

TESORO

**Community Development
District**

Adopted Budget

FY 2018



Tesoro

Community Development District General Fund Budget

| | Adopted Budget FY2017 | Actual thru 7/31/17 | Projected Next 2 Months | Projected thru 9/30/17 | Adopted Budget FY2018 |
|--|-----------------------------|---------------------------|-------------------------------|------------------------------|-----------------------------|
| Revenues | | | | | |
| Stormwater Fees | \$210,000 | \$233,173 | \$0 | \$233,173 | \$210,000 |
| Maintenance Assessments | \$70,996 | \$69,970 | \$1,026 | \$70,996 | \$70,996 |
| Interest Income | \$600 | \$3,935 | \$1,000 | \$4,935 | \$4,000 |
| Carry Forward Surplus | \$115,126 | \$22,490 | \$0 | \$22,490 | \$112,054 |
| Total Revenues | \$396,721 | \$329,568 | \$2,026 | \$331,595 | \$397,050 |
| Expenditures | | | | | |
| <i>Administrative</i> | | | | | |
| Supervisor Fees | \$4,000 | \$600 | \$600 | \$1,200 | \$4,000 |
| FICA Expense | \$306 | \$46 | \$46 | \$92 | \$306 |
| Engineering | \$5,000 | \$0 | \$0 | \$0 | \$5,000 |
| Attorney | \$10,000 | \$2,771 | \$6,000 | \$8,771 | \$10,000 |
| Annual Audit | \$2,700 | \$2,600 | \$0 | \$2,600 | \$2,700 |
| Assessment Administration | \$2,500 | \$2,500 | \$0 | \$2,500 | \$2,500 |
| District Management Fees | \$30,900 | \$25,750 | \$5,150 | \$30,900 | \$30,900 |
| Information Technology | \$500 | \$417 | \$83 | \$500 | \$500 |
| Telephone | \$150 | \$8 | \$16 | \$24 | \$150 |
| Postage | \$1,100 | \$120 | \$30 | \$150 | \$1,100 |
| Insurance | \$6,515 | \$6,222 | \$0 | \$6,222 | \$6,844 |
| Printing & Binding | \$1,200 | \$69 | \$200 | \$269 | \$1,200 |
| Legal Advertising | \$1,750 | \$802 | \$948 | \$1,750 | \$1,750 |
| Other Current Charges | \$750 | \$522 | \$100 | \$622 | \$750 |
| Office Supplies | \$300 | \$22 | \$28 | \$50 | \$300 |
| Dues, Licenses & Subscriptions | \$175 | \$175 | \$0 | \$175 | \$175 |
| <i>Administrative Expenses</i> | \$67,846 | \$42,624 | \$13,202 | \$55,826 | \$68,175 |
| <i>Field Operations</i> | | | | | |
| Field Management Fees | \$15,000 | \$12,500 | \$2,500 | \$15,000 | \$15,000 |
| <i>West Side</i> | | | | | |
| Mitigation Maintenance | \$85,116 | \$70,930 | \$14,186 | \$85,116 | \$85,116 |
| Landscaping | \$89,986 | \$74,988 | \$14,998 | \$89,986 | \$89,986 |
| Electric | \$10,000 | \$191 | \$1,100 | \$1,291 | \$10,000 |
| Plant Replacement | \$5,000 | \$0 | \$2,500 | \$2,500 | \$5,000 |
| Fountain Repairs | \$5,000 | \$1,760 | \$3,240 | \$5,000 | \$5,000 |
| Contingency | \$26,022 | \$0 | \$5,000 | \$5,000 | \$26,022 |
| <i>East Side</i> | | | | | |
| Mitigation Monitoring | \$7,500 | \$0 | \$0 | \$0 | \$7,500 |
| Mitigation Maintenance | \$66,876 | \$55,730 | \$11,146 | \$66,876 | \$66,876 |
| Plant Replacement | \$5,000 | \$0 | \$2,500 | \$2,500 | \$5,000 |
| Contingency | \$13,375 | \$0 | \$2,500 | \$2,500 | \$13,375 |
| <i>Field Operations Expenses</i> | \$328,875 | \$216,099 | \$59,670 | \$275,769 | \$328,875 |
| Total Expenditures | \$396,721 | \$258,723 | \$72,871 | \$331,594 | \$397,050 |
| Excess Revenues /(Expenditures) | \$0 | \$70,845 | (\$70,845) | \$0 | \$0 |

| | |
|------------------------------|----------|
| Net Assessments | \$70,996 |
| Add: Discounts & Collections | \$4,532 |
| Gross Assessments | \$75,528 |

| SF Lots* | Per Unit Gross Maintenance Assessment | | | | |
|-------------|---------------------------------------|---------|---------|---------|---------|
| | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
| Developed | \$40.69 | \$40.69 | \$40.69 | \$40.69 | \$40.69 |
| Tracts | \$40.69 | \$40.69 | \$40.69 | \$40.69 | \$40.69 |
| Undeveloped | \$30.51 | \$30.51 | \$30.52 | \$30.52 | \$30.52 |

*Undeveloped SF Lots assessed at .75 units

Tesoro
Community Development District
GENERAL FUND BUDGET

REVENUES:

Stormwater Fees

The District has entered into an agreement with the City of St. Lucie requiring the City to refund to the District 75% of all stormwater fees collected within the District's boundaries.

| Description | Amount |
|---|------------------|
| Gross Stormwater Revenue | \$325,612 |
| Less: Discount, Tax Collector & Property Appraiser @ 7% (.93) | \$302,819 |
| CDD Amount (75%) | \$227,114 |
| Allowance for Delinquencies | \$(17,114) |
| NET BUDGET | \$210,000 |

Maintenance Assessments

The District will levy a non-ad valorem special assessment on all taxable property within the District, to fund General Operating and Maintenance Expenditures for the Fiscal Year. This represents the net assessments after discounts and collection fees.

Interest Income

The District will invest surplus funds with State Board of Administration.

Carry Forward Surplus

The District will utilize a portion of excess funds collected in previous fiscal years.

EXPENDITURES:

Administrative:

Supervisor Fees

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$4,800 in one year. The amount for the fiscal year is based upon 5 supervisors attending 4 monthly meetings.

FICA Expense

Represents the Employer's share of Social Security and Medicare taxes withheld from the Board of Supervisors checks.

Engineering

The District's engineer will be providing general engineering services to the District, e.g. attendance and preparation for monthly board meetings, review invoices, etc. The District has contracted Culpepper & Terpening for this service.

Tesoro

Community Development District

GENERAL FUND BUDGET

Attorney

The District's legal counsel, Lewis, Longman & Walker, P.A., will be providing general legal services to the District, e.g. attendance and preparation for monthly meetings, review operating & maintenance contracts, etc.

Annual Audit

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. The District is contracted with Grau and Associates, CPA.

Assessment Administration

Expenses related to administering the Fiscal Year 2018 Assessments on the tax roll.

District Management Fees

The District has contracted with Governmental Management Services - Central Florida, LLC to provide management, accounting and recording secretary services. These services include but are not limited to, advertising, recording and transcribing of Board meetings, administrative services, budget preparation, financial reporting, and assisting with annual audits.

Information Technology

The District incurs costs related to the District's accounting and information systems, District's website creation and maintenance, electronic compliance with Florida Statutes and other electronic data requirements.

Telephone

The District incurs charges for telephone and facsimile services.

Postage

Mailing of agenda packages, overnight deliveries, checks for vendors and other required correspondence.

Insurance

The District's general liability and public officials liability coverage is provide by the Florida Insurance Alliance (FIA). FIA specializes in providing insurance coverage to governmental agencies.

Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings etc. in a newspaper of general circulation.

Tesoro
Community Development District
GENERAL FUND BUDGET

Other Current Charges

Includes bank charges and any other miscellaneous expenses that are incurred during the year.

Office Supplies

Miscellaneous office supplies.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

Field Operations:

Field Management Fees

The District has contracted with Governmental Management Services – Central Florida, LLC to provide onsite field management of contracts for the District Services such as landscape and lake maintenance. Services to include onsite inspections, meetings with contractors and monitoring of utility accounts.

West Side

Mitigation Monitoring

The District will schedule monitoring of mitigation areas.

Mitigation Maintenance

Includes the cutting and removal of exotic and nuisance vegetation from all wetland preserves and their associated buffers within the limits of the US Army Corps of Engineers permit and the SFWMD permit previously issued for the parcel west of Via Tesoro Boulevard within the limits of the Tesoro West project area. Due to the native vegetation on the site and in accordance with the conditions of the Agency permits, hand cutting of vegetation will occur where possible and application of an appropriate herbicide to the cut stumps to inhibit further growth. The District has contracted with Native Lands Management, Inc. for this service.

| Description | Monthly | Annually |
|------------------------|----------------|-----------------|
| Mitigation Maintenance | \$7,093 | \$85,116 |
| TOTAL | | \$85,116 |

Landscaping

Scheduled maintenance consists of trimming vegetation, weed control, edging, blowing, application of herbicides (as permitted), and the removal of debris and trash within the service area. The District has contracted with Wellington Pro Lawn Care for this service.

| Description | Monthly | Annually |
|-----------------------|----------------|-----------------|
| Landscape Maintenance | \$7,499 | \$89,986 |
| TOTAL | | \$89,986 |

Tesoro
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GENERAL FUND BUDGET

Electric

To record cost of electric services to an irrigation pump. The District has the following utility account with Florida Power & Light.

| Description | Monthly | Annually |
|---------------------------|----------------|-----------------|
| 167 SE Bella Strano #Pump | \$833 | \$10,000 |
| TOTAL | | \$10,000 |

Plant Replacement

Unscheduled maintenance consists of tree, shrub, and other plant material replacements in various communities.

Fountain Repairs

Includes expenses for equipment, supplies, and maintenance for the fountains at the District.

Contingency

The current year contingency represents 20% of the mitigation maintenance and 10% of the landscaping costs for any maintenance expenses not included in budget categories or not anticipated in specific line items.

East Side

Mitigation Monitoring

The District will schedule monitoring of mitigation areas.

Mitigation Maintenance

Includes the cutting and removal of exotic and nuisance vegetation from all wetland preserves and their associated buffers within the limits of the US Army corps of Engineers permit and the SFWMD permit previously issued for the parcel east of Via Tesoro Boulevard within the limits of the Tesoro East project area. Due to the native vegetation on the site and in accordance with the conditions of the Agency permits, hand cutting of vegetation will occur where possible and application of an appropriate herbicide to the cut stumps to inhibit further growth. The District has contracted with Native Lands Management, Inc. for this service.

| Description | Monthly | Annually |
|------------------------|----------------|-----------------|
| Mitigation Maintenance | \$5,573 | \$66,876 |
| TOTAL | | \$66,876 |

Plant Replacement

Unscheduled maintenance consists of tree, shrub, and other plant material replacements.

Tesoro
Community Development District
GENERAL FUND BUDGET

Contingency

The current year contingency represents 20% of the mitigation maintenance and 10% of the landscaping costs for any maintenance expenses not included in budget categories or not anticipated in specific line items.

Tesoro Community Development District

Per Unit Assessment Allocation Summary

| <u>SF Lots*</u> | <u>Per Unit Gross Maintenance Assessment</u> | <u>Units</u> | <u>ERUs</u> | <u>Total Gross Maintenance Assessments</u> |
|--|--|----------------|----------------|--|
| Developed | \$40.69 | 146.00 | 146.00 | \$5,940.74 |
| Tracts | \$40.69 | 1,136.42 | 1,136.42 | \$46,240.93 |
| Undeveloped | \$30.52 | 765.00 | 573.75 | \$23,345.89 |
| Total Gross Assessments | | 2047.42 | 1856.17 | \$75,527.56 |
| *Undeveloped SF Lots assessed at .75 units | | | | |