

*Tesoro Community
Development District*

Agenda

February 23, 2022

AGENDA

Tesoro

Community Development District

219 East Livingston Street, Orlando, FL 32801

Phone: 407-841-5524 – Fax: 407-839-1526

February 16, 2022

Board of Supervisors
Tesoro Community
Development District

Dear Board Members:

The meeting of the Board of Supervisors of the Tesoro Community Development District will be held on **Wednesday, February 23, 2022 at 10:00 a.m. at the Tesoro Club, 2000 SE Via Tesoro Blvd., Port St. Lucie, Florida.** Following is the advance agenda for the meeting:

1. Roll Call
2. Public Comment Period
3. Organizational Matters
 - A. Acceptance of Resignation of Harold Fenner
 - B. Appointment of Individuals to Fulfill Board Vacancies in Seats 4 & 5 with Terms Ending November 2024
 - C. Administration of Oath of Office to Newly Appointed Board Members
 - D. Consideration of Resolution 2022-01 Appointing Assistant Secretaries
4. Approval of Minutes of the August 16, 2021 Meeting
5. Ratification of Agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2021
6. Review and Acceptance of Fiscal Year 2021 Audit Report
7. Discussion of Natural Area Cleaning Proposals
8. Discussion of Illegal Connection
9. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager's Report
 - i. Approval of Check Register
 - ii. Balance Sheet and Income Statement
 - iii. Field Manager's Report
10. Audience Comments
11. Supervisor's Requests
12. Adjournment

The second order of business of the Board of Supervisors Meeting is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items.

The third order of business is organizational matters. Section A is acceptance of resignation of Harold Fenner. A copy of the resignation is enclosed for your review. Section B is appointment of individual to fulfill the board vacancies in Seats 4 & 5 with terms ending November 2024. Section C is administration of oath of office to newly appointment board members. Section D is

election of officers. Section E is consideration of resolution 2022-01 appointing assistant secretaries. A copy of the resolution is enclosed for your review.

The fourth order of business is the approval of the minutes of the August 16, 2021 Board of Supervisors meeting. The minutes are enclosed for your review.

The fifth order of business is Ratification of Agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2021. A copy of the agreement is enclosed for your review.

The sixth order of business is Review and Acceptance of Fiscal Year 2021 Audit Report. A copy of the report is enclosed for your review.

The seventh order of business is Discussion of Natural Area Cleaning Proposals. A copy of the proposals are enclosed for your review.

The eighth order of business is Discussion of Illegal Connection. Correspondence is enclosed for your review.

Section C of the ninth order of business is the District Manager's Report. Section 1 includes the check register for approval and Section 2 includes the balance sheet and income statement for your review. Section 3 is the Field Manager's report. A copy of the report is being provided under separate cover.

The balance of the agenda will be discussed at the meeting. In the meantime, if you should have any questions, please contact me.

Sincerely,

Jason Showe
District Manager

Cc: William Capko, District Counsel
Butch Terpening, District Engineer
Darrin Mossing, GMS

Enclosures

SECTION III

SECTION A

HAROLD L FENNER
104 SE Mira Lavella
Port St. Lucie, FL 34984

August 19, 2021

Mr. Jason Showe
District Manager
Government Management Services
Central Florida, LLC

Dear Jason,

This letter confirms my resignation from the Tesoro CDD Board effective at the close of our Board Meeting on August 16, 2021.

I have enjoyed working with you and the Tesoro CDD Board for the past several years.

Best regards,

A handwritten signature in black ink, appearing to read "Hal", written over the printed name.

Harold L Fenner

SECTION D

RESOLUTION 2022-01

**A RESOLUTION OF THE TESORO COMMUNITY
DEVELOPMENT DISTRICT ELECTING _____
_____ AND _____
AS ASSISTANT SECRETARIES OF THE BOARD OF
SUPERVISORS**

WHEREAS, the Board of Supervisors of the Tesoro Community District desires to elect _____ and _____ as Assistant Secretaries.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD
OF SUPERVISORS OF THE TESORO COMMUNITY
DEVELOPMENT DISTRICT:**

1. _____ is elected Assistant Secretary of the Board of Supervisors.
2. _____ is elected Assistant Secretary of the Board of Supervisors.

Adopted this 23rd day of February, 2022.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

MINUTES OF MEETING
TESORO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Tesoro Community Development District was held Monday, August 16, 2021 at 9:30 a.m. at the Tesoro Club, 3rd Floor, 2000 S.E. Via Tesoro, Port St. Lucie, Florida.

Present and constituting a quorum were:

John Vogt	Vice Chairman
Hal Fenner	Assistant Secretary
Roderick O'Connor	Assistant Secretary

Also present were:

Jason Showe	District Manager
Bill Capko	District Attorney <i>by telephone</i>
Steff Matthews	District Engineer
William Viasalyers	Field Manager <i>by telephone</i>
Olivia Vogt	Resident

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation of Mark Mershon

On MOTION by Mr. Fenner seconded by Mr. O'Connor with all in favor Mr. Mershon's resignation was accepted.
--

B. Appointment of Individual to Fill Board Vacancy in Seat 5 with a Term Ending November 2024

Mr. Showe stated this is a general elector seat and anyone who is interested can send their letter of interest or resume and we will put that on the next agenda for appointment to the Board.

C. Administration of oath of Office to Newly Appointed Board Member

D. Consideration of Resolution 2021-04 Electing Officers

On MOTION by Mr. Fenner seconded by Mr. Vogt with all in favor Resolution 2021-04 was approved reflecting the following officers: Emily Jones chairperson, John Vogt vice chair, George Flint secretary, Hal Fenner, Roger O'Connor and Jason Showe assistant secretaries, Jason Showe treasurer and Katie Costa assistant treasurer.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the April 28, 2021 Meeting

On MOTION by Mr. Vogt seconded by Mr. Fenner with all in favor the minutes of the April 28, 2021 meeting were approved as amended.

FIFTH ORDER OF BUSINESS

Public Hearing

On MOTION by Mr. Vogt seconded by Mr. Fenner with all in favor the public hearing was opened.

A. Consideration of Resolution 2021-05 Adopting the Fiscal Year 2022 Budget and Relating to the Annual Appropriations

Mr. Showe stated Resolution 2021-05 approves the final budget for Fiscal Year 2022. It is similar to what you saw as the proposed budget, with no proposed increase in assessments.

There were no comments or questions from the public.

Mr. Vogt stated there is a \$71,970 surplus in the budget. We may choose as we go forward to look for other things, more detail, more supervision or whatever. There is some money there.

Mr. Showe stated we do have a capital reserve that is used for major repairs. The District maintains the stormwater system and if there is a large repair it will be paid from the reserves. Part of the stormwater fee that is on the tax bill that is paid to Port St. Lucie gets remitted to the District because the District is the maintenance entity that takes care of that. That is where most of our revenue comes from.

On MOTION by Mr. Vogt seconded by Mr. O'Connor with all in favor Resolution 2021-05 was approved.

B. Consideration of Resolution 2021-06 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Showe stated next is Resolution 2021-06 imposing the special assessments and certifying an assessment roll. Attached to this resolution will be the budget you just adopted and the assessment roll that will be transmitted to Port St. Lucie and they put it on the tax bill.

On MOTION by Mr. Fenner seconded by Mr. O'Connor with all in favor Resolution 2021-06 was approved.

On MOTION by Mr. Fenner seconded by Mr. O'Connor with all in favor the public hearing was closed.

SIXTH ORDER OF BUSINESS

Consideration of Agreement for Wetland, Lake and Upland Preserve Maintenance Services with Native Lands Management, Inc.

Mr. Showe stated the next two items are agreements for the upcoming fiscal year, the first is with Native Lands Management for wetland, lake and upland preserve maintenance. They propose no increase in their contract amount. All our agreements have a 30-day termination clause and at any point if you are not happy with their services, we have options to bring in other vendors.

Mr. Viasalyers stated I don't have any issues with their service. We had a chance to take two of the Board members at different time on a ride around, they met with the vendors and discussed a lot of things and got positive feedback from them as well.

On MOTION by Mr. Fenner seconded by Mr. Vogt with all in favor the agreement with Native Lands Management, Inc. for wetland, lake and upland preserve maintenance services was approved.

SEVENTH ORDER OF BUSINESS**Consideration of Agreement for Wetlands Boundary and Lake Banks Landscape Maintenance Agreement with Wellington Pro Lawn Care**

Mr. Showe stated next is the agreement with Wellington Pro. They propose a 3% increase due to the cost of chemicals.

On MOTION by Mr. O'Connor seconded by Mr. Vogt with all in favor the agreement with Wellington Pro Lawn Care for landscape maintenance was approved.

EIGHTH ORDER OF BUSINESS**Staff Reports****A. Attorney**

There being none, the next item followed.

B. Engineer

Mr. Matthews stated I understand there were some questions regarding the possibility of doing some lake recharge from surficial aquifer wells and I am happy to give you the experience we have in this area and explain the process if that is the pleasure of the Board.

Mr. Vogt stated this was basically because the lakes and some of the shallow pieces were dry for two months of this year. It made sense to talk about a recharge well that we could use to flow water from the top of the property down through all the CDD areas to keep everything wet.

Mr. Matthews stated as you probably know all the water in South Florida is managed by the South Florida Water Management District whether it be deep well water from the Floridan Aquifer, surficial water, which I think you are referring to as the shallower aquifer, lakes, streams and rainwater. They control it all. Any ability to put a recharge well in the property would have to be permitted through the water management district. The water management district has steadily denied requests for recharge wells for purposes of replenishing lakes and things of that nature, especially in this area. We are adjacent to a couple rivers; you also have some wetlands that are within the boundaries that the surficial aquifer would actually impact.

We would have to do a very rigorous study to make sure that your water withdrawal doesn't affect any of those issues. It is a long, lengthy process.

Mr. O'Connor asked is your experience golf courses try to do this?

Mr. Matthews stated golf courses most likely go down to the Floridan Aquifer, which is 1,000 to 1,250 feet down, very deep, very expensive wells. Most golf courses like this one, uses reuse water from the City of Port St. Lucie's treated wastewater, it is piped in and a lot of the green areas you see here are irrigated through reuse water. You can't put reuse water into a natural lake. Part of the problem with permitting and getting South Florida to buy off on a surficial use of water is that you are using it in the months that you have the highest rate of evaporation so you are losing 30% before you even see it. Florida has a natural dry wet cycle, our wetlands are used to that, it is something they experience throughout the entire lifetime so it is not unusual to see wetland areas be dry for a few months during the dry season and be inundated in the wet season. The last time that we tried to do a surficial well recharge of a lake system one of the comments they gave back to us was that it was a selfish use of a natural resource that was at a commodity in the State of Florida.

If that is something you would like us to explore and spend a little time doing it, we can but we don't see there being a high probability of success.

Mr. O'Connor asked do we have any ponds that are fed by a natural spring?

Mr. Matthews responded no, we do not. We have Blakeslee Creek on the north side, but we are kind of segregated and discharge to Blakeslee Creek, this development goes through the giant weir and that is the discharge to Blakeslee Creek. Blakeslee goes into North Fork and if North Fork rises, Blakeslee rises you may see backwater into this system from it, but I have never seen it. We are the engineers that designed the infrastructure and have been with this project since the beginning.

Mr. O'Connor stated I have heard certain sales associates refer to one of these ponds out here as naturally fed by a spring underground. That would be false.

Mr. Matthews stated I can't claim that I don't know the answer to that. At some point there were a couple of free-flowing wells that were used for agriculture and as far as I know the few that were in the area if there were any they have to be capped. They were not allowed to stay open.

C. Manager**i. Approval of Check Register**

On MOTION by Mr. Fenner seconded by Mr. Vogt with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the financials was included in the agenda package.

iii. Approval of Fiscal Year 2022 Meeting Schedule

Mr. Showe stated as a CDD we are required to advertise an annual meeting schedule and this ad says that we don't meet on a regular basis but will call meetings of the Board as needed and those will be separately advertised.

On MOTION by Mr. O'Connor seconded by Mr. Fenner with all in favor the notice indicating that the Board will meet on an as needed basis in Fiscal Year 2022 was approved.

iv. Field Manager's Report

Mr. Viasalyers stated everything is going well and there are no issues that I am aware of. I continue to meet with the vendors and keeping the logs and showing the lake reports.

Mr. Vogt stated I would appreciate it if we can upload the reports to the website.

Mr. Showe stated we will get those on the website.

NINTH ORDER OF BUSINESS**Audience Comments**

There being none, the next item followed.

TENTH ORDER OF BUSINESS**Supervisor's Requests**

There being none,

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Fenner seconded by Mr. Vogt with all in favor the meeting adjourned at 10:19 a.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION V



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

September 22, 2021

Board of Supervisors
Tesoro Community Development District
c/o GMS, LLC
219 E. Livingston Street
Orlando, FL 32801

We are pleased to confirm our understanding of the services we are to provide Tesoro Community Development District, St. Lucie County, Florida ("the District") for the fiscal year ended September 30, 2021. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Tesoro Community Development District as of and for the fiscal year ended September 30, 2021. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2021 audit.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will 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.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedule

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards

and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Examination Objective

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

Other Services

We will assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. Further, management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. As part of the audit, we will assist with preparation of your financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. As part of our engagement, we may propose standard adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of the proposed entries and the impact they have on the financial statements.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you

are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Furthermore, Grau & Associates agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. Auditor acknowledges that the designated public records custodian for the District is the District Manager ("Public Records Custodian"). Among other requirements and to the extent applicable by law, Grau & Associates shall 1) keep and maintain public records required by the District to perform the service; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if Auditor does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in Grau & Associate's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by Grau & Associates, Grau & Associates shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF GRAU & ASSOCIATES HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE PUBLIC RECORDS CUSTODIAN AT C/O GOVERNMENTAL MANAGEMENT SERVICES – CENTRAL FLORIDA, LLC, 219 EAST LIVINGSTON STREET ORLANDO, FLORIDA 32801, OR RECORDREQUEST@GMSFCL.COM, PH: (407) 841-5524.

Our fee for these services will not exceed \$3,000 for the September 30, 2021 audit unless there is a change in activity by the District which results in additional audit work or if additional Bonds are issued.

We will complete the audit within prescribed statutory deadlines, which requires the District to submit its annual audit to the Auditor General no later than nine (9) months after the end of the audited fiscal year, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

The District may terminate this agreement, with or without consent, upon thirty (30) days written notice of termination to Grau & Associates. Upon any termination of this agreement, Grau & Associates shall be entitled to payment of all work and/or services rendered up until the date of the notice of termination subject to any offsets the District may have against Grau & Associates.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2019 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Tesoro Community Development District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



Antonio J. Grau

RESPONSE:

This letter correctly sets forth the understanding of Tesoro Community Development District.

By:  _____

Title: District Manager

Date: 9/28/21



February 20, 2020

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on February 20, 2020, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,
FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee
paul@ficpa.org
800-342-3197 ext. 251

Florida Institute of CPAs

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 571202

SECTION VI

**TESORO
COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA**

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet – Governmental Fund	8
Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds	9
Notes to Financial Statements	10-16
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	17
Notes to Required Supplementary Information	18
OTHER INFORMATION	
Data Elements required by FL Statute 218.39 (3) (c)	19
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	20-21
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	22
MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	23-24



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Tesoro Community Development District
St. Lucie County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Tesoro Community Development District, St. Lucie County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of September 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) is not a required part of the basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2022, 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, contracts, grant agreements and other matters. The purpose of that report is solely 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.

February 10, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Tesoro Community Development District, St. Lucie County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$649,118.
- The change in the District's total net position in comparison with the prior fiscal year was \$24,759, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2021, the District's governmental fund reported an ending fund balance of \$649,118, an increase of \$24,759 in comparison with the prior fiscal year. The total fund balance is non-spendable for prepaid items, assigned to subsequent year's expenditures, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment and stormwater fee revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental fund for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered a major fund.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,		
	2021	2020
Current and other assets	\$ 669,964	\$ 624,830
Total assets	669,964	624,830
Current liabilities	20,846	471
Total liabilities	20,846	471
Net position		
Unrestricted	649,118	624,359
Total net position	\$ 649,118	\$ 624,359

The balance of unrestricted net position may be used to meet the District's obligations.

The District's net position increased during the most recent fiscal year. The majority of the increase represents the extent to which the ongoing program revenues exceeded the costs of operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2021	2020
Revenues:		
Program revenues		
Charges for services	\$ 344,681	\$ 395,477
General revenues	632	5,300
Total revenues	<u>345,313</u>	<u>400,777</u>
Expenses:		
General government	53,134	53,802
Maintenance and operations	267,420	268,978
Total expenses	<u>320,554</u>	<u>322,780</u>
Change in net position	<u>24,759</u>	<u>77,997</u>
Net position - beginning	624,359	546,362
Net position - ending	<u>\$ 649,118</u>	<u>\$ 624,359</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2021 was \$320,554. The majority of the costs of the District's activities were paid by program revenues. Program revenues, comprised primarily of assessments and stormwater fees, decreased during the fiscal year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2021.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Tesoro Community Development District's Finance Department at 219 E. Livingston St., Orlando, FL 32801.

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Governmental Activities
ASSETS	
Cash	\$ 60,257
Investments	602,765
Prepays items	6,942
Total assets	<u>669,964</u>
LIABILITIES	
Accounts payable	<u>20,846</u>
Total liabilities	<u>20,846</u>
NET POSITION	
Unrestricted	649,118
Total net position	<u><u>\$ 649,118</u></u>

See notes to the financial statements

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
Primary government:			
Governmental activities:			
General government	\$ 53,134	\$ 53,134	\$ -
Maintenance and operations	267,420	291,547	24,127
Total governmental activities	320,554	344,681	24,127
General revenues:			
Unrestricted investment earnings			632
Total general revenues			632
Change in net position			24,759
Net position - beginning			624,359
Net position - ending			\$ 649,118

See notes to the financial statements

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Major Fund General	Total Governmental Funds
ASSETS		
Cash	\$ 60,257	\$ 60,257
Investments	602,765	602,765
Prepaid items	6,942	6,942
Total assets	<u>\$ 669,964</u>	<u>\$ 669,964</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 20,846	\$ 20,846
Total liabilities	<u>20,846</u>	<u>20,846</u>
 Fund balances:		
Nonspendable:		
Prepaid items	6,942	6,942
Assigned to:		
Subsequent year's expenditures	71,975	71,975
Unassigned	570,201	570,201
Total fund balances	<u>649,118</u>	<u>649,118</u>
 Total liabilities and fund balances	<u>\$ 669,964</u>	<u>\$ 669,964</u>

See notes to the financial statements

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Major Fund General	Total Governmental Funds
REVENUES		
Assessments	\$ 93,553	\$ 93,553
Stormwater fees	251,128	251,128
Interest income	632	632
Total revenues	<u>345,313</u>	<u>345,313</u>
EXPENDITURES		
Current:		
General government	53,134	53,134
Maintenance and operations	267,420	267,420
Total expenditures	<u>320,554</u>	<u>320,554</u>
Excess (deficiency) of revenues over (under) expenditures	24,759	24,759
Fund balances - beginning	<u>624,359</u>	<u>624,359</u>
Fund balances - ending	<u>\$ 649,118</u>	<u>\$ 649,118</u>

See notes to the financial statements

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Tesoro Community Development District ("District") was created by rule 42XX-1.001 of the Florida Land and Water Adjudicatory Commission effective January 10, 2005, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

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

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2021, three of the Board members are affiliated with West Coast Investors ("Developer").

The Board has the responsibility for:

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

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefited property within the District. Operating and maintenance assessments are based upon the adopted budget and levied annually at a public hearing of the District. Debt service assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection under Florida Statutes. Direct collected assessments are due as determined by the annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by the County Tax Collector on November 1 and are due on or before March 31 of each year. Property owners may prepay a portion or all of the debt service assessments on their property subject to various provisions in the Bond documents.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so are recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental fund:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a "2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The District has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

The preparation of 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 date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the fiscal year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act," requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate Bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2021:

	Amortized Cost	Credit Risk	Maturities
Local Government Surplus Trust Fund (FL PRIME)	\$ 602,765	S&P AAAm	Weighted average of fund portfolio: 48 days
Total investments	<u>\$ 602,765</u>		

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

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

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the District's investments have been reported at amortized cost above.

External Investment Pool – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

NOTE 5 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management advisory services, which include financial and accounting services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.

NOTE 7 – INTERLOCAL AGREEMENT

In April 2006, the District entered into an agreement with the City of Port St. Lucie ("City") whereby the District will be responsible for the provision of stormwater maintenance services for a certain area. Further, the City collects fees for stormwater utility fees for that area and agrees to pay to the District 75% of the fees collected. Such payments began to accrue October 1, 2006 with certain payments annually and certain payments monthly as outlined in the agreement. The agreement will run for perpetuity subject to termination by either party. In the current fiscal year, revenues connected to this agreement totaled \$251,128.

The stormwater system infrastructure was constructed by the predecessor Developer and was conveyed to the City. The District will maintain the stormwater system through interlocal agreement with the City.

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 71,321	\$ 93,553	\$ 22,232
Stormwater fees	220,000	251,128	31,128
Interest income	7,500	632	(6,868)
Total revenues	<u>298,821</u>	<u>345,313</u>	<u>46,492</u>
EXPENDITURES			
Current:			
General government	68,924	53,134	15,790
Maintenance and operations	304,906	267,420	37,486
Total expenditures	<u>373,830</u>	<u>320,554</u>	<u>53,276</u>
Excess (deficiency) of revenues over (under) expenditures	(75,009)	24,759	99,768
OTHER FINANCING SOURCES (USES)			
Carryforward surplus	75,009	-	(75,009)
Total other financing sources (uses)	<u>75,009</u>	<u>-</u>	<u>(75,009)</u>
Net change in fund balances	<u>\$ -</u>	24,759	<u>\$ 24,759</u>
Fund balance - beginning		<u>624,359</u>	
Fund balance - ending		<u>\$ 649,118</u>	

See notes to required supplementary information

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2021.

**TESORO COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of district employees compensated at 9/30/2021	0
Number of independent contractors compensated in September 2021	10
Employee compensation for FYE 9/30/2021 (paid/accrued)	0
Independent contractor compensation for FYE 9/30/2021	\$308,534.76
Construction projects to begin on or after October 1; (>\$65K)	N/A
Budget variance report	See page 17 of annual financial report
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2021	Operations and maintenance - \$40.69, \$30.52
	Debt service - \$ 0
Special assessments collected FYE 9/30/2021	\$93,553.00
Outstanding Bonds:	N/A



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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

To the Board of Supervisors
Tesoro Community Development District
St. Lucie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Tesoro Community Development District, St. Lucie County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated February 10, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

February 10, 2022



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Tesoro Community Development District
St. Lucie County, Florida

We have examined Tesoro Community Development District St. Lucie County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

This report 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, management, and the Board of Supervisors of Tesoro Community Development District St. Lucie County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

February 10, 2022



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors
Tesoro Community Development District
St. Lucie County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Tesoro Community Development District St. Lucie County, Florida ("District") as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated February 10, 2022.

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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional 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 February 10, 2022, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Tesoro Community Development District St. Lucie County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Tesoro Community Development District St. Lucie County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

February 10, 2022

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2020.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2021.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2021.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 19.

SECTION VII



Native Lands Management, Inc.

Tesoro CDD
1996 Via Tesoro
Port Saint Lucie, FL

RE: Tesoro CDD Wax Myrtle Trimming

Thank you for the opportunity to provide a proposal for the wax myrtle trimming in the Wetland and Preserve Areas. This bid includes the entire mitigation cell broken up into areas 2, 3, 4. Area 1 is located on golf holes #15 and #16. Based on our site visit we are prepared to offer the following proposal. The scope of work will include trimming of wax myrtles and hand removal of all debris. Plant material will be disposed offsite. We will require 50% deposit before starting each area.

<u>Areas</u>	<u>Cost</u>
Area 1 - Wetland on #15 and #16 Golf Holes	\$64,000.00
Area 2 – Mitigation Cell # 2 Golf Hole and Rio Casarano	\$93,300.00
Area 3 – Mitigation Cell # 3 # 6 and #7 Golf Holes	\$150,450.00
Area 4 – Mitigation Cell East of Via Tesoro	\$78,000.00
	Total \$385,750.00

We are licensed by the Department of Agriculture, Aquatic Pest Control and Natural Area Weeds Management and we are fully insured. A Certificate of Insurance will be provided if required. Please do not hesitate to contact us if you have any questions.

Sincerely,

Ronnie Howell

3172 SE Waaler Street Stuart, Florida 34997
772 696 3249

Native Lands Management, Inc.
3172 SE Waaler Street
Stuart, FL 34997

Invoice

Date	Invoice #
1/25/2022	4536

Bill To
Tesoro Community Development District George S. Flint Governmental Management Services 219 East Livingston Street Orlando, FL 32801

Description	Amount
Area 1 Golf Holes #15 and 16 Wax Myrtle Trimming 50% Deposit 25% Payment at Halfway 25% Upon Completion	64,000.00
It's always a pleasure working with you!	Total \$64,000.00



SECTION VIII

Tesoro
Community Development District

219 E. Livingston St, Orlando FL, 32801
Phone: 407-841-5524 - 877-855-5251– Fax: 407-839-1526

December 2, 2021

Via Certified Mail – Return Receipt

Property Owner
132-134 SE Via Verona
Port St. Lucie, FL 34984

Re: Cease and Desist – Unpermitted Connection to Water Lake Tract

To the Owner(s) of 132-134 SE Via Verona,

I am the District Manager of the Tesoro Community Development District. It has come to our attention that a piped connection has been made to Water Management Tract #3 (the “WMT-3”) from the property located at 132-134 SE Via Verona, ostensibly to serve an irrigation system at this residence.

WMT-3 is owned by the Tesoro Property Owners’ Association and is operated and maintained by the Tesoro Community Development District (the “District”). WMT-3 is subject to an Environmental Resource Permit issued by the Florida Department of Environmental Protection and the South Florida Water Management District, as part of the Master Stormwater System. Water withdraws from WMT-3 are permitted solely to provide recharge to the surrounding wetland communities. The lake is NOT permitted to serve as a source for residential irrigation.


Use of the lake for residential irrigation purposes is a violation of our permit and must cease. Furthermore, any facilities placed within the boundaries of the lake constitute a trespass and an unpermitted connection to the community facilities. Please have all pipes, structures, or other improvements removed from the lake tract, and the area restored substantially to the condition it was in prior the installation of this unpermitted connection. Failure to complete the removal and restoration within 30 days of this letter will result in the District’s removal of the facilities, and an invoice to you for all associated costs.

We look forward to your prompt cooperation.

Sincerely,



Jason Showe
District Manager

From: William Capko wcapko@llw-law.com 
Subject: RE: Tesoro CDD - Unpermitted Connection Letter
Date: February 11, 2022 at 1:44 PM
To: Jason Showe jshowe@gmscfl.com
Cc: Alan Scheerer ascheerer@gmscfl.com, Lauren Vanderveer lvanderveer@gmscfl.com

Jason,

One option would be for us to remove the pipe and bill the resident for the cost. Another option is to wait until the Board meeting later this month and get direction from the Board.

Bill

From: Jason Showe <jshowe@gmscfl.com>
Sent: Friday, February 11, 2022 12:37 PM
To: William Capko <wcapko@llw-law.com>
Cc: Alan Scheerer <ascheerer@gmscfl.com>; Lauren Vanderveer <lvanderveer@gmscfl.com>
Subject: Fwd: Tesoro CDD - Unpermitted Connection Letter

?

External Email

Bill,

We had our lake vendor onsite, and it appears this resident has not removed pipe per picture below. What do you recommend as next step?





SECTION IX

SECTION C

SECTION 1

Tesoro
Community Development District

[Check Run Summary](#)

August 01, 2021 through January 31, 2022

Fund	Date	Check No.'s		Amount
General Fund	8/17/21	1003-1004	\$	154,030.52
	8/19/21	1005-1006	\$	20,541.00
	9/9/21	1007-1008	\$	12,984.06
	9/16/21	1009-1011	\$	12,169.05
	10/8/21	1012-1014	\$	28,577.26
	10/25/21	1015-1016	\$	16,898.04
	11/4/21	1017	\$	143.64
	11/19/21	1018-1019	\$	4,553.18
	11/22/21	1020	\$	175.00
	12/27/21	1021-1024	\$	36,721.12
	1/21/22	1025-1029	\$	26,695.00
Total			\$	313,487.87

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
8/17/21	00004	8/01/21 356	202108 310-51300-34000		*	2,652.25	
			MANAGEMENT FEES - AUG 21				
		8/01/21 356	202108 310-51300-35100		*	41.67	
			INFORMATION TECH - AUG 21				
		8/01/21 356	202108 310-51300-51000		*	.15	
			OFFICE SUPPLIES				
		8/01/21 356	202108 310-51300-42000		*	10.28	
			POSTAGE				
		8/01/21 357	202108 320-53800-12000		*	1,326.17	
			FIELD MANAGEMENT - AUG 21				
				GOVERNMENTAL MANAGEMENT SERVICES			4,030.52 001003
8/17/21	00037	8/06/21 08062021	202108 300-15100-10100		*	150,000.00	
			TXFER TO SBA				
				TESORO CDD C/O STATE BOARD OF ADMIN			150,000.00 001004
8/19/21	00017	7/15/21 4411	202107 330-53800-46200		*	5,573.00	
			WETLAND/LAKE MAINT-JUL 21				
		7/15/21 4411	202107 320-53800-46200		*	7,093.00	
			WETLAND/LAKE MAINT-JUL 21				
				NATIVE LANDS MANAGEMENT, INC.			12,666.00 001005
8/19/21	00026	8/01/21 102884	202108 320-53800-47300		*	7,875.00	
			MONTHLY LANDSCAPE-AUG 21				
				WELLINGTON PRO LAWN			7,875.00 001006
9/09/21	00017	8/17/21 4429	202108 330-53800-46200		*	5,573.00	
			WETLAND/LAKE MAINT-AUG 21				
		8/17/21 4429	202108 320-53800-46200		*	7,093.00	
			WETLAND/LAKE MAINT-AUG 21				
				NATIVE LANDS MANAGEMENT, INC.			12,666.00 001007
9/09/21	00005	7/27/21 3994790	202107 310-51300-48000		*	318.06	
			NOT.FY22 BUDGET ADOPTION				
				TREASURE COAST NEWSPAPER			318.06 001008
9/16/21	00022	9/10/21 14316	202109 300-15500-10000		*	6,942.00	
			FY22 INSURANCE POLICY				
				EGIS INSURANCE ADVISORS, LLC.			6,942.00 001009
9/16/21	00004	9/01/21 358	202109 310-51300-34000		*	2,652.25	
			MANAGEMENT FEES - SEP 21				
		9/01/21 358	202109 310-51300-35100		*	41.67	
			INFORMATION TECH - SEP 21				
		9/01/21 358	202109 310-51300-51000		*	15.12	
			OFFICE SUPPLIES				

TES -- TESORO -- IARAUJO

*** CHECK DATES 08/01/2021 - 01/31/2022 ***

TESORO CDD
BANK A TESORO CDD

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
		9/01/21 358	202109 310-51300-42000		*	2.04	
		POSTAGE					
		9/01/21 358	202109 310-51300-42500		*	85.80	
		COPIES					
		9/01/21 359	202109 320-53800-12000		*	1,326.17	
		FIELD MANAGEMENT - SEP 21					
				GOVERNMENTAL MANAGEMENT SERVICES			4,123.05 001010
9/16/21 00008		9/08/21 WGC-1429	202108 310-51300-31500		*	1,104.00	
		CORRESPND/AGREE/MTG/AGNDA					
				LEWIS, LONGMAN & WALKER, PA			1,104.00 001011
10/08/21 00007		1/26/21 7-256-26	202101 310-51300-42000		*	51.90	
		DELIVERY FEES - 01/26/21					
		4/27/21 7-352-87	202104 310-51300-42000		*	52.64	
		DELIVERY FEES - 04/27/21					
		8/17/21 7-471-26	202108 310-51300-42000		*	56.72	
		DELIVERY FEES - 08/17/21					
				FEDEX			161.26 001012
10/08/21 00017		9/17/21 4451	202109 330-53800-46200		*	5,573.00	
		WETLAND/LAKE MAINT-SEP 21					
		9/17/21 4451	202109 320-53800-46200		*	7,093.00	
		WETLAND/LAKE MAINT-SEP 21					
				NATIVE LANDS MANAGEMENT, INC.			12,666.00 001013
10/08/21 00026		9/05/21 103165	202109 320-53800-47300		*	7,875.00	
		MONTHLY LANDSCAPE-SEP 21					
		10/01/21 103366	202110 320-53800-47300		*	7,875.00	
		MONTHLY LANDSCAPE-OCT 21					
				WELLINGTON PRO LAWN			15,750.00 001014
10/25/21 00004		10/01/21 361	202110 310-51300-34000		*	2,731.83	
		MANAGEMENT FEES - OCT 21					
		10/01/21 361	202110 310-51300-35200		*	70.30	
		WEBSITE MANAGEMENT-OCT 21					
		10/01/21 361	202110 310-51300-35100		*	79.17	
		INFORMATION TECH - OCT 21					
		10/01/21 361	202110 310-51300-51000		*	.15	
		OFFICE SUPPLIES					
		10/01/21 361	202110 310-51300-42000		*	24.42	
		POSTAGE					
		10/01/21 362	202110 320-53800-12000		*	1,326.17	
		FIELD MANAGEMENT - OCT 21					
				GOVERNMENTAL MANAGEMENT SERVICES			4,232.04 001015

TES -- TESORO -- IARAUJO

TES -- TESORO -- IARAUJO

*** CHECK DATES 08/01/2021 - 01/31/2022 ***

TESORO CDD
BANK A TESORO CDD

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
12/27/21	00008	12/03/21	WGC-1444 202111 310-51300-31500	RESEARCH/RGARD/CONFER/RVW	*	1,123.50	
				LEWIS, LONGMAN & WALKER, PA			1,123.50 001022
12/27/21	00017	11/15/21	4490 202111 330-53800-46200	WETLAND/LAKE MAINT-NOV 21	*	5,573.00	
		11/15/21	4490 202111 320-53800-46200	WETLAND/LAKE MAINT-NOV 21	*	7,093.00	
				NATIVE LANDS MANAGEMENT, INC.			12,666.00 001023
12/27/21	00026	11/02/21	103678 202111 320-53800-47300	MONTHLY LANDSCAPE-NOV 21	*	8,111.25	
		12/04/21	103958 202112 320-53800-47300	MONTHLY LANDSCAPE-DEC 21	*	8,111.25	
				WELLINGTON PRO LAWN			16,222.50 001024
1/21/22	00004	1/01/22	367 202201 310-51300-34000	MANAGEMENT FEES - JAN 22	*	2,731.83	
		1/01/22	367 202201 310-51300-35200	WEBSITE MANAGEMENT-JAN 22	*	70.83	
		1/01/22	367 202201 310-51300-35100	INFORMATION TECH - JAN 22	*	79.17	
		1/01/22	368 202201 320-53800-12000	FIELD MANAGEMENT - JAN 22	*	1,326.17	
				GOVERNMENTAL MANAGEMENT SERVICES			4,208.00 001025
1/21/22	00008	1/11/22	WGC-1450 202112 310-51300-31500	DRAFT LETTER/RVW/CONFER	*	951.00	
				LEWIS, LONGMAN & WALKER, PA			951.00 001026
1/21/22	00035	12/03/21	2016 118 202112 310-51300-49000	TAX ROLL TRIM NOTICE	*	758.75	
				MICHELLE FRANKLIN, PROP APPRAISER			758.75 001027
1/21/22	00017	12/16/21	4509 202112 330-53800-46200	WETLAND/LAKE MAINT-DEC 21	*	5,573.00	
		12/16/21	4509 202112 320-53800-46200	WETLAND/LAKE MAINT-DEC 21	*	7,093.00	
				NATIVE LANDS MANAGEMENT, INC.			12,666.00 001028
1/21/22	00026	1/08/22	104257 202201 320-53800-47300	MONTHLY LANDSCAPE-JAN 22	*	8,111.25	
				WELLINGTON PRO LAWN			8,111.25 001029

TOTAL FOR BANK A 313,487.87

TES -- TESORO -- IARAUJO

CHECK DATE	VEND#INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
---------------	-------	-----------------------------------	--	-------------	--------	--------	-----------------------------

TOTAL FOR REGISTER 313,487.87

SECTION 2

Tesoro
Community Development District

Unaudited Financial Reporting
January 31, 2022



Table of Contents

1	<u>Balance Sheet</u>
2-3	<u>General Fund</u>
4-5	<u>Month to Month</u>
6	<u>Assessment Receipt Schedule</u>
7	<u>Stormwater Fee Schedule</u>

Tesoro
Community Development District
Combined Balance Sheet
January 31, 2022

	<i>General Fund</i>	<i>Totals Governmental Funds</i>
Assets:		
Operating Account	\$ 63,309	\$ 63,309
State Board of Administration	\$ 553,082	\$ 553,082
Total Assets	\$ 616,391	\$ 616,391
Liabilities:		
Accounts Payable	\$ 45,660	\$ 45,660
Total Liabilites	\$ 45,660	\$ 45,660
Fund Balance:		
Unassigned	\$ 570,731	\$ 570,731
Total Fund Balances	\$ 570,731	\$ 570,731
Total Liabilities & Fund Balance	\$ 616,391	\$ 616,391

Tesoro
Community Development District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending January 31, 2022

	Adopted	Prorated Budget	Actual	
	Budget	Thru 01/31/22	Thru 01/31/22	Variance
Revenues:				
Stormwater Fees	\$ 227,000	\$ 195	\$ 195	\$ -
Maintenance Assessments	\$ 71,321	\$ 67,619	\$ 67,619	\$ -
Interest Income	\$ 2,500	\$ 232	\$ 232	\$ -
Miscellaneous Income	\$ -	\$ -	\$ 426	\$ 426
Total Revenues	\$ 300,821	\$ 68,046	\$ 68,472	\$ 426
Expenditures:				
<u>General & Administrative:</u>				
Supervisor Fees	\$ 4,000	\$ 1,333	\$ -	\$ 1,333
FICA Expense	\$ 306	\$ 102	\$ -	\$ 102
Engineering	\$ 5,000	\$ 1,667	\$ -	\$ 1,667
Attorney	\$ 10,000	\$ 3,333	\$ 3,414	\$ (80)
Annual Audit	\$ 3,000	\$ -	\$ -	\$ -
Assessment Administration	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
District Management Fees	\$ 32,782	\$ 10,927	\$ 10,927	\$ -
Information Technology	\$ 950	\$ 317	\$ 317	\$ -
Website Administration	\$ 850	\$ 283	\$ 283	\$ -
Telephone	\$ 150	\$ 50	\$ -	\$ 50
Postage	\$ 1,000	\$ 333	\$ 26	\$ 308
Insurance	\$ 7,378	\$ 7,378	\$ 6,942	\$ 436
Printing & Binding	\$ 1,000	\$ 333	\$ -	\$ 333
Legal Advertising	\$ 1,600	\$ 1,600	\$ -	\$ 1,600
Other Current Charges	\$ 2,000	\$ 667	\$ 899	\$ (232)
Office Supplies	\$ 200	\$ 67	\$ 0	\$ 66
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
Total General & Administrative	\$ 72,891	\$ 31,065	\$ 25,482	\$ 5,583

Tesoro
Community Development District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending January 31, 2022

	Adopted	Prorated Budget	Actual	
	Budget	Thru 01/31/22	Thru 01/31/22	Variance
<u>Field Operations</u>				
Field Mangagement Fees	\$ 15,914	\$ 5,305	\$ 5,305	\$ (0)
Natural Area Cleanup	\$ -	\$ -	\$ 32,000	\$ (32,000)
<u>West Side</u>				
Mitigation Maintenance	\$ 85,116	\$ 28,372	\$ 28,372	\$ -
Landscaping	\$ 94,500	\$ 31,500	\$ 32,209	\$ (709)
Electric	\$ 10,000	\$ 3,333	\$ 1,285	\$ 2,048
Plant Replacement	\$ 5,000	\$ 1,667	\$ -	\$ 1,667
Fountain Repairs	\$ 5,000	\$ 1,667	\$ -	\$ 1,667
Contingency	\$ 2,500	\$ 833	\$ -	\$ 833
<u>East Side</u>				
Mitigation Monitoring	\$ 7,500	\$ 2,500	\$ -	\$ 2,500
Mitigation Maintenance	\$ 66,876	\$ 22,292	\$ 22,292	\$ -
Plant Replacement	\$ 5,000	\$ 1,667	\$ -	\$ 1,667
Contingency	\$ 2,500	\$ 833	\$ -	\$ 833
Field Operations Expenditures	\$ 299,906	\$ 99,969	\$ 121,462	\$ (21,494)
Total Expenditures	\$ 372,796	\$ 131,034	\$ 146,944	\$ (15,911)
Excess (Deficiency) of Revenues over Expenditures	\$ (71,975)		\$ (78,473)	
Fund Balance - Beginning	\$ 71,975		\$ 649,204	
Fund Balance - Ending	\$ (0)		\$ 570,731	

Tesoro
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
Revenues:													
Stormwater Fees	\$ 195	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	195
Maintenance Assessments	\$ 33	\$ 4,652	\$ 62,079	\$ 856	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	67,619
Interest Income	\$ 48	\$ 51	\$ 66	\$ 68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	232
Miscellaneous Income	\$ -	\$ 426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	426
Total Revenues	\$ 275	\$ 5,128	\$ 62,145	\$ 923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	68,472
Expenditures:													
<u>General & Administrative:</u>													
Supervisor Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
FICA Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Attorney	\$ 345	\$ 1,124	\$ 951	\$ 994	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,414
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Assessment Administration	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,500
District Management Fees	\$ 2,732	\$ 2,732	\$ 2,732	\$ 2,732	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	10,927
Information Technology	\$ 79	\$ 79	\$ 79	\$ 79	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	317
Website Administration	\$ 70	\$ 71	\$ 71	\$ 71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	283
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Postage	\$ 24	\$ 0	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	26
Insurance	\$ 6,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,942
Printing & Binding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Legal Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Other Current Charges	\$ 32	\$ 35	\$ 797	\$ 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	899
Office Supplies	\$ 0	\$ 0	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	175
Total General & Administrative	\$ 12,900	\$ 4,040	\$ 4,631	\$ 3,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	25,482

Tesoro
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
<u>Field Operations</u>													
Field Mangagement Fees	\$ 1,326	\$ 1,326	\$ 1,326	\$ 1,326	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,305
Natural Area Cleanup	\$ -	\$ -	\$ -	\$ 32,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	32,000
<u>West Side</u>													
Mitigation Maintenance	\$ 7,093	\$ 7,093	\$ 7,093	\$ 7,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	28,372
Landscaping	\$ 7,875	\$ 8,111	\$ 8,111	\$ 8,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	32,209
Electric	\$ 299	\$ 330	\$ 369	\$ 287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,285
Plant Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fountain Repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contingency													
<u>East Side</u>													
Mitigation Monitoring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Mitigation Maintenance	\$ 5,573	\$ 5,573	\$ 5,573	\$ 5,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	22,292
Plant Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Field Operations Expenditures	\$ 22,166	\$ 22,434	\$ 22,473	\$ 54,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	121,462
Total Expenditures	\$ 35,066	\$ 26,474	\$ 27,104	\$ 58,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	146,944
Excess (Deficiency) of Revenues over Expenditures	\$ (34,791)	\$ (21,346)	\$ 35,041	\$ (57,377)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(78,473)

Tesoro
COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Receipts
Fiscal Year 2022

Gross Assessments	\$	75,875.24	\$	75,875.24
Net Assessments	\$	71,322.73	\$	71,322.73

ON ROLL ASSESSMENTS

							100.00%	100.00%
<i>Date</i>	<i>Distribution</i>	<i>Gross Amount</i>	<i>Commissions</i>	<i>Discount/Penalty</i>	<i>Interest</i>	<i>Net Receipts</i>	<i>O&M Portion</i>	<i>Total</i>
10/15/21	9/1/21-9/30/21	\$33.27	(\$0.66)	\$0.00	\$0.00	\$32.61	\$32.61	\$32.61
11/3/21	6/1/2021 - 11/01/21	\$125.74	(\$2.51)	(\$4.95)	\$0.00	\$118.28	\$118.28	\$118.28
11/12/21	11/01/21 - 11/04/21	\$559.51	(\$11.21)	(\$21.93)	\$0.00	\$526.37	\$526.37	\$526.37
11/18/21	11/05/21 - 11/11/21	\$1,593.86	(\$31.88)	(\$62.49)	\$0.00	\$1,499.49	\$1,499.49	\$1,499.49
11/24/21	11/12/21 - 11/18/21	\$2,665.26	(\$53.28)	(\$104.60)	\$0.00	\$2,507.38	\$2,507.38	\$2,507.38
12/03/21	11/19/21 - 11/25/21	\$5,323.55	(\$106.39)	(\$208.82)	\$0.00	\$5,008.34	\$5,008.34	\$5,008.34
12/09/21	11/26/21-12/02/21	\$2,274.65	(\$45.48)	(\$89.20)	\$0.00	\$2,139.97	\$2,139.97	\$2,139.97
12/16/21	12/03/21-12/09/21	\$57,944.63	(\$1,158.95)	(\$2,269.52)	\$0.00	\$54,516.16	\$54,516.16	\$54,516.16
12/22/21	12/10/21-12/16/21	\$437.43	(\$8.72)	(\$13.88)	\$0.00	\$414.83	\$414.83	\$414.83
01/07/22	09/01/21-12/31/21	\$0.00	\$0.00	\$0.00	\$0.14	\$0.14	\$0.14	\$0.14
01/05/22	12/17/21-12/23/21	\$183.11	(\$3.68)	(\$5.38)	\$0.00	\$174.05	\$174.05	\$174.05
01/10/22	12/24/21-12/30/21	\$203.46	(\$4.06)	(\$6.01)	\$0.00	\$193.39	\$193.39	\$193.39
01/10/22	11/02/21-12/31/21	\$44.09	(\$0.88)	(\$1.30)	\$0.00	\$41.91	\$41.91	\$41.91
01/14/22	12/31/21-01/06/22	\$315.36	(\$6.29)	(\$9.31)	\$0.00	\$299.76	\$299.76	\$299.76
01/24/22	01/07/22-01/13/22	\$40.69	(\$0.84)	(\$0.79)	\$0.00	\$39.06	\$39.06	\$39.06
01/28/22	01/14/22-01/20/22	\$111.90	(\$2.24)	(\$2.19)	\$0.00	\$107.47	\$107.47	\$107.47
TOTAL		\$ 71,856.51	\$ (1,437.07)	\$ (2,800.37)	\$ 0.14	\$ 67,619.21	\$ 67,619.21	\$ 67,619.21

95%	Net Percent Collected
\$ 3,703.52	Balance Remaining to Collect

Tesoro
COMMUNITY DEVELOPMENT DISTRICT
Stormwater Fee Schedule
Fiscal Year 2022

<i>Date</i>	<i>EFT#</i>	<i>Net Receipts</i>
10/12/21	317287	\$194.53
Total		\$ 194.53