion regarding a refund for the leak. Mr. Watts will follow up with Mr. Lizasuain on the previous conversations with TOHO and reimbursement.

This item was deferred.

Update on Speed Bumps Installation

There was no update at this time.

This item was deferred.

Discussion Regarding Request for CDD's Approval for a License to use the Existing Pond for the Management and Discharge of Residual Stormwater Runoff

Mr. Watts gave an overview and noted he will follow up.

Mr. Boyd noted the ponds were not designed to handle additional water. It was noted that if they can provide documentation that the groundwater level is lower now than when permitted, there may be some capacity.

Ms. Houck commented on the liability.

Discussion of Cleanup of Tracts B1 and D2

• Cleanup Proposal (s)

Ms. Gaarlandt noted this was a request from the HOA and these tracts were previously maintained by the Developer. It was noted only one proposal was received.

There was brief discussion regarding the location and the maintenance responsibility.

Mr. Watts will follow up regarding the ownership.

On motion, by Ms. Houck, seconded by, Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District approved the Cleanup Proposal for Tracts B1 and D2, subject to verification of ownership by District Counsel.

**Consideration of Backflow
Prevention Repair at Reedy Creek
(Tract D2)**

Ms. Gaarlandt presented the proposal. It was noted this request came from the HOA. It was noted only one proposal was received at this time. District Management will try to obtain another proposal for comparison.

There was brief discussion regarding the location and maintenance responsibility.

Mr. Gontijo will provide pictures and exact location to District Engineer, who will follow up regarding maintenance responsibility

On motion, by Ms. Houck, seconded by, Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District approved Backflow Prevention Repair at Reedy Creek (Tract D2), with a not-to-exceed amount of \$20,000.00, subject to verification of District Responsibility by the District Engineer.

**Consideration of the Rate Increase
Proposal with Boyd Civil
Engineering**

Ms. Gaarlandt presented the Proposal and noted this is a normal increase.

Mr. Boyd noted the last increase was two years ago.

On motion, by Ms. Houck, seconded by, Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District approved the Rate Increase Proposal with Boyd Civil Engineering.

**Review and Consideration of the
FY 2025 Arbitrage Rebate Report
with LLS Tax Solutions Inc.**

Ms. Gaarlandt presented the report and noted the District does not have any arbitrage liability at this time.

On motion by Ms. Longaray, seconded by Ms. Houck, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District approved the FY 2025 Arbitrage Engagement letter with LLS Tax Solutions Inc.

Review and Consideration of FY 2026 Arbitrage Engagement Letter with LLS Tax Solutions Inc.

Ms. Gaarlandt noted this engagement Letter is for the upcoming year with the current vendor and is consistent with previous engagement letters

On motion by Ms. Houck, seconded by Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District approved the FY 2026 Arbitrage Engagement letter with LLS Tax Solutions Inc.

Ratification of Data Sharing and Usage Agreement with Osceola County Property Appraiser

Ms. Gaarlandt noted this is an annual standard agreement.

On motion by Ms. Houck, seconded by Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District ratified the Data Sharing and Usage Agreement with Osceola County Property Appraiser.

Ratification of Payment Authorizations Nos. 253-260

Ms. Gaarlandt noted these were previously approved and are included solely for ratification.

On motion by Ms. Houck, seconded by Ms. Longaray, with all in favor, the Board of Supervisors for the Magic Reserve Community Development District ratified Payment Authorizations Nos. 253 - 260.

Review of District Financial Statements

Ms. Gaarlandt stated the financials are for information only. It was noted there is a line item for HOA Maintenance within the budget.

The Board reviewed the financial statements through February 2026.

THIRD ORDER OF BUSINESS

Other Business

Staff Reports

District Counsel – No report.

District Engineer – Mr. Gontijo commented regarding the no access roadway and people dumping trash. He will follow up with photos for District Management. It was noted this may be a County issue; Mr. Boyd will verify.

There was brief discussion regarding the location.

District Manager – Ms. Gaarlandt reminded the Board the next meeting is scheduled for May 4, 2026. This will be the preliminary budget meeting.

Audience Comments

There were no audience comments.

Supervisors Requests

There were no supervisor requests.

FOURTH ORDER OF BUSINESS

Adjournment

On motion by Ms. Houck, seconded by Ms. Longaray, with all in favor, the April 6, 2026, Meeting of the Board of Supervisors for the Magic Reserve Community Development District was adjourned at 10:25 a.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman



Magic Reserve Community Development District

**Consideration of Resolution 2026-02,
Designating a Date, Time, and Location for the
Landowner Meeting**

[suggested date: November 2, 2026]

RESOLUTION 2026-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT DESIGNATING A DATE, TIME, AND LOCATION FOR LANDOWNERS' MEETING AND ELECTION; PROVIDING FOR PUBLICATION; ESTABLISHING FORMS FOR THE LANDOWNER ELECTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Magic Reserve Community Development District ("District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Osceola County, Florida; and

WHEREAS, pursuant to Section 190.006(1), Florida Statutes, the District's Board of Supervisors ("Board") "shall exercise the powers granted to the district pursuant to Chapter 190, Florida Statutes," and the Board shall consist of five members; and

WHEREAS, the District is statutorily required to hold a meeting of the landowners of the District for the purpose of electing Board Supervisors for the District on the first Tuesday in November, which shall be noticed pursuant to Section 190.006(2), Florida Statutes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. EXISTING BOARD SUPERVISORS; SEATS SUBJECT TO ELECTIONS.

The Board is currently made up of the following individuals:

<u>Seat Number</u>	<u>Supervisor</u>	<u>Term Expiration Date</u>
1	Royce Lopez	November 2026
2	Doris Houck	November 2028
3	Nayara Longaray	November 2026
4	Sue Legentil	November 2028
5	Frederico Pinheiro Gontijo	November 2026

This year, Seat 1, currently held by Royce Lopez, Seat 3, currently held by Nayara Longaray, and Seat 5, currently held by Frederico Pinheiro Gontijo, are subject to election by landowners in November 2026. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

SECTION 2. LANDOWNER'S ELECTION. In accordance with Section 190.006(2), Florida Statutes, the meeting of the landowners to elect Board Supervisor(s) of the District shall be held on the 3rd day of November, 2026, at _____, at _____.

SECTION 3. PUBLICATION. The District's Secretary is hereby directed to publish notice of the landowners' meeting and election in accordance with the requirements of Section 190.006(2), Florida Statutes.

SECTION 4. FORMS. Pursuant to Section 190.006(2)(b), Florida Statutes, the landowners' meeting and election have been announced by the Board at its May 11, 2026 meeting. A sample notice of landowners' meeting and election, proxy, ballot form and instructions were presented at such meeting and are attached hereto as Exhibit A. Such documents are

available for review and copying during normal business hours at the office of the District Manager, PFM Group Consulting LLC, located at 3501 Quadrangle Boulevard, Suite 270, Orlando, Florida 32817, Ph: (407) 723-5900

SECTION 5. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 6. EFFECTIVE DATE. This Resolution shall become effective upon its passage.

PASSED AND ADOPTED this 11th day of May, 2026.

ATTEST:

**MAGIC RESERVE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Vice/Chairperson, Board of Supervisors

Composite Exhibit A: Sample Notice of Landowners' Meeting and Election, Proxy, Ballot Form and Instructions

Composite Exhibit A

Sample Notice of Landowners' Meeting and Election, Proxy, Ballot Form and Instructions

NOTICE OF LANDOWNERS' MEETING AND ELECTION AND MEETING OF THE BOARD OF SUPERVISORS OF THE MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given to the public and all landowners within Magic Reserve Community Development District (the "District"), the location of which is generally described as comprised of a parcel or parcels of land containing approximately 40-acre project site is located on Reedy Creek Boulevard, north of US Highway 192 (also known as West 11'10 Bronson Memorial Highway) located in t, Osceola County, Florida advising that a meeting of landowners will be held for the purpose of electing three (3) persons to the District Board of Supervisors. Immediately following the landowners' meeting and election, there will be convened a meeting of the Board of Supervisors for the purpose of considering certain matters of the Board to include election of certain District officers, and other such business which may properly come before the Board.

DATE: _____
TIME: _____ .m.
PLACE: _____

Each landowner may vote in person or by written proxy. Proxy forms may be obtained upon request at the office of the District Manager, c/o PFM Group Consulting, LLC, 3501 Quadrangle Boulevard, Suite 270, Orlando, Florida 32817 Ph: (407) 723-5900 ("District Office"). At said meeting each landowner or his or her proxy shall be entitled to nominate persons for the position of Supervisor and cast one vote per acre of land, or fractional portion thereof, owned by him or her and located within the District for each person to be elected to the position of Supervisor. A fraction of an acre shall be treated as one acre, entitling the landowner to one vote with respect thereto. Platted lots shall be counted individually and rounded up to the nearest whole acre. The acreage of platted lots shall not be aggregated for determining the number of voting units held by a landowner or a landowner's proxy. At the landowners' meeting the landowners shall select a person to serve as the meeting chair and who shall conduct the meeting.

The landowners' meeting and the Board of Supervisors meeting are open to the public and will be conducted in accordance with the provisions of Florida law. One or both of the meetings may be continued to a date, time, and place to be specified on the record at such meeting. A copy of the agenda for these meetings may be obtained from the District Office. There may be an occasion where one or more supervisors will participate by speaker telephone.

Any person requiring special accommodations to participate in these meetings is asked to contact the District Office at least forty-eight (48) hours before the hearing. If you are hearing or speech impaired, please contact the Florida Relay Service at 7-1-1 or (800) 955-8770 for aid in contacting the District Office.

A person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that such person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which the appeal is to be based.

Jane Gaarlandt
District Manager
Run Date(s): _____ & _____

[PUBLISH: ONCE A WEEK FOR 2 CONSECUTIVE WEEKS, THE LAST DAY OF PUBLICATION TO BE NOT FEWER THAN 14 DAYS OR MORE THAN 28 DAYS BEFORE THE DATE OF ELECTION, IN A NEWSPAPER WHICH IS IN GENERAL CIRCULATION IN THE AREA OF THE DISTRICT]

**LANDOWNER PROXY
MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
LANDOWNERS' MEETING – _____, _____**

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ (“**Proxy Holder**”) for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Magic Place Community Development District to be held at _____, on _____, _____, at _____ m. and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing that may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

Any proxy heretofore given by the undersigned for said meeting is hereby revoked. This proxy is to continue in full force and effect from the date hereof until the conclusion of the landowners’ meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice of such revocation presented at the landowners’ meeting prior to the Proxy Holder’s exercising the voting rights conferred herein.

Printed Name of Legal Owner

Signature of Legal Owner

Date

<u>Parcel Description</u>	<u>Acreage</u>	<u>Authorized Votes</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel. If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

Total Number of Authorized Votes: _____

NOTES: Pursuant to section 190.006(2)(b), *Florida Statutes* (2018), a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto. Moreover, two (2) or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property.

If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached hereto (e.g., bylaws, corporate resolution, etc.).

OFFICIAL BALLOT
MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
LANDOWNERS' MEETING – _____, _____

For Election (3 Supervisors): The two (2) candidates receiving the highest number of votes will each receive a four (4) year term, and the one (1) candidate receiving the next highest number of votes will receive a two (2) year term, with the term of office for the successful candidates commencing upon election.

The undersigned certifies that he/she/it is the fee simple owner of land, or the proxy holder for the fee simple owner of land, located within the Magic Reserve Community Development District and described as follows:

<u>Description</u>	<u>Acreage</u>
_____	_____
_____	_____
_____	_____

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel.] [If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

or

Attach Proxy.

I, _____, as Landowner, or as the proxy holder of _____ (Landowner) pursuant to the Landowner's Proxy attached hereto, do cast my votes as follows:

NAME OF CANDIDATE	NUMBER OF VOTES
1. _____	_____
3. _____	_____
5. _____	_____

Date: _____

Signed: _____

Printed Name: _____



Magic Reserve Community Development District

**Review of Letter from the Osceola County
Supervisor of Elections Regarding Number of
Registered Voters**



MARY JANE ARRINGTON
OSCEOLA COUNTY SUPERVISOR OF ELECTIONS

April 24, 2026

Ms. Jane Gaarlandt
Senior District Manager
PFM Group Consulting, LLC
3501 Quadrangle Blvd.
Suite 270
Orlando, FL 32817

RE: Magic Reserve Community Development District – Registered Voters

Dear Ms. Gaarlandt:

Thank you for your letter requesting confirmation of the number of registered voters within the Magic Reserve Community Development District as of April 15, 2026.

The number of registered voters within the Magic Reserve CDD is four as of April 15, 2026.

If I can be of further assistance, please contact me at 407.742.6000.

Respectfully yours,

Mary Jane Arrington
Supervisor of Elections

Vote
Osceola



Magic Reserve Community Development District

Seating of the Auditor Selection Committee



Magic Reserve Community Development District

**Consideration of Resolution 2026-03, Approving
a Preliminary Budget for FY 2027 and Setting a
Public Hearing Date Thereon**

[suggested date: August 3, 2026]

RESOLUTION 2026-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2026/2027 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors of the Magic Reserve Community Development District ("**Board**") prior to June 15, 2026, proposed budgets for Fiscal Year 2026/2027; and

WHEREAS, the Board has considered the proposed budgets and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT:

1. **BUDGETS APPROVED.** The budgets proposed by the District Manager for Fiscal Year 2026/2027 attached hereto as **Exhibit A** are hereby approved as the basis for conducting a public hearing to adopt said budgets.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved budgets is hereby declared and set for the following date, hour and location:

DATE: August 3, 2026

HOUR: 10:00 a.m.

LOCATION: 7430 Brooklyn Dr.
 Kissimmee, Florida 34747

3. **TRANSMITTAL OF BUDGETS TO LOCAL GENERAL PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the proposed budgets to Osceola County at least 60 days prior to the hearing set above.

4. **POSTING OF BUDGETS.** In accordance with Section 189.016, Florida Statutes, the District's Secretary is further directed to post the approved budgets on the District's website at least two days before the budget hearing date as set forth in Section 2. If the District does not yet have its own website, the District's Secretary is directed to transmit the approved budgets to the manager or administrator of Osceola County for posting on its website.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 11th DAY OF MAY, 2026.

ATTEST:

**MAGIC RESERVE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair



Magic Reserve CDD

Proposed FY 2027 Budget

PFM Management Services LLC
3501 Quadrangle Blvd Suite 270
Orlando, FL 32817
407-723-5900



Exhibit A
Magic Reserve Community Development District
Proposed FY2027 Operations & Maintenance Budget

	Actual Through 3/31/26	Anticipated April- Sept.	Anticipated FY 2026 Total	FY 2026 Adopted Budget	FY 2027 Proposed Budget
Revenues					
On-Roll Assessments	\$ 483,491.78	\$ 79,038.22	\$ 562,530.00	\$ 562,530.00	\$ 556,770.00
Interest Income	7,864.67	-	7,864.67	-	-
Land Lease Income	5,760.00	-	5,760.00	-	5,760.00
Net Revenues	\$ 497,116.45	\$ 79,038.22	\$ 576,154.67	\$ 562,530.00	\$ 562,530.00
CDD General & Administrative Expenses					
Supervisor Fee	\$ 400.00	\$ 600.00	\$ 1,000.00	\$ -	\$ 2,000.00
Trustee Services	4,238.17	-	4,238.17	4,200.00	4,500.00
Management	17,500.02	17,499.98	35,000.00	35,000.00	35,000.00
Engineering	845.00	5,000.00	5,845.00	10,000.00	10,000.00
Disclosure Agent	1,250.00	3,750.00	5,000.00	5,000.00	5,000.00
Property Appraiser	215.28	-	215.28	325.00	325.00
District Counsel	1,394.00	9,000.00	10,394.00	18,000.00	18,000.00
Assessment Administration	5,000.00	-	5,000.00	5,000.00	5,000.00
Re-Amortization Schedule	-	-	-	250.00	250.00
Arbitrage	-	500.00	500.00	500.00	600.00
Audit	-	3,500.00	3,500.00	3,500.00	4,500.00
Legal Advertising	261.97	1,000.00	1,261.97	2,000.00	3,000.00
Postage /Shipping	0.74	150.00	150.74	300.00	300.00
Miscellaneous	-	490.00	490.00	980.00	13,080.00
Tax Preparation Fee	6.42	-	6.42	20.00	50.00
Web Site Maintenance	1,050.00	1,650.00	2,700.00	2,700.00	2,700.00
Dues, Licenses, and Fees	175.00	-	175.00	175.00	175.00
Irrigation	45,743.74	239,256.26	285,000.00	285,000.00	250,000.00
Public Officials' Liability Insurance	3,466.00	-	3,466.00	3,850.00	4,000.00
General Liability Insurance	4,236.00	-	4,236.00	4,730.00	5,000.00
Additional Insurance	500.00	-	500.00	500.00	550.00
Lake Maintenance	690.00	2,000.00	2,690.00	4,000.00	4,000.00
HOA Maintenance	-	50,000.00	50,000.00	50,000.00	60,000.00
Landscaping Maintenance and Material	7,509.52	15,019.04	22,528.56	30,000.00	35,000.00
Mulch	-	6,000.00	-	12,000.00	12,000.00
Palm Pruning	-	2,250.00	-	4,500.00	7,500.00
Streetlights	\$ 27,886.03	\$ 40,667.06	\$ 68,553.09	\$ 80,000.00	\$ 80,000.00
Total Expenses	\$ 122,367.89	\$ 398,332.34	\$ 512,450.23	\$ 562,530.00	\$ 562,530.00

Current Year Proposed	Net Per Unit	\$ 2,855.23
195 Lots	Gross per Unit	\$ 3,037.48

Prior Year Adopted	Net Per Unit	\$ 2,884.77
195 Lots	Gross per Unit	\$ 3,068.90



Magic Reserve CDD

FY 2027

Budget Item Description

Revenues:

On-Roll Assessments

The District can levy a Non-Ad Valorem assessment on all the assessable property within the District in order to pay for the operating expenditures during the Fiscal Year. Assessments collected via the tax collector are referred to as “On-Roll Assessments.”

Administrative Expenditures:

Supervisor Fees

Chapter 190 of the Florida Statutes allows for a member of the Board of Supervisors to be compensated for meeting attendance and to receive up to \$200.00 per meeting plus payroll taxes. The amount for the Fiscal Year is based upon all supervisors attending the meetings.

Trustee Services

The Trustee submits invoices annually for services rendered on bond series. These fees are for maintaining the District trust accounts.

Management

The District receives Management and Administrative services as part of a Management Agreement with PFM Group Consulting, LLC. These services are further outlined in Exhibit “A” of the Management Agreement.

Engineering

The District’s engineer provides general engineering services to the District. Among these services are attendance at and preparation for monthly board meetings, review of invoices, and all other engineering services as requested by the District throughout the year.

Disclosure Agent

When bonds are issued for the District, the Bond Indenture requires continuing disclosure, which the disclosure agent provides to the trustee and bond holders.

Property Appraiser

Cost incurred for a copy of the annual parcel listing for parcels within the District from the county.



Magic Reserve CDD

FY 2027

District Counsel

The District's legal counsel provides general legal services to the District. Among these services are attendance at and preparation for monthly board meetings, review of operating and maintenance contracts, and all other legal services as requested by the District throughout the year.

Assessment Administration

The District can levy a Non-Ad Valorem assessment on all the assessable property within the District in order to pay for the operating expenditures during the Fiscal Year. It is typically collected via the Tax Collector. The District Manager submits an Assessment Roll to the Tax Collector annually by the deadline set by the Tax Collector or Property Appraiser.

Re-amortization Schedule

When debt is paid on a bond series, a new amortization schedule must be recalculated. This can occur up to four times per year per bond issue.

Arbitrage

Annual computations are necessary to calculate arbitrage rebate liability to ensure the District's compliance with all tax regulations.

Audit

Chapter 218 of the Florida Statutes requires a District to conduct an annual financial audit by an Independent Certified Public Accounting firm. Some exceptions apply.

Legal Advertising

The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to monthly meetings, special meetings, and public hearings for the District.

Postage & Shipping:

Mail, overnight deliveries, correspondence, etc.

Miscellaneous

Other expenses incurred throughout the year.

Tax Preparation Fee

The IRS requires the annual 1099 processing to be electronically filed. These are the fee association with the electronic filing using tax1099.com.



Magic Reserve CDD

FY 2027

Website Maintenance

Website maintenance fee.

Dues, Licenses & Fees

The District is required to pay an annual fee to the Department of Economic Opportunity.

Irrigation

Inspection and repair of irrigation system.

Public Officials' Liability (POL) Insurance

Supervisors' and Officers' liability insurance.

General Liability Insurance

General liability insurance.

Additional Liability Insurance

Additional liability insurance.

Lake Maintenance

Maintenance of lake owned by District.

HOA Maintenance

Common Area Maintenance within the boundaries of the District.

Landscape Maintenance & Material

Contracted landscaping and Common Area Maintenance within the boundaries of the District.

Mulch

Mulch and landscape updating within the boundaries of the District.

Palm Pruning

Pruning and updating Palm Tree's within the boundaries of the District.

Streetlights

Streetlighting expenses within the District.



**Magic Reserve Community Development
FY 2027 Adopted Debt Service Budget**

**FY2027 Adopted
Series 2016 Budget**

REVENUES:

Special Assessments \$ 574,678.14

TOTAL REVENUES \$ 574,678.14

EXPENDITURES:

Interest 11/01/2026 \$ 111,559.38

Principal 11/01/2026 \$ 120,000.00

Interest 5/1/2027 \$ 111,559.38

TOTAL EXPENDITURES \$ 343,118.76

EXCESS REVENUES \$ 231,559.38

Interest 11/01/2027 \$ 111,559.38

Principal 11/01/2027 \$ 120,000.00



Magic Reserve CDD
Fiscal Year 2027

Assessment Schedule
FY 2027

Unit Type	O&M Assessment	Debt Assessment	Total
Platted Lots	\$3,037.48	\$1,840.17	\$4,877.65



Magic Reserve Community Development District

**Continued Discussion Regarding Request for
CDD's Approval for a License to use the
Existing Pond for the Management and
Discharge of Residual Stormwater Runoff**



Magic Reserve Community Development District

Review and Acceptance of the Fiscal Year 2025 Audit Report

**Magic Reserve
Community Development District**

ANNUAL FINANCIAL REPORT

September 30, 2025

Magic Reserve Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2025

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REPORT OF INDEPENDENT AUDITORS

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

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of Magic Reserve Community Development District (the "District"), as of and for the year ended September 30, 2025, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2025, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

To the Board of Supervisors
Magic Reserve Community Development District

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements.

To the Board of Supervisors
Magic Reserve Community Development District

Such information is the responsibility of management and, 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 GAAS, 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 obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 1, 2026 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 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



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

May 1, 2026

**Magic Reserve Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

Management's discussion and analysis of Magic Reserve 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; 1) net investment in capital assets, 2) restricted, and 3) 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 interest and other charges.

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.

**Magic Reserve Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2025.

- ◆ The District's total assets were exceeded by total liabilities by \$(99,809) (net position). Net investment in capital assets was \$(410,466) and restricted net position was \$322,280. Unrestricted net position was \$(11,623).
- ◆ Governmental activities revenues totaled \$838,043 while governmental activities expenses totaled \$869,348.

**Magic Reserve Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

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

Net Position

	Governmental Activities	
	2025	2024
Current assets	\$ 252,574	\$ 120,635
Restricted assets	764,752	732,869
Capital assets	<u>3,759,883</u>	<u>3,912,828</u>
Total Assets	<u>4,777,209</u>	<u>4,766,332</u>
Current liabilities	467,018	314,836
Non-current liabilities	<u>4,410,000</u>	<u>4,520,000</u>
Total Liabilities	<u>4,877,018</u>	<u>4,834,836</u>
Net Position		
Net investment in capital assets	(410,466)	(362,766)
Restricted	322,280	287,230
Unrestricted	<u>(11,623)</u>	<u>7,032</u>
Total Net Position	<u>\$ (99,809)</u>	<u>\$ (68,504)</u>

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

The increase in restricted assets is related to revenues exceeding expenditures in the Debt Service Fund in the current year.

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

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

**Magic Reserve Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

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

Change In Net Position

	Governmental Activities	
	2025	2024
Program Revenues		
Charges for services	\$ 789,159	\$ 600,186
General Revenues		
Investment earnings	43,868	47,760
Miscellaneous revenues	5,016	-
Total Revenues	<u>838,043</u>	<u>647,946</u>
Expenses		
General government	71,615	63,589
Physical environment	563,833	464,391
Interest and other charges	233,900	238,606
Total Expenses	<u>869,348</u>	<u>766,586</u>
Change in Net Position	(31,305)	(118,640)
Net Position - Beginning of Year	<u>(68,504)</u>	<u>50,136</u>
Net Position - End of Year	<u>\$ (99,809)</u>	<u>\$ (68,504)</u>

The increase in charges for services is related to the increase in special assessments in the current year.

The increase in physical environment is related to the increase in irrigation and repairs and maintenance expenses in the current year.

**Magic Reserve Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2025 and 2024.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Infrastructure	\$ 4,588,335	\$ 4,588,335
Accumulated depreciation	(828,452)	(675,507)
Total Capital Assets, Net	<u>\$ 3,759,883</u>	<u>\$ 3,912,828</u>

In the current year, depreciation was \$152,945.

General Fund Budgetary Highlights

The actual expenditures exceeded final budgeted expenditures primarily because irrigation expenditures were more than anticipated.

The September 30, 2025 budget was amended to increase irrigation that was more than originally anticipated.

Debt Management

Governmental Activities debt includes the following:

- In October 2016, the District issued \$5,160,000 Special Assessment Revenue Bonds, Series 2016. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. The balance outstanding at September 30, 2025 was \$4,520,000.

**Magic Reserve Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2025**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Magic Reserve 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 2026.

Request for Information

The financial report is designed to provide a general overview of Magic Reserve 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 Magic Reserve Community Development District, PFM Group Consulting, LLC, 3501 Quadrangle Boulevard, Suite 270, Orlando, Florida 32817.

Magic Reserve Community Development District
STATEMENT OF NET POSITION
September 30, 2025

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 241,570
Accrued interest receivable	2,583
Due from other governments	5,089
Deposits	2,995
Prepaid expenses	337
Total Current Assets	252,574
Non-current Assets	
Restricted assets	
Investments	764,752
Capital assets, being depreciated	
Infrastructure	4,588,335
Accumulated depreciation	(828,452)
Total Non-current Assets	4,524,635
Total Assets	4,777,209
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	236,989
Due to other governments	22,735
Bonds payable	110,000
Accrued interest	97,294
Total Current Liabilities	467,018
Non-current liabilities	
Bonds payable	4,410,000
Total Liabilities	4,877,018
NET POSITION	
Net investment in capital assets	(410,466)
Restricted for debt service	322,280
Unrestricted	(11,623)
Total Net Position	\$ (99,809)

See accompanying notes to financial statements.

Magic Reserve Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (71,615)	\$ 64,863	\$ (6,752)
Physical environment	(563,833)	383,666	(180,167)
Interest and other charges	(233,900)	340,630	106,730
Total Governmental Activities	\$ (869,348)	\$ 789,159	(80,189)
General Revenues			
			43,868
			5,016
			48,884
		Change in Net Position	(31,305)
		Net Position - October 1, 2024	(68,504)
		Net Position - September 30, 2025	\$ (99,809)

See accompanying notes to financial statements.

Magic Reserve Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 241,570	\$ -	\$ -	\$ 241,570
Accrued interest receivable	-	2,563	20	2,583
Due from other governments	3,189	1,900	-	5,089
Prepaid expenses	337	-	-	337
Deposits	2,995	-	-	2,995
Restricted assets				
Investments	-	758,946	5,806	764,752
Total Assets	<u>\$ 248,091</u>	<u>\$ 763,409</u>	<u>\$ 5,826</u>	<u>\$ 1,017,326</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenses	\$ 236,989	\$ -	\$ -	\$ 236,989
Due to other governments	22,735	-	-	22,735
Total Liabilities	<u>259,724</u>	<u>-</u>	<u>-</u>	<u>259,724</u>
Fund Balances				
Nonspendable - deposits/prepays	3,332	-	-	3,332
Restricted for debt service	-	763,409	-	763,409
Restricted for capital projects	-	-	5,826	5,826
Unassigned	(14,965)	-	-	(14,965)
Total Fund Balances	<u>(11,633)</u>	<u>763,409</u>	<u>5,826</u>	<u>757,602</u>
Total Liabilities and Fund Balances	<u>\$ 248,091</u>	<u>\$ 763,409</u>	<u>\$ 5,826</u>	<u>\$ 1,017,326</u>

See accompanying notes to financial statements.

**Magic Reserve Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2025**

Total Governmental Fund Balances	\$	757,602
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets being depreciated, infrastructure, \$4,588,335, net of accumulated depreciation, \$(828,452), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.		3,759,883
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported at the fund level.		(4,520,000)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.		<u>(97,294)</u>
Net Position of Governmental Activities	<u>\$</u>	<u>(99,809)</u>

See accompanying notes to financial statements.

Magic Reserve Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Special assessments	\$ 437,009	\$ 340,630	\$ -	\$ 777,639
Charges for services	11,520	-	-	11,520
Investment earnings	12,492	31,131	245	43,868
Miscellaneous revenues	2,817	2,199	-	5,016
Total Revenues	<u>463,838</u>	<u>373,960</u>	<u>245</u>	<u>838,043</u>
EXPENDITURES				
Current				
General government	71,615	-	-	71,615
Physical environment	410,888	-	-	410,888
Debt service				
Principal	-	105,000	-	105,000
Interest	-	235,869	-	235,869
Total Expenditures	<u>482,503</u>	<u>340,869</u>	<u>-</u>	<u>823,372</u>
Net Change in Fund Balances	(18,665)	33,091	245	14,671
Fund Balances - October 1, 2024	<u>7,032</u>	<u>730,318</u>	<u>5,581</u>	<u>742,931</u>
Fund Balances - September 30, 2025	<u>\$ (11,633)</u>	<u>\$ 763,409</u>	<u>\$ 5,826</u>	<u>\$ 757,602</u>

See accompanying notes to financial statements.

Magic Reserve 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, 2025

Net Change in Fund Balances - Total Governmental Funds	\$	14,671
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 depreciation in the current period.		(152,945)
Repayments of bond principal are expenditures at the fund level, but the repayments reduce long-term liabilities in the Statement of Net Position.		105,000
At the government-wide level, interest is accrued on outstanding bonds; whereas at the fund level, interest expenditures are reported when due. This is the net amount between the prior year and current year accruals.		1,969
Change in Net Position of Governmental Activities	\$	(31,305)

See accompanying notes to financial statements.

Magic Reserve Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 429,430	\$ 433,820	\$ 437,009	\$ 3,189
Charges for services	-	11,520	11,520	-
Investment earnings	-	12,492	12,492	-
Miscellaneous revenues	-	2,817	2,817	-
Total Revenues	<u>429,430</u>	<u>460,649</u>	<u>463,838</u>	<u>3,189</u>
Expenditures				
Current				
General government	91,130	78,293	71,615	6,678
Physical environment	338,300	382,356	410,888	(28,532)
Total Expenditures	<u>429,430</u>	<u>460,649</u>	<u>482,503</u>	<u>(21,854)</u>
Net Change in Fund Balances	-	-	(18,665)	(18,665)
Fund Balances - October 1, 2024	<u>-</u>	<u>-</u>	<u>7,032</u>	<u>7,032</u>
Fund Balances - September 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,633)</u>	<u>\$ (11,633)</u>

See accompanying notes to financial statements.

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The District was established on March 23, 2016, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, and was adopted as Osceola County Ordinance 2016-28, as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Magic Reserve Community Development District. The District is governed by a Board of Supervisors who are elected by the owners of property within the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Magic Reserve 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 by the Governmental Accounting Standards Board, the District has not identified any component units.

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Government-wide Financial Statements

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

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

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

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

b. Fund Financial Statements

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

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

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

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

The District has various policies governing the fund balance classifications.

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

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

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

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

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

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

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

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

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

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

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

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

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Funds – Accounts for debt service requirements to retire the special assessment bonds which were used to finance the construction of District infrastructure improvements.

Capital Projects Funds – Accounts for financial resources to be used in the acquisition and construction of 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 capital assets, and non-current governmental liabilities, such as special assessment bonds, be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

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

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

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

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Cash and Investments

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

b. Restricted Net Position

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

c. Capital Assets

Capital assets, which includes infrastructure, are reported in the governmental activities column.

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

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

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

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

Infrastructure	30 years
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Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

d. Budgets

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

e. Use of Estimates

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

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, \$757,602, differs from “Net Position” of governmental activities, \$(99,809), reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

Capital related items

When capital assets, that are to be used in governmental activities, are purchased or constructed, the cost of those assets is reported as expenditures at the fund level. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole.

Infrastructure	\$	4,588,335
Accumulated depreciation		(828,452)
Total		<u>\$ 3,759,883</u>

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

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)

Long-term debt transactions

Governmental Activities long-term liabilities are not due and payable in the current period and are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2025 were:

Bonds payable	\$ <u>(4,520,000)</u>
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Accrued liabilities in the Statement of Net Position differ from the amount reported at the fund level due to the accrued interest on bonds.

Accrued interest	\$ <u>(97,294)</u>
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2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$14,671, differs from the “change in net position” for governmental activities, \$(31,305), 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 as follows.

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 at the fund level. However, in the Statement of Activities, the costs of those assets are capitalized and the cost is allocated over their estimated useful lives as depreciation.

Depreciation	\$ <u>(152,945)</u>
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Long-term debt transactions

Repayments of bond principal are reported as an expenditure at the fund level and, thus, have the effect of reducing fund balance because current financial resources have been used.

Bond principal payments	\$ <u>105,000</u>
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**Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

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)

Accrued interest

Interest is reported at the fund level when paid, however, at the government-wide level interest is reported as incurred. This is the change in accrued interest in the current year.

Accrued interest	\$ <u>1,969</u>
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NOTE C – CASH AND INVESTMENTS

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2025, the District's bank balance and the carrying value were \$241,570. 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.

Investments

As of September 30, 2025, the District had the following investments and maturities:

Investment	Maturities	Fair Value
U.S. Bank Money Market	N/A	\$ 764,752

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.

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

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 investment listed above is a Level 1 asset.

Interest Rate Risk

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

Credit Risk

The District's investments in U.S. Bank Money Market are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. The District's investment in U.S. Bank Money Market was not rated.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in U.S. Bank Money Market are 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2025 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.

NOTE D – SPECIAL ASSESSMENT REVENUES

Special assessment revenues recognized for the 2024-2025 fiscal year were levied in August 2024. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on, or prior to, June 1; therefore, there were no material taxes receivable at fiscal year end.

**Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

NOTE E – RELATED PARTIES

The Board of Supervisors is comprised entirely of individuals affiliated with the project.

NOTE F – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025 was as follows:

	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
<u>Governmental activities:</u>				
Capital assets				
Infrastructure	\$ 4,588,335	\$ -	\$ -	\$ 4,588,335
Accumulated depreciation	(675,507)	(152,945)	-	(828,452)
Total Capital Assets, net	<u>\$ 3,912,828</u>	<u>\$ (152,945)</u>	<u>\$ -</u>	<u>\$ 3,759,883</u>

Depreciation of \$152,945 was charged to physical environment.

NOTE G – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District maintains commercial insurance coverage to mitigate the risk of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. The District has not filed any insurance claims in any of the previous three fiscal years.

NOTE H – CONTINGENCY

The District acknowledges the claims made by the Homeowner’s Association (HOA) of Magic Reserve regarding certain land maintenance costs incurred by the HOA for maintenance of land owned by the District. Discussions between the Boards of both entities are ongoing, and a resolution has yet to be determined. Contingent liabilities associated with the maintenance costs are reflected in the financial statements as of September 30, 2025.

Magic Reserve Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE I – LONG-TERM DEBT

The following is a summary of activity in the long-term debt account group of the District for the year ended September 30, 2025:

Long-term debt at October 1, 2024	\$	4,625,000
Principal payments		<u>(105,000)</u>
Long-term debt at September 30, 2025	\$	<u><u>4,520,000</u></u>

Long-term debt is comprised of the following:

Special Assessment Bonds

\$5,160,000 Series 2016 Special Assessment Revenue Bonds due in annual principal installments beginning in November 2018 through November 2047. Interest from 4.50% to 5.25% due May 1 and November 1 starting in November 2017. The current portion is \$110,000.

\$ 4,520,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2025 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 110,000	\$ 231,031	\$ 341,031
2027	115,000	225,969	340,969
2028	120,000	220,306	340,306
2029	125,000	214,028	339,028
2030	130,000	207,494	337,494
2031-2035	755,000	927,922	1,682,922
2036-2040	975,000	707,028	1,682,028
2041-2045	1,260,000	416,588	1,676,588
2046-2048	<u>930,000</u>	<u>74,812</u>	<u>1,004,812</u>
Totals	<u>\$ 4,520,000</u>	<u>\$ 3,225,178</u>	<u>\$ 7,745,178</u>

**Magic Reserve Community Development District
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2025**

NOTE I – LONG-TERM DEBT (CONTINUED)

Significant Bond Provisions

The District levies special assessments pursuant to Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to certify for collection special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. Payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time, on or after November 1, 2027 at a redemption price equal to the principal amount of the Series 2016 Bonds to be redeemed, together with accrued interest to the date of redemption. The bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The bond resolution and the trust indenture provide for the establishment of certain accounts. The accounts include, among others, a construction, revenue, redemption, reserve, interest and prepayment account and are maintained by a trustee.

The bond indenture provides for Debt Service Reserve Funds, which shall be held by the Trustee separate and apart from all other funds. The following is a schedule of reserve requirements and balances in the reserve accounts at September 30, 2025:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2016 Special Assessments Revenue Bonds	<u>\$ 343,825</u>	<u>\$ 343,825</u>



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

To the Board of Supervisors
Magic Reserve 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 (*Government Auditing Standards*), the financial statements, as listed in the table of contents, of Magic Reserve Community Development District, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated May 1, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

To the Board of Supervisors
Magic Reserve Community Development District

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Magic Reserve 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Berger Toombs Elam Gaines + Frank". The signature is written in a cursive, flowing style.

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

May 1, 2026



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of Magic Reserve Community Development District as of and for the year ended September 30, 2025, and have issued our report thereon dated May 1, 2026.

Auditor's Responsibility

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

Other 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 our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 1, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

To the Board of Supervisors
Magic Reserve Community Development District

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Magic Reserve Community Development District met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that Magic Reserve 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.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Magic Reserve Community Development District. It is management's responsibility to monitor Magic Reserve Community Development District's financial condition; and 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.

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

Specific Information

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, Magic Reserve Community Development District reported:

- 1) The total number of District employees compensated in the last pay period of the District's fiscal year as: 0
- 2) The total number of independent contractors, to whom nonemployee compensation was paid in the last month of the District's fiscal year as: 2
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as: \$0
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$48,906.86
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2024, together with the total expenditures for such project as: N/A
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was amended. See below:

To the Board of Supervisors
Magic Reserve Community Development District

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance with Original Budget Positive (Negative)</u>
Revenues			
Special assessments	\$ 429,430	\$ 437,009	\$ 7,579
Charges for services	-	11,520	11,520
Investment earnings	-	12,492	12,492
Miscellaneous revenues	-	2,817	2,817
Total Revenues	<u>429,430</u>	<u>463,838</u>	<u>34,408</u>
Expenditures			
Current			
General government	91,130	71,615	19,515
Physical environment	338,300	410,888	(72,588)
Total Expenditures	<u>429,430</u>	<u>482,503</u>	<u>(53,073)</u>
Net changes in fund balance	-	(18,665)	(18,665)
Fund Balances - October 1, 2024	<u>-</u>	<u>7,032</u>	<u>7,032</u>
Fund Balances - September 30, 2025	<u>\$ -</u>	<u>\$ (11,633)</u>	<u>\$ (11,633)</u>

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, Magic Reserve Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District:
\$2,342.77 for the General Fund and \$1,829.25 for the Debt Service Fund
- 2) The amount of special assessments collected by or on behalf of the District: \$437,009.18 for the General Fund and \$340,629.41 for the Debt Service Fund
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds are as follows: \$4,520,000

To the Board of Supervisors
Magic Reserve Community Development District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has 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 noted the following finding.

Finding 2025-01

Finding: Actual expenditures for the General Fund exceeded final budgeted appropriations, which is not in compliance with Section 189.016, Florida Statutes.

Recommendation: The District should monitor expenditures in the future to ensure that actual expenditures do not exceed the budget.

Management Response: Expenditures will be monitored in future years to ensure budget compliance.

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

May 1, 2026



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

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

We have examined Magic Reserve Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2025. Management is responsible for Magic Reserve Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Magic Reserve 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 Magic Reserve 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 Magic Reserve Community Development District's compliance with the specified requirements.

In our opinion, Magic Reserve Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2025.

*Berger Toombs Elam
Gaines + Frank*

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

May 1, 2026



Magic Reserve Community Development District

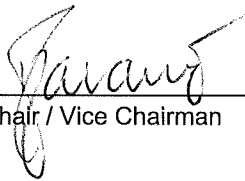
**Ratification of Payment Authorization
Nos. 261 – 265**

**MAGIC RESERVE
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorization 261
3/20/2026

Invoice No	Supplier	Invoice Date	Property	Invoice Amount
79537	COBB COLE (MRCDD)	03/11/2026	Magic Reserve CDD	618.00
			Total:	618.00

Secretary / Asst. Secretary



Chair / Vice Chairman

**MAGIC RESERVE
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorization 262

3/26/2026

Invoice No	Supplier	Invoice Date	Property	Invoice Amount
39953-032326	DUKE ENERGY (MRCDD)	03/23/2026	Magic Reserve CDD	1,476.87
7BA85DEF-0116	OSCEOLA NEWS GAZETTE (MRCDD)	02/24/2026	Magic Reserve CDD	64.33
			Total:	1,541.20

Secretary / Asst. Secretary



Chair / Vice Chairman

**MAGIC RESERVE
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorization 263

4/3/2026

Invoice No	Supplier	Invoice Date	Property	Invoice Amount
004109	LLS TAX SOLUTIONS INC. (MRCDD)	04/02/2026	Magic Reserve CDD	500.00
141310	PFM GROUP CONSULTING LLC (MRCDD)	03/30/2026	Magic Reserve CDD	3,750.00
8359	VGLOBALTECH (MRCDD)	03/31/2026	Magic Reserve CDD	300.00
8446	VGLOBALTECH (MRCDD)	04/02/2026	Magic Reserve CDD	125.00
Total:				4,675.00

Secretary / Asst. Secretary

Chair / Vice Chairman

**MAGIC RESERVE
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorization 264

4/10/2026

Invoice No	Supplier	Invoice Date	Property	Invoice Amount
1138391	AQUATIC WEED CONTROL, INC. (MRCDD)	04/01/2026	Magic Reserve CDD	115.00
2026.04.06	Doris H Houck (MRCDD)	04/06/2026	Magic Reserve CDD	200.00
437	MAGIC VILLAGE RESORT 2 HOA (MRCDD)	04/08/2026	Magic Reserve CDD	3,445.46
438	MAGIC VILLAGE RESORT 2 HOA (MRCDD)	04/08/2026	Magic Reserve CDD	73.51
439	MAGIC VILLAGE RESORT 2 HOA (MRCDD)	04/08/2026	Magic Reserve CDD	1,877.38
440	MAGIC VILLAGE RESORT 2 HOA (MRCDD)	04/08/2026	Magic Reserve CDD	850.00
OE-EXP-04-2026-23	PFM GROUP CONSULTING LLC (MRCDD)	04/06/2026	Magic Reserve CDD	25.31
DM-04-2026-48	PFM Management Services LLC (MRCDD)	04/05/2026	Magic Reserve CDD	2,916.67
Total:				9,503.33

Secretary / Asst. Secretary




Chair / Vice Chairman

**MAGIC RESERVE
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorization 265
4/17/2026

Invoice No	Supplier	Invoice Date	Property	Invoice Amount
80933	COBB COLE (MRCDD)	04/10/2026	Magic Reserve CDD	39.00
87052-041326	DUKE ENERGY (MRCDD)	04/13/2026	Magic Reserve CDD	4,101.37
OSC816101	ORLANDO SENTINEL (MRCDD)	01/04/2026	Magic Reserve CDD	101.75
OSC816106	ORLANDO SENTINEL (MRCDD)	01/04/2026	Magic Reserve CDD	103.50
OSC817289	ORLANDO SENTINEL (MRCDD)	01/25/2026	Magic Reserve CDD	101.75
OSC817290	ORLANDO SENTINEL (MRCDD)	01/25/2026	Magic Reserve CDD	103.50
Total:				4,550.87

Secretary / Asst. Secretary



Chair / Vice Chairman



Magic Reserve Community Development District

Review of District Financial Statements



Magic Reserve CDD

March 2026 Financial Package

March 31, 2026

PFM Management Services LLC
3501 Quadrangle Blvd
Suite 270
Orlando, FL 32817
407-723-5900



Magic Reserve CDD
Statement of Financial Position
As of 3/31/2026

	General Fund	Debt Service Fund	Capital Projects Fund	Long Term Debt Group	Total
<u>Assets</u>					
<u>Current Assets</u>					
General Checking Account	\$ 537,503.32				\$ 537,503.32
Assessments Receivable	79,037.59				79,037.59
Prepaid Expenses	354.67				354.67
Deposits	2,995.00				2,995.00
Assessments Receivable		\$ 47,085.44			47,085.44
Debt Service Reserve Series 2016		343,825.00			343,825.00
Revenue Series 2016		491,331.53			491,331.53
Prepayment Series 2016		5,848.10			5,848.10
Total Current Assets	<u>\$ 619,890.58</u>	<u>\$ 888,090.07</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,507,980.65</u>
<u>Investments</u>					
Amount Available in Debt Service Funds				\$ 841,004.63	\$ 841,004.63
Amount To Be Provided				3,568,995.37	3,568,995.37
Total Investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,410,000.00</u>	<u>\$ 4,410,000.00</u>
Total Assets	<u><u>\$ 619,890.58</u></u>	<u><u>\$ 888,090.07</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,410,000.00</u></u>	<u><u>\$ 5,917,980.65</u></u>
<u>Liabilities and Net Assets</u>					
<u>Current Liabilities</u>					
Accounts Payable	\$ 177,737.93				\$ 177,737.93
Deferred Revenue	79,037.59				79,037.59
Deferred Revenue		\$ 47,085.44			47,085.44
Total Current Liabilities	<u>\$ 256,775.52</u>	<u>\$ 47,085.44</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303,860.96</u>
<u>Long Term Liabilities</u>					
Revenue Bonds Payable - Long-Term				\$ 4,410,000.00	\$ 4,410,000.00
Total Long Term Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,410,000.00</u>	<u>\$ 4,410,000.00</u>
Total Liabilities	<u><u>\$ 256,775.52</u></u>	<u><u>\$ 47,085.44</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,410,000.00</u></u>	<u><u>\$ 4,713,860.96</u></u>
<u>Net Assets</u>					
Net Assets, Unrestricted	\$ 1,329.71				\$ 1,329.71
Current Year Net Assets, Unrestricted	5,760.00				5,760.00
Net Assets - General Government	(12,963.21)				(12,963.21)
Current Year Net Assets - General Government	368,988.56				368,988.56
Net Assets, Unrestricted		\$ 763,408.99			763,408.99
Current Year Net Assets, Unrestricted		77,595.64			77,595.64
Net Assets, Unrestricted			\$ 201,026.01		201,026.01
Current Year Net Assets, Unrestricted			(5,826.01)		(5,826.01)
Net Assets - General Government			(195,200.00)		(195,200.00)
Total Net Assets	<u><u>\$ 363,115.06</u></u>	<u><u>\$ 841,004.63</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,204,119.69</u></u>
Total Liabilities and Net Assets	<u><u>\$ 619,890.58</u></u>	<u><u>\$ 888,090.07</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,410,000.00</u></u>	<u><u>\$ 5,917,980.65</u></u>



Magic Reserve CDD
Statement of Activities
As of 3/31/2026

	General Fund	Debt Service Fund	Capital Projects Fund	Long Term Debt Group	Total
Revenues					
On-Roll Assessments	\$ 483,491.78				\$ 483,491.78
Land Lease Income	5,760.00				5,760.00
On-Roll Assessments		\$ 288,032.79			288,032.79
Inter-Fund Group Transfers In		5,848.10			5,848.10
Inter-Fund Transfers In			\$ (5,848.10)		(5,848.10)
Total Revenues	\$ 489,251.78	\$ 293,880.89	\$ (5,848.10)	\$ -	\$ 777,284.57
Expenses					
Supervisor Fees	\$ 400.00				\$ 400.00
Public Officials Insurance	3,466.00				3,466.00
Trustee Services	4,238.17				4,238.17
Management	17,500.02				17,500.02
Engineering	845.00				845.00
Disclosure Agent	1,250.00				1,250.00
Property Appraiser	215.28				215.28
District Counsel	1,394.00				1,394.00
Assessment Administration	5,000.00				5,000.00
Tax Preparation	6.42				6.42
Postage & Shipping	0.74				0.74
Legal Advertising	261.97				261.97
Web Site Maintenance	1,050.00				1,050.00
Dues, Licenses, and Fees	175.00				175.00
Irrigation	45,743.74				45,743.74
Property & Casualty	4,236.00				4,236.00
Other Insurance	500.00				500.00
Lake Maintenance	690.00				690.00
Landscaping Maintenance & Material	7,509.52				7,509.52
Streetlights	27,886.03				27,886.03
Principal Payment		\$ 110,000.00			110,000.00
Interest Payments		116,753.13			116,753.13
Total Expenses	\$ 122,367.89	\$ 226,753.13	\$ -	\$ -	\$ 349,121.02
Other Revenues (Expenses) & Gains (Losses)					
Interest Income	\$ 7,864.67				\$ 7,864.67
Interest Income		\$ 10,467.88			10,467.88
Interest Income			\$ 22.09		22.09
Total Other Revenues (Expenses) & Gains (Losses)	\$ 7,864.67	\$ 10,467.88	\$ 22.09	\$ -	\$ 18,354.64
Change In Net Assets	\$ 374,748.56	\$ 77,595.64	\$ (5,826.01)	\$ -	\$ 446,518.19
Net Assets At Beginning Of Year	\$ (11,633.50)	\$ 763,408.99	\$ 5,826.01	\$ -	\$ 757,601.50
Net Assets At End Of Year	\$ 363,115.06	\$ 841,004.63	\$ -	\$ -	\$ 1,204,119.69



Magic Reserve Community Development District
Budget to Actual
For the month ending 03/31/2026

	YTD Actual	YTD Budget	YTD Variance	FY 2026 Adopted Budget	Percentage Spent
Revenues					
On-Roll Assessments	\$ 483,491.78	\$ 281,265.00	\$ 202,226.78	\$ 562,530.00	85.95%
Interest Income	7,864.67	-	7,864.67	-	0.00%
Land Lease Income	5,760.00	-	5,760.00	-	0.00%
Net Revenues	\$ 497,116.45	\$ 281,265.00	\$ 215,851.45	\$ 562,530.00	88.37%
General & Administrative Expenses					
Supervisor Fees	\$ 400.00	\$ -	\$ 400.00	\$ -	0.00%
Trustee Services	4,238.17	2,100.00	2,138.17	4,200.00	100.91%
District Management Fees	17,500.02	17,500.00	0.02	35,000.00	50.00%
Engineering Fees	845.00	5,000.00	(4,155.00)	10,000.00	8.45%
Disclosure Agent	1,250.00	2,500.00	(1,250.00)	5,000.00	25.00%
Property Appraiser	215.28	162.50	52.78	325.00	66.24%
District Counsel	1,394.00	9,000.00	(7,606.00)	18,000.00	7.74%
Assessment Administration	5,000.00	2,500.00	2,500.00	5,000.00	100.00%
Re-Amortization Schedule	-	125.00	(125.00)	250.00	0.00%
Arbitrage	-	250.00	(250.00)	500.00	0.00%
Audit	-	1,750.00	(1,750.00)	3,500.00	0.00%
Legal Advertising	261.97	1,000.00	(738.03)	2,000.00	13.10%
Postage /Shipping	0.74	150.00	(149.26)	300.00	0.25%
Contingency	-	490.00	(490.00)	980.00	0.00%
Tax Preparation Fee	6.42	10.00	(3.58)	20.00	32.10%
Web Site Maintenance	1,050.00	1,350.00	(300.00)	2,700.00	38.89%
Dues, Licenses & Fees	175.00	87.50	87.50	175.00	100.00%
Irrigation	45,743.74	142,500.00	(96,756.26)	285,000.00	16.05%
Public Officials' Liability Insurance	3,466.00	1,925.00	1,541.00	3,850.00	90.03%
General Insurance	4,236.00	2,365.00	1,871.00	4,730.00	89.56%
Additional Insurance	500.00	250.00	250.00	500.00	100.00%
Lake Maintenance	690.00	2,000.00	(1,310.00)	4,000.00	17.25%
HOA Maintenance	-	25,000.00	(25,000.00)	50,000.00	0.00%
Landscaping Maintenance and Material	7,509.52	15,000.00	(7,490.48)	30,000.00	25.03%
Mulch	-	6,000.00	(6,000.00)	12,000.00	0.00%
Palm Pruning	-	2,250.00	(2,250.00)	4,500.00	0.00%
Streetlights	27,886.03	40,000.00	(12,113.97)	80,000.00	34.86%
Total General & Administrative Expenses	\$ 122,367.89	\$ 281,265.00	\$ (158,897.11)	\$ 562,530.00	21.75%
Total Expenses	\$ 122,367.89	\$ 281,265.00	\$ (158,897.11)	\$ 562,530.00	21.75%
Net Income (Loss)	\$ 374,748.56	\$ -	\$ 374,748.56	\$ -	



Magic Reserve Community Development District

Staff Reports



Magic Reserve Community Development District

Auditor Selection Committee Meeting Documents

**MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT
NOTICE OF AUDITOR SELECTION COMMITTEE MEETING AND
REGULAR BOARD OF SUPERVISORS' MEETING**

The Board of Supervisors (“**Board**”) of the Magic Reserve Community Development District (“**District**”) will hold an Auditor Selection Committee meeting and regular meeting of the Board of Supervisors on **May 11, 2026 at 10:00 a.m. at Magic Village Views, 7430 Brooklyn Dr, Kissimmee, FL 34747**. The Audit Committee will review, discuss, and establish the minimum qualifications and evaluation criteria that the District will use to solicit audit services. The regular Board meeting will take place prior to the Auditor Selection Committee meeting where the Board may consider any other business that may properly come before it.

The meetings are open to the public and will be conducted in accordance with the pertinent provisions of Florida Law for Community Development Districts. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone. A copy of the agendas may be obtained at the offices of the District Manager, A copy of the agenda for the meetings may be obtained at the offices of the District Manager, PFM Group Consulting LLC, located at 3501 Quadrangle Blvd., Suite 270, Orlando, Florida 32817, (407) 723-5900 (“**District Manager’s Office**”), during normal business hours or from the district’s website online: <http://magicreservecdd.com/>.

Pursuant to the Americans with Disabilities Act, any person requiring special accommodations to participate in the meeting is asked to advise the District Office at (407) 723-5900 at least forty-eight (48) hours prior to the meetings. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

Any person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that this same person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Jane Gaarlandt
District Manager

**MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES**

The Magic Reserve Community Development District hereby requests proposals for annual financial auditing services. The proposal must provide for the auditing of the District's financial records for the fiscal year ending September 30, 2026, with an option for (2) additional annual renewals. The District is a local unit of special-purpose government created under Chapter 190, Florida Statutes, for the purpose of financing, constructing, and maintaining public infrastructure. The District is located in Osceola County and has an operating budget of approximately \$_____ exclusive of debt service. The final contract will require that, among other things, the audit for Fiscal Year 2026 be completed no later than June 1, 2027.

Each auditing entity submitting a proposal must be authorized to do business in Florida; hold all applicable state and federal professional licenses in good standing, including but not limited to a license under Chapter 473, Florida Statutes; and be qualified to conduct audits in accordance with "Government Auditing Standards," as adopted by the Florida Board of Accountancy. Audits shall be conducted in accordance with Florida law and particularly Section 218.39, Florida Statutes, and the rules of the Florida Auditor General.

Proposal packages, which include additional qualification requirements, evaluation criteria and instructions to proposers, are available from the District Manager at the address and telephone number listed below.

Proposers must provide three (3) hard copies of their proposal and one (1) electronic copy (flash drive) to Jane Gaarlandt, District Manager, located at 3501 Quadrangle Blvd., Suite 270, Orlando 32817, in an envelope marked on the outside "Auditing Services – Magic Reserve Community Development District." Proposals must be received by _____, at _____ p.m., at the office of the District Manager. Please direct all questions regarding this Request for Proposals to the District Manager, who can be reached at (407) 723-5900.

Any protest regarding the terms of this Notice, or the proposal packages on file with the District Manager, must be filed in writing at the offices of the District Manager within seventy-two (72) calendar hours (excluding weekends) after publication of this Notice. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid Notice or proposal package provisions.

Jane Gaarlandt
District Manager

RUN DATE: _____

**MAGIC RESERVE COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS**

**District Auditing Services for Fiscal Year 2026
Osceola County, Florida**

INSTRUCTIONS TO PROPOSERS

SECTION 1. DUE DATE. Sealed proposals must be received no later than _____, at _____ p.m., at the offices of the District Manager, PFM Group Consulting LLC, located at 3501 Quadrangle Blvd., Suite 270, Orlando, Florida 32817.

SECTION 2. FAMILIARITY WITH THE LAW. By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

SECTION 3. QUALIFICATIONS OF PROPOSER. The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL. Proposers shall be disqualified and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

SECTION 5. SUBMISSION OF PROPOSAL. Each Proposer shall submit three (3) hard copies and one (1) electronic copy of the Proposal Documents (defined below), and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title "Auditing Services – Magic Place Community Development District" on the face of it.

SECTION 6. MODIFICATION AND WITHDRAWAL. Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

SECTION 7. PROPOSAL DOCUMENTS. The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the evaluation criteria and a proposal with all required documentation pursuant to Section 12 of these instructions (the "Proposal Documents").

SECTION 8. PROPOSAL. In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

SECTION 9. BASIS OF AWARD/RIGHT TO REJECT. The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

SECTION 10. CONTRACT AWARD. Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a contract or engagement letter with the District.

SECTION 11. LIMITATION OF LIABILITY. Nothing herein shall be construed as or constitute a waiver of District's limited waiver of liability contained in section 768.28, Florida Statutes, or any other statute or law.

SECTION 12. CONTENTS OF PROPOSALS. All proposals shall include the following information in addition to any other requirements of the Proposal Documents.

- A.** List position or title of all personnel to perform work on the District audit. Include resumes for each person listed; list years of experience in present position for each party listed and years of related experience.
- B.** Describe proposed staffing levels, including resumes with applicable certifications.
- C.** Provide three (3) references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person. Identify any work previously conducted for other community development districts.
- D.** The lump sum cost of the provision of the services under the proposal, plus the cost of two (2) annual renewals.

SECTION 13. PROTESTS. In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) hours after the receipt of the proposed contract documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid contract award.

SECTION 14. EVALUATION OF PROPOSALS. The criteria to be used in the evaluation of proposals are presented in the evaluation criteria, contained within the Proposal Documents.

