



Rizzetta & Company

Somerset Community Development District

Board of Supervisors' Meeting June 5, 2025

**District Office:
120 Richard Jackson Blvd, Suite 220
Panama City Beach, Florida 32407
850-334-9055**

www.somersetcdd.org

SOMERSET COMMUNITY DEVELOPMENT DISTRICT AGENDA

Alys Beach Conference Room, located at
215 Nonesuch Way, Alys Beach, Florida 32461

Board of Supervisors	Robert Stenhammer John Rosenberg George Hartley Belinda Ballew Tom Dodson	Chairman Vice Chairman Assistant Secretary Assistant Secretary Assistant Secretary
District Manager	Kimberly O'Mera	Rizzetta & Company, Inc.
District Counsel	Tucker Mackie	Kutak Rock, LLP
District Engineer	Jim Martelli	Innerlight Engineering

All Cellular phones and pagers must be turned off while in the meeting room.

The Public Comment portion of the agenda is where individuals may make comments on any matters that concern the District. Individuals are limited to a total of three (3) minutes to make comments during this time.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting, hearing, and/or workshop by contacting the District Manager at (850) 334-9055. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

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

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

District Office • 120 Richard Jackson Blvd, Suite 220, Panama City Beach, FL 32407

Mailing Address • 3434 Colwell Avenue, Suite 200, Tampa, FL 33614

www.SomersetCDD.org

May 29, 2025

**Board of Supervisors
Somerset Community
Development District**

REVISED FINAL AGENDA

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Somerset Community Development District will be held on **Thursday, June 5, 2025, at 2:00 p.m. (Central Time)** at the Somerset Conference Hall, located at 215 Nonesuch Way, Alys Beach, FL 32461. The following is the Agenda for this meeting:

- 1. CALL TO ORDER/ROLL CALL**
- 2. AUDIENCE COMMENTS ON AGENDA ITEMS**
- 3. BUSINESS ADMINISTRATION**
 - A. Consideration of Minutes of the Board of Supervisors Meeting Held on April 3, 2025 Tab 1
 - B. Ratification of Operation and Maintenance Expenditures for months of March 2025 – April 2025 Tab 2
 - C. Presentation of Registered Voter Count Tab 3
 - D. Presentation of Year-End Audited Financials for FY2024 Tab 4
- 4. CONSENT AGENDA – RATIFICATION OF MAINTENANCE ITEMS** Tab 5
 - A. WA #25-10 : Bi-Line Repair – Rip’s Professional Lawn Care
 - B. WA #25-04 : Sargassum Removal – Dune Doctors
 - C. WA #25-01 : Palm Fronds Trimming – Arbor Tree Care
 - D. McHenry Electric
 1. WA #25-09 Sea Garden Streetlight Bank
 2. WA #25-10 Well Lighting Repair
 3. WA #25-11 Landscape/Ped Path Lighting Repairs
 - E. Couch Collective, LLC
 1. WA #25-02 : Change Order to Intersection Project
 2. WA #25-03 : Paver Repairs
 - F. AquaPro Water Systems Filtration Corrections
 - G. South Sea Garden Crosswalk Repair – Griffin Traffic Signals
 - H. Lake Marilyn Fountain Pump – Lake Doctors
- 5. BUSINESS ITEMS**
 - A. Discussion/Consideration of Additional Sargassum Removal
 - B. Consideration of Proposal for Top Dressing new Sod..... Tab 6
 - C. Consideration of Proposed Budget for Fiscal Year 2025/2026
 1. Presentation of Proposed Budget Tab 7
 2. Consideration of Resolution 2025-06, Approving Proposed Budget for Fiscal Year 2025/2026 & Setting a Public Hearing Thereon Tab 8
- 6. STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. Facilities Manager
 - D. District Manager
 1. Presentation of District Manager Report.....Tab 9

7. SUPERVISOR REQUESTS AND COMMENTS

8. ADJOURNMENT

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call me at 850-334-9055.

Sincerely,
Kimberly O'Mera
Kimberly O'Mera
District Manager

Tab 1

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

April 3, 2025 - Minutes of Meeting

Page 1

MINUTES OF MEETING

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

**SOMERSET
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Somerset Community Development District was held on **Thursday, April 3, 2025, at 2:00 p.m. (Central Time)** at the Alys Beach Conference Room located at 84 Elbow Road, Building 2, Alys Beach, FL 32461.

Present and constituting a quorum:

Robert Stenhammer	Board Supervisor, Chairman
John Rosenberg	Board Supervisor, Vice Chairman
George Hartley	Board Supervisor, Assistant Secretary
Tom Dodson	Board Supervisor, Assistant Secretary
Belinda Ballew	Board Supervisor, Assistant Secretary

Also present were:

Kimberly O'Mera	District Manager, Rizzetta & Company, Inc.
Jim Martelli	District Engineer, Innerlight Engineering
Tucker Mackie	District Counsel, Kutak Rock, LLP (Via speakerphone)
Mike Spann	Facilities Management, Alys Beach Resorts, LLC.
Doug Lang	Facilities Management, Alys Beach Resorts, LLC.

FIRST ORDER OF BUSINESS

Call to Order

Ms. O'Mera called the meeting to order at 2:02 p.m. and read the roll call, confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

Audience Comments on Agenda Items

There were no audience members present to comment.

THIRD ORDER OR BUSINESS

**Consideration of Minutes of the Board
of Supervisors Meeting Held on
February 6, 2025**

Ms. O'Mera presented the Minutes of the Board of Supervisors' Meeting held on February 6, 2025.

On a motion by Mr. Dodson, seconded by Mr. Rosenberg, with all in favor, the Board approved the Minutes of the Meeting of the Board of Supervisors held on February 6, 2025, for Somerset Community Development District.

FOURTH ORDER OR BUSINESS

**Ratification of Operation and
Maintenance Expenditures for months
of January 2025 – February 2025**

Ms. O'Mera presented the Operation and Maintenance Expenditures for January 2025 and February 2025.

On a motion by Mr. Hartley, seconded by Ms. Ballew, with all in favor, the Board ratified the Operations and Maintenance Expenditures for January 2025 in the amount of \$64,907.74, and February 2025, in the amount of \$35,401.56, for Somerset Community Development District.

FIFTH ORDER OR BUSINESS

**Consideration Consent Agenda –
Ratification of Maintenance Items**

Ms. O'Mera presented maintenance items for discussion and ratification by the Board.

Mr. Dodson had questions concerning a dune crossover project by Development.

On a motion by Mr. Rosenberg, seconded by Mr. Dodson, with all in favor, the Board ratified:

by Mills Supply:

- WA#25-02 – Pump Station Enclosure Repair in the amount of \$165.12

by Griffin Traffic Signals:

- Crosswalk Assembly Repairs in the amount of \$6,925.00

by Couch Collective:

- Intersection paver repairs in the amount of \$1,450.00

by Dune Doctors:

- WA #25-01 – Turtle Bale dune restoration in the amount of \$8,228.00
- WA #25-02 – Gulf Green dune restoration in the amount of \$8,228.00

by Alys Beach Resorts:

- WA #25-01 – C-07 streetlight pole & fixture in the amount of \$5,320.41
- WA #25-02 – XX-01 streetlight pole & fixture in the amount of \$5,320.41
- WA #25-03 – XX-15 streetlight pole & fixture in the amount of \$5,320.41

by McHenry Electric:

- WA #25-06 – XX-01 streetlight removal & installation in the amount of \$2,350.00
- WA #25-06 – C-07 streetlight removal & installation in the amount of \$2,350.00
- WA #25-06 – XX-15 streetlight removal & installation in the amount of \$2,350.00

for Somerset Community Development District.

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

April 3, 2025 - Minutes of Meeting

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SIXTH ORDER OR BUSINESS

**Discussion/Consideration of Bond
Surplus Debt Revenue Funds**

Ms O'Mera turned the discussion over to Ms. Mackie following initial presentation.

Ms. Mackie explained that, although the District typically earns only nominal interest on funds held in the trust account, certain sums—including those in the Debt Service Reserve Account and advance tax collections for principal and interest—must remain in trust until the bonds mature. She noted that the unusually large balance currently on hand likely resulted from the 2016 bond refunding because assessments had already been certified for collection at the pre-refunding level, the District received more funds than were immediately required to service the new, lower-rate debt. As a result, a one-time surplus would have accumulated. Accordingly, this level of accrual does not recur each year. Ms. Mackie indicated that she has requested confirmation from Rizzetta Financial Services which had not yet arrived by the start of the meeting.

Ms. Mackie further explained that under the Trust Indenture, any surplus funds not needed for upcoming principal or interest payments may be directed by the District toward an approved project—or, if no project is determined, the trustee is authorized to release those funds back to the District for its use. She invited the Board to consider whether to designate these funds for a capital project, use them to prepay the bonds, or transfer them into District accounts for other purposes.

On a motion by Mr. Stenhammer, seconded by Mr. Rosenberg, with all in favor, the Board approved the transfer of surplus Debt Service revenue in the amount of \$169,092.67 to the District-held Reserve Fund, subject to Counsel's review and acceptance of responses from Financial Services, for Somerset Community Development District.

SEVENTH ORDER OR BUSINESS

**Consideration of 30A Intersection
Improvements**

1. Presentation of 30A Intersection Study

Mr. Martelli presented the study, noting the study recommends improvements to six (6) intersections.

2. Proposals to Address Recommendations

Ms. O'Mera introduced and presented the proposals received from Couch Collective, LLC and Pat Shae's Concrete, Inc. before turning the discussion over to Mr. Lang.

Mr. Lang provided further detail regarding the scope of work outlined in the proposals, scheduling challenges, and other factors. He made a recommendation to proceed with Couch Collective, LLC and general discussion ensued.

On a motion by Mr. Stenhammer, seconded by Mr. Rosenberg, with all in favor, the Board approved the proposal from Couch Collective, LLC in the amount of \$68,720.00 for the 30A intersection modifications, to be funded as a disbursement from Reserves. The approval is contingent upon acceptance by both the Town Architect and the HOA President. The motion also authorized the preparation and execution of a recurring service agreement with Couch Collective, LLC for Somerset Community Development District.

EIGHTH ORDER OF BUSINESS

Consideration of 30A Sod Project Proposals

Mr. Lang presented the proposals submitted by Rip's Professional Lawn Care, followed by a discussion regarding the anticipated timeline for both projects. Mr. Martelli noted that approval from the Walton County Public Works Department for the asphalt cutting component could take anywhere from a few weeks to one month. He requested that Mr. Lang obtain a detailed description of the cutting process from the vendor to ensure clarity and coordination with the County's requirements.

On a motion by Mr. Dodson, seconded by Mr. Rosenberg, with all in favor, the Board approved the proposals from Rip's Professional Lawn Care for the full replacement of sod along 30A and associated asphalt cutting, including related work by the District Engineer, in a not-to-exceed amount of \$210,000.00, as a disbursement from Reserves for the Somerset Community Development District.

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

April 3, 2025 - Minutes of Meeting

Page 6

NINTH ORDER OR BUSINESS

Consideration of Dune Consultation Proposal

Mr. Stenhammer presented concerns regarding the dune vegetation, noting that the current height of the dunes is obstructing visibility of the Gulf. He explained that the annually permitted trimming is insufficient to manage the issue, and that the District would be seeking leniency from the Florida Department of Environmental Protection (DEP) to explore additional trimming options.

On a motion by Mr. Rosenberg, seconded by Mr. Dodson, with all in favor, the Board approved the proposal from Dune Doctors for dune consultation services in the amount of \$8,175.78, for Somerset Community Development District.

TENTH ORDER OR BUSINESS

Consideration of Amendments to Facility Repair Services Agreement

On a motion by Mr. Hartley, seconded by Mr. Rosenberg, with all in favor, the Board approved the amendment to the Facility Repair Services Agreement with Alys Beach Resorts, LLC, with an April 1, 2025, effective date, for Somerset Community Development District.

ELEVENTH ORDER OR BUSINESS

Ratification of Addendum to Contract for Professional District Services

On a motion by Mr. Dodson, seconded by Ms. Ballew, with all in favor, the Board ratified the final form of the Fifth Addendum to the Contract for Professional District Services with Rizzetta & Company, Inc., for Somerset Community Development District.

TWELFTH ORDER OR BUSINESS

Consideration of Lake Monitoring Agreement Renewal – Lake Doctors

On a motion by Mr. Stenhammer, seconded by Mr. Rosenberg, with all in favor, the Board approved the renewal agreement with Lake Doctors with a 16-month term, for Somerset Community Development District.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Mackie had no specific report to present but invited questions from the Board. There were no questions.

B. District Engineer

1. Proposal for Stormwater O&M Compliance Reporting

Mr. Martelli provided a brief update to the Board regarding prior discussions on Senate Bill 7040, noting the discovery of grandfathering provisions tied to permitting dates. These provisions may exempt the District from compliance with certain rigorous new requirements. He explained that most of the District's permits are Environmental Resource Permits (ERPs) issued through the Northwest Florida Water Management District, which already include inspection and reporting obligations.

Mr. Martelli recommended proceeding with Task No. 1 from the proposal, which includes the creation of an Operation & Maintenance (O&M) Plan. He emphasized the importance of formalizing such a plan as the community matures, especially given that much of the stormwater infrastructure is located beneath roadways, which endure substantial wear and tear. Many homes are connected to this system, and its function depends on proper exfiltration. While current permits already require maintenance, he advised that a comprehensive O&M plan would better support long-term management. The system spans six main components across Alys Beach, each with unique characteristics. Mr. Martelli recommended developing individual O&M plans for each component.

In response to an inquiry from Mr. Stenhammer regarding system condition, Mr. Martelli estimated areas are expected to be in poor shape and would require video inspection of all piping to assess deficiencies. He suggested a phased strategy to address repairs annually based on severity.

General discussion followed regarding anticipated findings and funding strategies, with Mr. Martelli confirming the intent to prioritize the most critical areas first and phase in remaining recommendations over time.

On a motion by Mr. Hartley, seconded by Mr. Dodson, with all in favor, the Board approved Task #1 of the Proposal in the amount of \$22,800.00, for Somerset Community Development District.

2. Presentation of Public Facilities Report

Mr. Martelli presented the Public Facilities Report and answered questions from the Board.

On a motion by Mr. Stenhammer, seconded by Mr. Dodson, with all in favor, the Board approved submission of the Public Facilities Report to Walton County, for Somerset Community Development District.

3. Presentation of Dune Survey with Aerial Overlay

Mr. Martelli presented the survey and general discussion ensued.

C. Facilities Manager

Mr. Lang referred to KK Block dune walkover possibly requiring additional sand. District Staff would follow-up on any necessary actions.

D. District Manager

1. Presentation of District Manager Report

Ms. O'Mera reviewed the District Manager Report and invited questions from the Board. There were no questions.

Mr. Martelli noted that he would not be in attendance at the June 5, 2025, meeting. District Staff will communicate on any needed coverage from his office.

FOURTEENTH ORDER OF BUSINESS

**Supervisor
Comments**

Requests

and

Audience

There were no comments.

FIFTEENTH ORDER OF BUSINESS Adjournment

On a motion by Mr. Hartley, seconded by Mr. Dodson, with all in favor, the Board adjourned the meeting at 3:28 p.m., for Somerset Community Development District.

Secretary/Assistant Secretary	Chairman/ Vice Chairman
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Tab 2

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

District Office · Panama City, Florida · (850) 334-9055
Mailing Address · 3434 Colwell Avenue, Suite 200, Tampa Florida 33614
www.somersetcdd.org

Operations and Maintenance Expenditures March 2025 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from March 1, 2025 through March 31, 2025. This does not include expenditures previously approved by the Board.

The total items being presented: **\$66,816.57**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Somerset Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2025 Through March 31, 2025

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
ALYS Beach Resort LLC	300017	CL00025121	Monthly Facility Management 02/25	\$4,966.00
Aqua Pro Water Systems - FL/GA	300011	106548029	Chemical/Salt Installation 02/25	\$30.00
Aqua Pro Water Systems - FL/GA	300011	106548050	Chemical/Salt Installation 02/25	\$30.00
Aqua Pro Water Systems - FL/GA	300011	106548071	Chemical/Salt Installation 02/25	\$60.00
Aqua Pro Water Systems - FL/GA	300012	106547646	Chemical/Salt Installation 02/25	\$15.27
Aqua Pro Water Systems - FL/GA	300012	106547682	Chemical/Salt Installation 02/25	\$15.00
Aqua Pro Water Systems - FL/GA	300012	106547725	Chemical/Salt Installation 02/25	\$15.00
Aqua Pro Water Systems - FL/GA	300012	106547765	Chemical/Salt Installation 02/25	\$30.00
Dune Doctors, LLC	300020	031225-1	Dune Restoration 03/25	\$2,468.51
Dune Doctors, LLC	300021	020125-9	Quarterly Maintenance Phase 02/25 - 04/25	\$29,354.82
Florida Power & Light Company	20250304-1	21125-35147 01/25 ACH	305 SOMERSET ST 01/25	\$1,639.83
Florida Power & Light Company	20250320-1	21046-33165 02/25 ACH	9954 E COUNTY HIGHWAY 30A 02/25	\$62.58
Florida Power & Light Company	20250320-1	21080-12465 02/25 ACH	9396 E COUNTY HIGHWAY 30A 02/25	\$310.70
Florida Power & Light Company	20250320-1	21125-35816 02/25 ACH	106 N SOMERSET ST 02/25	\$28.41
Florida Power & Light Company	20250320-2	FPL Summary 02/25 ACH	FPL Summary 02/25	\$370.11

Somerset Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2025 Through March 31, 2025

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Florida Power & Light Company	20250331-1	21125-35147 02/25 ACH	305 SOMERSET ST 02/25	\$1,828.09
Grau & Associates, P.A.	300013	26879	Audit Services FY 23/24	\$500.00
Innerlight Engineering Corporation	300022	9907	NPDES Weekly Inspection 01/25-02/25-03/25	\$7,600.00
Kutak Rock, LLP	300018	3535274	Legal Services 01/25	\$754.00
Kutak Rock, LLP	300019	3501408	Legal Services 11/24	\$1,416.00
Mills Supply	300014	10410	Monthly Pump Station Maintenance 03/25	\$225.00
Rip's Professional Lawn Care, Inc.	300015	317615	Monthly Landscape Maintenance 02/25	\$8,975.00
Rizzetta & Company, Inc.	300010	INV0000097486	District Management Fees 03/25	\$5,646.25
The Lake Doctors, Inc.	300016	255247B	Monthly Monitoring/Inspection 03/25	\$51.00
VGlobal Tech	300023	7064	Website ADA Compliance 03/25	<u>\$425.00</u>
Report Total				<u>\$ 66,816.57</u>

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

District Office · Panama City, Florida · (850) 334-9055
Mailing Address · 3434 Colwell Avenue, Suite 200, Tampa Florida 33614
www.somersetcdd.org

Operations and Maintenance Expenditures April 2025 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from April 1, 2025 through April 30, 2025. This does not include expenditures previously approved by the Board.

The total items being presented: **\$119,128.47**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Somerset Community Development District

Paid Operation & Maintenance Expenditures

April 1, 2025 Through April 30, 2025

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
ALYS Beach Resort LLC	300041	CL00025439	Monthly Facility Management 03/25	\$4,966.00
American Site Development, LLC	500001	1094	Buggy Whip Manhole Repair 02/25	\$8,850.00
American Site Development, LLC	500001	1095	St 9 Manhole Repair 02/25	\$12,327.00
Aqua Pro Water Systems - FL/GA	300024	68662492	Chemical/Salt Installation 07/24	\$96.00
Aqua Pro Water Systems - FL/GA	300024	68663770 A	Chemical/Salt Installation 07/24	\$391.50
Arbor Tree Care	300039	0014056	Tree Trimming - Medjool Palms 03/25	\$6,500.00
Association Reserves - Florida, LLC	300025	54273-0FP	50% Reserve Study Balance (2 of 2) 03/25	\$2,412.00
Belinda Ann Ballew	300030	BB040325	Board of Supervisors Meeting 04/03/25	\$200.00
Couch Collective, LLC	300040	CC 2025-22	Paver Repair 03/25	\$1,450.00
Dune Doctors, LLC	300026	032625-1	Dune Restoration - Down Payment 2 03/25	\$2,468.51
Dune Doctors, LLC	300042	032825-2	Dune Restoration - Final Balance 2 03/25	\$5,760.00
Dune Doctors, LLC	300043	032825-1	Dune Restoration - Final Balance 1 03/25	\$5,760.00
Florida Power & Light Company	20250422-1	21046-33165 03/25 ACH	9954 E COUNTY HIGHWAY 30A 03/25	\$34.90
Florida Power & Light Company	20250422-1	21080-12465 03/25 ACH	9396 E COUNTY HIGHWAY 30A 03/25	\$416.04
Florida Power & Light Company	20250422-1	21125-35147 03/25 ACH	305 SOMERSET ST 03/25	\$2,137.99

Somerset Community Development District

Paid Operation & Maintenance Expenditures

April 1, 2025 Through April 30, 2025

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Florida Power & Light Company	20250422-1	21125-35816 03/25 ACH	106 N SOMERSET ST 03/25	\$28.29
Florida Power & Light Company	20250422-1	FFPL Summary 03/25 ACH	FPL Summary 03/25	\$445.49
George Hartley	300031	GH040325	Board of Supervisors Meeting 04/03/25	\$200.00
Grau & Associates, P.A.	300029	27071	Audit Services FY 23/24	\$2,000.00
Grau & Associates, P.A.	300032	27292	Audit Services FY 23/24	\$1,400.00
Innerlight Engineering Corporation	300027	9921	Engineering Services 09/24 - 03/25	\$8,500.00
Innerlight Engineering Corporation	300033	9920	Public Facilities Report 03/25	\$18,000.00
Innerlight Engineering Corporation	300034	9919	Intersection Widening Study 03/25	\$10,000.00
John Rosenberg	300035	JR040325	Board of Supervisors Meeting 04/03/25	\$200.00
Kutak Rock, LLP	300044	3551040	Legal Services 02/25	\$1,812.50
McHenry Electric, Inc.	500000	26271	Removed and replaced streetlight 03/25	\$2,350.00
McHenry Electric, Inc.	500000	26272	Remove and replace streetlight 03/25	\$2,350.00
McHenry Electric, Inc.	500000	26273	Removed and replaced streetlight 03/25	\$2,350.00
Mills Supply	300045	10448	Monthly Pump Station Maintenance 04/25	\$225.00
Rip's Professional Lawn Care, Inc.	300046	325094	Monthly Landscape Maintenance 03/25	\$8,975.00

Somerset Community Development District

Paid Operation & Maintenance Expenditures

April 1, 2025 Through April 30, 2025

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Rizzetta & Company, Inc.	300028	INV0000098331	District Management Fees 04/25	\$5,646.25
Robert E Stenhammer	300036	RS040325	Board of Supervisors Meeting 04/03/25	\$200.00
The Lake Doctors, Inc.	300037	263314B	Monthly Monitoring/Inspection 04/25	\$51.00
Thomas M Dodson	300038	TD040325	Board of Supervisors Meeting 04/03/25	\$200.00
VGlobal Tech	300047	7190	Website ADA Compliance 04/25	<u>\$425.00</u>
Report Total				<u>\$ 119,128.47</u>

Tab 3

**WALTON COUNTY
SUPERVISOR OF ELECTIONS
Ryan Messer**



571 US HWY 90 E, DeFuniak Springs, FL 32433
Phone: (850) 892-8112 • Fax: (850) 892-8113
votewalton.gov • info@votewalton.gov

Contact Information

Ryan Messer Supervisor
of Elections Walton County
RMesser@votewalton.gov

April 15, 2025

Address

571 US Hwy 90 East, Suite 102
DeFuniak Springs, FL 32433

Tel: (850) 892-8112
Fax: (850) 892-8113

Kimberly O'Mera District Manager
Somerset CDD
120 Richard Jackson Blvd, Ste 220
Panama City Beach, FL 32407

Re: Somerset Community Development District

Dear Ms. O'Mera:

This letter is in response to your request for the number of registered voters within the Somerset Community Development District.

We are showing that there were 140 (one hundred forty) registered voters in that district as of April 15, 2025.

Sincerely,

Ryan Messer, Supervisor of Elections

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 120 RICHARD JACKSON BLVD, SUITE 220, PANAMA CITY BEACH, FLORIDA 32407
MAILING ADDRESS: 3434 COLWELL AVE., SUITE 200, TAMPA, FL 33614

April 1, 2025

Walton County Supervisor of Elections
Ryan Messer, Supervisor
571 US HWY 90 East, Suite 102
DeFuniak Springs, FL 32433

Re: Somerset Community Development District Registered Voters

Dear Mr. Messer:

I am writing to request a letter from your office stating the number of registered voters within the Somerset Community Development District, as of April 15, 2025.

Please forward this information at your earliest convenience to the District's Panama City Beach office. If you need any additional information, or have any questions, please feel free to contact me. Thank you for your assistance with this request.

Sincerely,

Kimberly O'Mera

Kimberly O'Mera
District Manager

Date 4/15/2025
Time 08:48 AM

Ryan Messer
Supervisor of Elections
Active Voters by District/Precinct

WALTON COUNTY, FL

Somerset		<u>Dem</u>	<u>Rep</u>	<u>NPA</u>	<u>Other</u>	<u>Total</u>	<u>White</u>	<u>Black</u>	<u>Hispanic</u>	<u>Other</u>	<u>Male</u>	<u>Female</u>	<u>Other</u>
540	Rosemary Beach Town Hall	18	97	22	3	140	129	0	4	7	66	73	1
Somerset		18	97	22	3	140	129	0	4	7	66	73	1

Tab 4

**SOMERSET
COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024**

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Somerset Community Development District
Walton County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Somerset Community Development District, Walton County, Florida ("District") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2024, and the respective changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 Included in the Financial Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 2, 2025, 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.

April 2, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Somerset Community Development District, Walton County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2024. 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 liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$2,486,146).
- The change in the District's total net position in comparison with the prior fiscal year was \$716,857, 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, 2024, the District's governmental funds reported combined ending fund balances of \$3,294,073, an increase of \$591,859 in comparison with the prior fiscal year. The total fund balance is non-spendable for prepaid items, restricted for debt service, assigned to capital reserves, 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 revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management), and maintenance and operations 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: the 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 outflows 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 two governmental funds 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 and debt service fund, both of which are considered major funds.

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, liabilities exceeded assets 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,		
	2024	2023
Current and other assets	\$ 3,410,099	\$ 2,783,055
Capital assets, net of depreciation	4,076,016	4,512,618
Total assets	7,486,115	7,295,673
Current liabilities	280,634	254,616
Long-term liabilities	9,691,627	10,244,060
Total liabilities	9,972,261	10,498,676
Net position		
Net investment in capital assets	(5,615,611)	(5,731,442)
Restricted	439,172	384,464
Unrestricted	2,690,293	2,143,975
Total net position	\$ (2,486,146)	\$ (3,203,003)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

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

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,		
	2024	2023
Revenues:		
Program revenues		
Charges for services	\$ 2,597,603	\$ 2,524,012
Operating grants and contributions	34,291	20,391
General revenues		
Unrestricted investment earnings	67,378	21,157
Miscellaneous revenue	-	7,000
Total revenues	<u>2,699,272</u>	<u>2,572,560</u>
Expenses:		
General government	160,843	113,776
Maintenance and operations	1,416,112	996,187
Interest on long-term debt	405,460	429,343
Total expenses	<u>1,982,415</u>	<u>1,539,306</u>
Change in net position	716,857	1,033,254
Net position - beginning	<u>(3,203,003)</u>	<u>(4,236,257)</u>
Net position - ending	<u>\$ (2,486,146)</u>	<u>\$ (3,203,003)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2024 was \$1,982,415. The costs of the District's activities were primarily funded by program revenues. Program revenues were comprised primarily of assessments during the current and prior fiscal years. In total, expenses, including depreciation, increased from the prior fiscal year. The majority of the increase was the result of an increase in maintenance and operations expenses.

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, 2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2024, the District had \$10,915,038 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$6,839,022 has been taken, which resulted in a net book value of \$4,076,016. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2024, the District had \$9,660,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET 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 Somerset Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

FINANCIAL STATEMENTS

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 2,213,292
Investments	560,471
Assessments receivable	10
Prepaid items	32,546
Restricted assets:	
Investments	603,780
Capital assets:	
Depreciable, net	<u>4,076,016</u>
Total assets	<u>7,486,115</u>
 LIABILITIES	
Accounts payable and accrued expenses	116,026
Accrued interest payable	164,608
Non-current liabilities:	
Due within one year	575,000
Due in more than one year	<u>9,116,627</u>
Total liabilities	<u>9,972,261</u>
 NET POSITION	
Net investment in capital assets	(5,615,611)
Restricted for debt service	439,172
Unrestricted	<u>2,690,293</u>
Total net position	<u>\$ (2,486,146)</u>

See notes to the financial statements

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Primary government:				
Governmental activities:				
General government	\$ 160,843	\$ 160,843	\$ -	\$ -
Maintenance and operations	1,416,112	1,458,450	-	42,338
Interest on long-term debt	405,460	978,310	34,291	607,141
Total governmental activities	1,982,415	2,597,603	34,291	649,479
General revenues:				
Unrestricted investment earnings				67,378
Total general revenues				67,378
Change in net position				716,857
Net position - beginning				(3,203,003)
Net position - ending				\$ (2,486,146)

See notes to the financial statements

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
BALANCE SHEET –
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Major Funds		Total
	General	Debt Service	Governmental Funds
ASSETS			
Cash	\$ 2,213,292	\$ -	\$ 2,213,292
Investments	560,471	603,780	1,164,251
Accounts receivable	10	-	10
Prepaid items	32,546	-	32,546
Total assets	<u>\$ 2,806,319</u>	<u>\$ 603,780</u>	<u>\$ 3,410,099</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 116,026	\$ -	\$ 116,026
Total liabilities	<u>116,026</u>	<u>-</u>	<u>116,026</u>
 Fund balances:			
Nonspendable:			
Prepaid items	32,546	-	32,546
Restricted for:			
Debt service	-	603,780	603,780
Assigned to:			
Capital reserves	2,046,674	-	2,046,674
Unassigned	611,073	-	611,073
Total fund balances	<u>2,690,293</u>	<u>603,780</u>	<u>3,294,073</u>
 Total liabilities and fund balances	<u>\$ 2,806,319</u>	<u>\$ 603,780</u>	<u>\$ 3,410,099</u>

See notes to the financial statements

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Fund balance - governmental funds		\$ 3,294,073
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	10,915,038	
Accumulated depreciation	<u>(6,839,022)</u>	4,076,016

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(164,608)	
Original issue (premium)/discount	(31,627)	
Bonds payable	<u>(9,660,000)</u>	<u>(9,856,235)</u>
Net position of governmental activities		<u>\$ (2,486,146)</u>

See notes to the financial statements

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

	Major Funds		Total Governmental Funds
	General	Debt Service	
REVENUES			
Assessments	\$ 1,619,293	\$ 978,310	\$ 2,597,603
Interest income	67,378	34,291	101,669
Total revenues	1,686,671	1,012,601	2,699,272
EXPENDITURES			
Current:			
General government	160,843	-	160,843
Maintenance and operations	979,510	-	979,510
Debt service:			
Principal	-	550,000	550,000
Interest	-	417,060	417,060
Total expenditures	1,140,353	967,060	2,107,413
Excess (deficiency) of revenues over (under) expenditures	546,318	45,541	591,859
Fund balances - beginning	2,143,975	558,239	2,702,214
Fund balances - ending	\$ 2,690,293	\$ 603,780	\$ 3,294,073

See notes to the financial statements

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Net change in fund balances - total governmental funds	\$	591,859
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Amounts reported for governmental activities in the statement of activities are different because:

Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.		550,000
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Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.		(436,602)
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Amortization of the issuance premium is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.		2,433
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The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements.		9,167
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Change in net position of governmental activities	\$	<u>716,857</u>
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See notes to the financial statements

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Somerset Community Development District (the "District") was established by Walton County Ordinance No. 05-04 enacted on April 1, 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 purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by landowners of 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, 2024, three of the Board members are affiliated with EBSCO Gulf Coast Development, Inc. ("Developer").

The Board has the responsibility for:

1. Allocating 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 collected 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 imposed on assessable lands located within the District. Assessments may be levied on property to pay for the operations and maintenance of the District. The fiscal year for which annual assessments may be levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been 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 funds:

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.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the 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 on hand and demand deposits are considered to be cash and cash equivalents.

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.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

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 governmental 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.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Erosion control structures	25
Surface water treatment	25

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

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 ratably 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) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- 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 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, 2024:

	Amortized Cost	Fair Value	Credit Risk	Maturities
First American Treasury Obligations Fund Class Y	\$ 603,780	\$ -	S&P AAAM	Weighted average of the fund portfolio: 31 days
FL Class	-	560,471	S&P AAAM	Weighted average of the fund portfolio: 30 days
Total Investments	<u>\$ 603,780</u>	<u>\$ 560,471</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.

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.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2024 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental activities</u>				
Capital assets, being depreciated				
Erosion control structures	\$ 933,321	\$ -	\$ -	\$ 933,321
Surface water treatment	9,981,717	-	-	9,981,717
Total capital assets, being depreciated	10,915,038	-	-	10,915,038
Less accumulated depreciation for:				
Erosion control structures	(597,328)	(37,333)	-	(634,661)
Surface water treatment	(5,805,092)	(399,269)	-	(6,204,361)
Total accumulated depreciation	(6,402,420)	(436,602)	-	(6,839,022)
Total capital assets, being depreciated, net	4,512,618	(436,602)	-	4,076,016
Governmental activities capital assets, net	\$ 4,512,618	\$ (436,602)	\$ -	\$ 4,076,016

Depreciation expense was charged to the maintenance and operations function.

NOTE 6 – LONG-TERM LIABILITIES

On April 5, 2022, the District issued \$10,745,000 of Capital Improvement Revenue Refunding Bonds, Series 2022 consisting of various Term Bonds due May 1, 2037 with fixed interest rate ranging from 3.00% to 4.20%. The Bonds were issued to refund a portion of the District's outstanding Capital Improvements Revenue Bonds, Series 2005 (the "Refunded Bonds") and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2022. Principal on the Bonds is to be paid serially commencing May 1, 2023 through May 1, 2037.

The Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2024.

Changes in long-term liability activity for the fiscal year ended September 30, 2024 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2022	\$ 10,210,000	\$ -	\$ (550,000)	\$ 9,660,000	\$ 575,000
Plus: original issue premium	34,060	-	(2,433)	31,627	-
Total	<u>\$ 10,244,060</u>	<u>\$ -</u>	<u>\$ (552,433)</u>	<u>\$ 9,691,627</u>	<u>\$ 575,000</u>

At September 30, 2024, the scheduled debt service requirements on the long-term debt were as follows:

Year ending, September 30:	Governmental Activities		
	Principal	Interest	Total
2025	\$ 575,000	\$ 395,060	\$ 970,060
2026	600,000	372,060	972,060
2027	625,000	348,060	973,060
2028	650,000	323,060	973,060
2029	675,000	297,060	972,060
2030-2034	3,825,000	1,054,920	4,879,920
2035-2037	2,710,000	230,790	2,940,790
Total	<u>\$ 9,660,000</u>	<u>\$ 3,021,010</u>	<u>\$ 12,681,010</u>

NOTE 7 – DEVELOPER TRANSACTIONS

The Developer owns a portion of the land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

NOTE 8 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

NOTE 9 – COST SHARE AGREEMENT

The District entered into a cost share agreement with the ALYS Beach Neighborhood Association ("Association"), whereby the Association would contract a vendor for landscaping and related services and be reimbursed by the District. Pursuant to the agreement, the District reimbursed the Association \$139,839 for current year services.

NOTE 10 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 11 – 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.

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 1,595,252	\$ 1,619,293	\$ 24,041
Interest Income	-	67,378	67,378
Total revenues	<u>1,595,252</u>	<u>1,686,671</u>	<u>91,419</u>
EXPENDITURES			
Current:			
General government	134,010	160,843	(26,833)
Maintenance and operations	1,461,242	979,510	481,732
Total expenditures	<u>1,595,252</u>	<u>1,140,353</u>	<u>454,899</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	546,318	<u>\$ 546,318</u>
Fund balance - beginning		<u>2,143,975</u>	
Fund balance - ending		<u>\$ 2,690,293</u>	

See notes to required supplementary information

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON 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, 2024.

**SOMERSET COMMUNITY DEVELOPMENT DISTRICT
WALTON COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	0
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	5
Employee compensation	\$0
Independent contractor compensation	\$180,139
Construction projects to begin on or after October 1; (\$65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance: \$1,522.95 - \$2,030.60 Debt service: \$939.33 - \$1,252.44
Special assessments collected	\$2,597,603
Outstanding Bonds:	See Note 6 for details



**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
Somerset Community Development District
Walton County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Somerset Community Development District, Walton County, Florida ("District") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated April 2, 2025.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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.

April 2, 2025



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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Boca Raton, Florida 33431
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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
Somerset Community Development District
Walton County, Florida

We have examined Somerset Community Development District, Walton 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, 2024. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

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 Somerset Community Development District, Walton County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

April 2, 2025



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

To the Board of Supervisors
Somerset Community Development District
Walton County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Somerset Community Development District, Walton County, Florida ("District") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 2, 2025.

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 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 April 2, 2025, 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 of 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 Somerset Community Development District, Walton County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Somerset Community Development District, Walton 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.

April 2, 2025

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2023-01: Allocation of Tax Revenue

Current Status: Recommendation has been implemented

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, 2023, except as noted above.

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, 2024.

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, 2024.

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, 2024. 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 23.

Tab 5



CONSENT AGENDA – RATIFICATION OF MAINTENANCE ITEMS

A. WA #25-10: Bi-line Repair—Rip’s Professional Lawn Care	\$ 2,097.50
B. WA #25-04: Sargassum Removal—Dune Doctors.....	\$22,125.35
C. WA #25-01 : Palm Fronds Removal—Arbor Tree Care.....	\$ 2,500.00
D. McHenry Electric	
WA #25-09: Sea Garden Streetlight Bank	\$20,491.00
WA #25-10: Well Lighting Repair	\$ 8,228.51
WA #25-11 : Landscape/Ped Path Lighting Repairs.....	\$ 1,892.90
E. Couch Collective:	
WA #25-02 : Change Order to Intersection Project	\$ 6,280.00
WA #25-03 : Paver Repairs	\$ 2,280.00
F. AquaPro Water Systems Filtration Corrections	\$39,974.53
G. South Sea Garden Crosswalk Repair—Griffin Traffic Signals	\$ 3,500.00
H. Lake Marilyn Fountain Pump—Lake Doctors	\$ 2,047.63

Total: \$111,417.42



Somerset Community Development District 30A Intersection Widening Project

A. Sod Replacement Proposal \$179,196.34

- Proposal Includes: Treating old turf, removal, tilling, delivery and installation of new TifTuf sod.
- Irrigation adjustments and heads/nozzles replaced as needed with a \$2,500 not-to-exceed allowance included in proposed cost.

B. Asphalt Cutting Along Highway 30A \$ 9,825.00

- Recommendation by Rip's to "trim" the edge of the roadway to create a cleaner appearance where the sod meets the roadway.
- Proposal Total: \$6,325.00
- Engineering & Permitting estimates:
 - ◆ \$1,500 Engineer's exhibits
 - ◆ \$2,000 Process
 - ◆ Timeline: Approximately 30 days

Total: \$189,021.34



Somerset Community Development District 30A Sod Projects

A. Sod Replacement Proposal \$179,196.34

- Proposal Includes: Treating old turf, removal, tilling, delivery and installation of new TifTuf sod.
- Irrigation adjustments and heads/nozzles replaced as needed with a \$2,500 not-to-exceed allowance included in proposed cost.

B. Asphalt Cutting Along Highway 30A \$ 9,825.00

- Recommendation by Rip's to "trim" the edge of the roadway to create a cleaner appearance where the sod meets the roadway.
- Proposal Total: \$6,325.00
- Engineering & Permitting estimates:
 - ◆ \$1,500 Engineer's exhibits
 - ◆ \$2,000 Process
 - ◆ Timeline: Approximately 30 days

Total: \$189,021.34

FORM OF ADDITIONAL SERVICES ORDER

WORK AUTHORIZATION #25-10 FOR ADDITIONAL LANDSCAPE AND IRRIGATION MAINTENANCE SERVICES

THIS WORK AUTHORIZATION (the “**Work Authorization**”), dated April 17, 2025, authorizes certain work in accordance with that certain *Landscape and Irrigation Maintenance Services Agreement* (the “**Agreement**”), dated October 1, 2021, by and between:

SOMERSET COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Walton County, Florida, and having offices at c/o Rizzetta & Company, Inc., 120 Richard Jackson Blvd., Suite 220, Panama City Beach, Florida 32407 (“**District**”); and

RIP’S PROFESSIONAL LAWN CARE, INC., a Florida corporation, with a mailing address of 511 North Highway 79, Panama City Beach, Florida 32413 (the “**Contractor**,” and collectively with the District, the “**Parties**”).

SECTION 1. SCOPE OF SERVICES. In addition to the Services described in the Agreement and any Exhibits and Amendments thereto, the Contractor will provide additional landscape and irrigation maintenance services, as set forth in the attached **Exhibit A**, which is incorporated herein by reference, all in accordance with the terms of the Agreement (collectively, the “**Additional Services**”).

SECTION 2. COMPENSATION. It is understood and agreed that the payment of compensation for the Additional Services under this Work Authorization shall be in the amount set forth in the attached **Exhibit A**, and in the manner set forth in the Agreement.

SECTION 3. ACCEPTANCE. Acceptance of this Work Authorization will authorize the Contractor to complete the Additional Services as outlined above and is indicated by the signature of the authorized representative of the District and the Contractor in the spaces provided below. Contractor shall commence the aforesaid Additional Services as provided herein and shall perform the same in accordance with the terms and conditions of the Agreement, which, except to the extent expressly altered or changed in this Work Authorization, remain in full force and effect.


[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties hereto have caused this Work Authorization to be executed the day and year first above written.


Secretary Assistant Secretary

SOMERSET COMMUNITY DEVELOPMENT DISTRICT


Chairman, Board of Supervisors


Witness

RIP'S PROFESSIONAL LAWN CARE, INC.


Branch Manager

By: Bradley Morrison
Its: Branch Manager

Exhibit A: Proposal/Scope of Additional Services



Proposal

Proposal No.: 336848

Proposed Date: 04/16/25

PROPERTY:	FOR:
Somerset Community Development District Kim Omera Somerset Community Highway 30A Corridor Inlet Beach, FL 32461	West End Bi - Line Replacement

ITEM	QTY	UOM	UNIT PRICE	EXT. PRICE	TOTAL
Landscape Material					\$2,097.50
2 Wire Bi-Line	175.00	FT	\$1.70	\$297.50	
Labor	24.00	HR	\$75.00	\$1,800.00	
Total:					\$2,097.50

**DUNE MAINTENANCE SERVICES
WORK AUTHORIZATION NO. 25-04**

THIS WORK AUTHORIZATION (“Work Authorization”) is presented according to the requirements of that certain *Agreement between the Somerset Community Development District and Dune Doctors, LLC, for Dune Maintenance Services*, dated October 17, 2023 (“Agreement”), and is made and entered into this 19th day of May 2025, by and between:

SOMERSET COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, located in Walton County, Florida, with a mailing address of 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614 (the “District”); and

DUNE DOCTORS, LLC, a Florida limited liability company, whose address is 1501 North 9th Avenue, Pensacola, Florida 32503 (the “Contractor”).

SECTION 1. SCOPE OF SERVICES. Contractor shall provide the services set forth on the proposal attached hereto as **Exhibit A** (“Services”) in accordance with the terms of the Agreement. **Exhibit A** shall not be incorporated herein, except that **Exhibit A** is applicable to the extent that it states the Work’s scope of services for the labor and materials to be provided under this Agreement and the compensation for the Work. The Agreement and this Work Authorization shall be controlling over any conflict between either document and the provisions of **Exhibit A**.

SECTION 2. COMPENSATION. Payment of compensation for the Services under this Work Authorization shall be based upon the Agreement and as set forth in **Exhibit A**.

SECTION 3. ACCEPTANCE. Acceptance of this Work Authorization will authorize the Contractor to complete the Services as specified in **Exhibit A** and is indicated by the signature of the authorized representative of the District and the Contractor in the spaces provided below. Contractor shall perform the Services in accordance with the terms and conditions of the Agreement, which, except to the extent expressly altered or changed in this Work Authorization, remain in full force and effect.


(SIGNATURES APPEAR ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties hereto have caused this Work Authorization to be executed the day and year first above written.

Attest:


Assistant Secretary/Secretary

Kimberly O'Mera
Print Name



Sydney Woodman (May 19, 2025 13:40 CDT)
Witness

SOMERSET COMMUNITY DEVELOPMENT DISTRICT


Robert Stenhammer (May 19, 2025 12:25 CDT)

By: Robert Stenhammer
Its: Chairman, Board of Supervisors

DUNE DOCTORS, LLC


Frederique Berozet (May 19, 2025 12:44 CDT)

By: Frederique Berozet
Its: Frederique Berozet

Attachment A: Proposal

Exhibit A



Attention: Somerset Community Development District

Via email: robert@alysbeach.com

Re: LETTER OF AGREEMENT FOR ALYS BEACH
FLWAL_CALYSBEACH_L03303_05192025

Project Address: 24 Venture Alley - Alys Beach, FL 32461

Date: May 19, 2025

I am pleased to submit for your review and signature the following Letter of Agreement for your project.

By signing this agreement, you are confirming that you are legally authorized to enter into a contract with Dune Doctors, LLC; furthermore, you confirm your authorization to sign financial obligations and to negotiate terms of this contract.

(Space left blank intentionally)

SARGASSUM CLEANUP	Retainer for the extraction and disposal of Sargassum seaweed (34,500 sq. ft.) across the width of Alys Beach. The estimated project cost may increase depending on additional Sargassum deposition. If a credit remains, it shall be applied to the next collection of Sargassum.	\$18,961.34
DEBRIS DISPOSAL	Fee for the disposal of debris and trash. *Estimate contingent on the total debris to be removed from the project site. Rental of dumpster(s) may be needed.	*\$2,709.80
SUBJECT MATTER EXPERT	Consulting, planning and permitting services. **Some projects may require additional costs.	**\$454.21

Continued on the next page.

Down Payment: Due Upon Signature	\$6,637.35
Due upon Completion of Phase Preservation:	\$15,488.00
Return this signed Letter of Agreement to: Frederique@DuneDoctors.com	Required to schedule project
Make Checks Payable to: Dune Doctors LLC 1501 North 9th Avenue Pensacola, Florida 32503	Required to commence project

Total Cost of Your Project: \$22,125.35

Please sign and return this document as soon as possible; as no project activity, including reservation of plants, may progress without a signed Letter of Agreement and the required down payment.

Dune Doctors, LLC is honored to be entrusted to complete your coastal erosion control project. Should you have questions or needs please feel free to contact us at (850) 939-7737; we will be more than happy to discuss your project. At Dune Doctors, we look forward to exceeding your expectations and adding you to our growing list of satisfied customers.

Dune Doctors, LLC



Frederique Beroset
Owner, MBA & MS Biology

DATE: May 19, 2025

SIGNATURE: _____
Authorized Property Agent/Owner

DATE: | _____

PRINT NAME HERE: _____

CONDITIONS

1. Dune Doctors, LLC does NOT warranty damage or destruction of work due to Act of God or negligence outside of our control (examples include watering, foot traffic, storm damage and maintenance not performed by Dune Doctors, LLC, etc.)
2. All proposals are valid for 90 days.
3. Dune Doctors' work does not guarantee the elimination of all storm-related damage, but endeavors to be a natural insurance policy to mitigate storm-impact to your property and potential special assessment costs.

WORK AUTHORIZATION #25-1

May 1, 2025

Somerset Community Development District
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Subject: **Work Authorization Number 3 (“Work Authorization”)**
Somerset Community Development District

Dear Board of Supervisors:

Arbor Tree Care, LLC (“Contractor”) is pleased to submit this work authorization to provide palm tree maintenance services for the Somerset Community Development District (“District”). We will provide these services pursuant to our current *Agreement Between the Somerset Community Development District and Arbor Tree Care, LLC, for Palm Tree Maintenance Services* dated April 23, 2024 (“Agreement”) as follows:

I. Scope of Work

The District hereby engages the services of Contractor to perform the work described in **Attachment A**, attached hereto. **Attachment A** shall not be incorporated herein, except that **Attachment A** is applicable to the extent that it states the Work’s scope of services for the labor and materials to be provided under this Agreement and the price. Otherwise, none of the provisions of **Attachment A** shall apply to this Work Authorization and the Agreement.

II. Fees

The District will compensate Contractor at the price listed in **Attachment A** in accordance with the terms of the Agreement and this Work Authorization.

This Work Authorization, together with the Agreement, represents the entire understanding between the District and Contractor with regard to the referenced Work Authorization. If you wish to accept this Work Authorization, please sign below where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule the approved services.

Sincerely,


Christopher D. B. (May 27, 2025 16:58 CDT)

Authorized Representative of
Arbor Tree Care, LLC

APPROVED AND ACCEPTED

By: Robert Stenhammer
Robert Stenhammer (May 27, 2025 13:38 CDT)
Chair/Vice-Chair, Board of Supervisors
Somerset Community Development District

Date: May 27, 2025

ATTACHMENT A

From: Arbor Tree Care

PO Box 36022 Panama City, FL 32412
(850)785-0153

Balance Due:

\$2,500.00

Date of Issue:

5/1/2025

**Bill To: Somerset Community
Development District Rizzetta &
Co. Inc.**

3434 Colwell Ave suite 200,
Tampa, FL 33614, USA
8507142995

Due Date:

5/31/2025

Item	Rate (excl. tax)	Quantity	Tax	Total
Tree Trimming WO# 195204 Trim 30A palms for hanging fronds	\$2,500.00	1		\$2,500.00

RECEIVED
05/20/25

Subtotal	\$2,500.00
Total	\$2,500.00

Terms & Conditions:

Payment of invoices due on due date specified, or may be subject to late payment fees or interest charges. If paying by check, please disregard 3% credit processing fee.

Proposal #: 26275
Amount: \$ 20,491.00

WORK AUTHORIZATION FOR MAINTENANCE SERVICES

This Work Authorization (the “**Work Authorization**”), dated April 28, 2025, authorizes certain work in accordance with that certain *AGREEMENT BETWEEN THE SOMERSET COMMUNITY DEVELOPMENT DISTRICT AND MCHENRY ELECTRIC, INC., FOR GENERAL MAINTENANCE SERVICES* (the “**Agreement**”), dated April 6, 2022, by and between:

SOMERSET COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Walton County, Florida, and whose mailing address is 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614 (the “**District**”); and

MCHENRY ELECTRIC, INC., a Florida for profit corporation, with a mailing address of 50 Hatchew Road, Miramar Beach, Florida 32550 (hereinafter “**Contractor**”, together with District the “**Parties**”).

Section 1. Scope of Services. Contractor shall provide repair and maintenance services, as set forth in the attached **Exhibit A**, which is incorporated herein by reference, all in accordance with the terms of the Agreement (collectively, the “**Services**”).

Section 2. Compensation and Term. It is understood and agreed that the payment of compensation for the Services under this Work Authorization shall be in the amount and for the term set forth in the attached **Exhibit A**, and in the manner set forth in the Agreement.

Section 3. Acceptance. Acceptance of this Work Authorization will authorize the Contractor to complete the Services as outlined above and is indicated by the signature of the authorized representative of the District and the Contractor in the spaces provided below. Contractor shall commence the aforesaid Services as provided herein and shall perform the same in accordance with the terms and conditions of the Agreement, which, except to the extent expressly altered or changed in this Work Authorization, remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Work Authorization to be executed the day and year first above written.

SOMERSET COMMUNITY DEVELOPMENT DISTRICT


Assistant Secretary


Robert Stenhammer (Apr 28, 2025 15:39 CDT)

By: Robert Stenhammer
Its: CDD Chairman

MCHENRY ELECTRIC, INC.

Niki Carr
Niki Carr (Apr 28, 2025 15:59 CDT)
Witness


D Clayton McHenry (Apr 29, 2025 17:54 CDT)

By: D Clayton McHenry
Its: D. Clayton McHenry

Exhibit A: Proposal/Scope of Services

McHenry Electric Inc
50 Hatchew Road
Miramar Beach, FL 32550
(850) 837-9003
customerservice@mchenryelectric.com



INVOICE

BILL TO
Somerset CDD C/O Rizzetta & Company, Inc
3434 Colwell Ave Suite 200
Tampa, FL 33614

INVOICE 26275
DATE 03/25/2025
TERMS Net 10
DUE DATE 04/04/2025

P.O. NUMBER
TBS and MM-03 streetlights

DESCRIPTION	QTY	AMOUNT
A) Electrical wiring to T.B.S. and MM-03 streetlights.	1	20,491.00

Net 10 Days. A finance charge of 1.5% per month (18% per annum) will be charged on unpaid balances. Thank you for your business!	SUBTOTAL	20,491.00
	TAX	0.00
	TOTAL	20,491.00

BALANCE DUE		\$20,491.00

WORK AUTHORIZATION FOR MAINTENANCE SERVICES #25-10

This Work Authorization (the “**Work Authorization**”), dated May 12, 2025, authorizes certain work in accordance with that certain *AGREEMENT BETWEEN THE SOMERSET COMMUNITY DEVELOPMENT DISTRICT AND MCHENRY ELECTRIC, INC., FOR GENERAL MAINTENANCE SERVICES* (the “**Agreement**”), dated April 6, 2022, by and between:

SOMERSET COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Walton County, Florida, and whose mailing address is 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614 (the “**District**”); and

MCHENRY ELECTRIC, INC., a Florida for profit corporation, with a mailing address of 50 Hatchew Road, Miramar Beach, Florida 32550 (hereinafter “**Contractor**”, together with District the “**Parties**”).

Section 1. Scope of Services. Contractor shall provide repair and maintenance services, as set forth in the attached **Exhibit A**, which is incorporated herein by reference, all in accordance with the terms of the Agreement (collectively, the “**Services**”).

Section 2. Compensation and Term. It is understood and agreed that the payment of compensation for the Services under this Work Authorization shall be in the amount and for the term set forth in the attached **Exhibit A**, and in the manner set forth in the Agreement.

Section 3. Acceptance. Acceptance of this Work Authorization will authorize the Contractor to complete the Services as outlined above and is indicated by the signature of the authorized representative of the District and the Contractor in the spaces provided below. Contractor shall commence the aforesaid Services as provided herein and shall perform the same in accordance with the terms and conditions of the Agreement, which, except to the extent expressly altered or changed in this Work Authorization, remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Work Authorization to be executed the day and year first above written.


Assistant Secretary

SOMERSET COMMUNITY DEVELOPMENT DISTRICT


Robert Stenhammer (May 12, 2025 15:31 CDT)

By: Robert Stenhammer
Its: CDD Chairman

Niki Carr
Niki Carr (May 14, 2025 10:14 CDT)
Witness

MCHENRY ELECTRIC, INC.


Michael GAiley (May 12, 2025 16:02 CDT)

By: Michael GAiley
Its: Project Manager

Exhibit A: Proposal/Scope of Services

McHenry Electric Inc
50 Hatchew Road
Miramar Beach, FL 32550
(850) 837-9003
customerservice@mchenryelectric.com



INVOICE

BILL TO
Kim O'Mera
Somerset CDD C/O Rizzetta & Company, Inc
3434 Colwell Ave Suite 200
Tampa, FL 33614

INVOICE 26043
DATE 10/31/2024
TERMS Net 10
DUE DATE 11/10/2024

P.O. NUMBER
#181570 K-09 N Charles

DESCRIPTION	QTY	AMOUNT
A) Reinstalled well lights, electrical wiring and owner furnished light post.		
Total Labor & Material	1	327.70

Net 10 Days. A finance charge of 1.5% per month (18% per annum) will be charged on unpaid balances.

SUBTOTAL	327.70
TAX	0.00
TOTAL	327.70

Thank you for your business!

BALANCE DUE \$327.70

04/30/25

Pay invoice

Proposal #: Inv: 26266, 26267, 26269

Amount: \$ 1,892.90

WORK AUTHORIZATION FOR MAINTENANCE SERVICES #25-11

This Work Authorization (the “**Work Authorization**”), dated May 12, 2025, authorizes certain work in accordance with that certain *AGREEMENT BETWEEN THE SOMERSET COMMUNITY DEVELOPMENT DISTRICT AND MCHENRY ELECTRIC, INC., FOR GENERAL MAINTENANCE SERVICES* (the “**Agreement**”), dated April 6, 2022, by and between:

SOMERSET COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Walton County, Florida, and whose mailing address is 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614 (the “**District**”); and

MCHENRY ELECTRIC, INC., a Florida for profit corporation, with a mailing address of 50 Hatchew Road, Miramar Beach, Florida 32550 (hereinafter “**Contractor**”, together with District the “**Parties**”).


Section 1. Scope of Services. Contractor shall provide repair and maintenance services, as set forth in the attached **Exhibit A**, which is incorporated herein by reference, all in accordance with the terms of the Agreement (collectively, the “**Services**”).

Section 2. Compensation and Term. It is understood and agreed that the payment of compensation for the Services under this Work Authorization shall be in the amount and for the term set forth in the attached **Exhibit A**, and in the manner set forth in the Agreement.

Section 3. Acceptance. Acceptance of this Work Authorization will authorize the Contractor to complete the Services as outlined above and is indicated by the signature of the authorized representative of the District and the Contractor in the spaces provided below. Contractor shall commence the aforesaid Services as provided herein and shall perform the same in accordance with the terms and conditions of the Agreement, which, except to the extent expressly altered or changed in this Work Authorization, remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Work Authorization to be executed the day and year first above written.

SOMERSET COMMUNITY DEVELOPMENT DISTRICT


Assistant Secretary


Robert Stenhammer (May 12, 2025 15:35 CDT)

By: Robert Stenhammer
Its: CDD Chairman

MCHENRY ELECTRIC, INC.

Niki Carr
Niki Carr (May 14, 2025 10:14 CDT)
Witness


Michael GAiley (May 12, 2025 16:00 CDT)

By: Michael GAiley
Its: Project Manager

Exhibit A: Proposal/Scope of Services

McHenry Electric Inc
50 Hatchew Road
Miramar Beach, FL 32550
(850) 837-9003
customerservice@mchenryelectric.com



INVOICE

BILL TO
Kim O'Mera
Somerset CDD C/O Rizzetta & Company, Inc
3434 Colwell Ave Suite 200
Tampa, FL 33614

INVOICE 26266
DATE 03/24/2025
TERMS Net 10
DUE DATE 04/03/2025

P.O. NUMBER
JJ-09 / WO #190186

DESCRIPTION	QTY	AMOUNT
A) Troubleshoot circuit for PED path lights at the corner of JJ-09.		
B) Technician discovered a bad wire that runs under the stone PED path.		
C) Furnished and installed new wire in conduit to refeed south side of path.		
D) Furnished and installed wire between JJ-08 and JJ-09 to replace damaged.		
E) Furnished and installed (1) nightscape path light South of JJ-08.		
WO #190186		
Total Labor and Material	1	885.00

Net 10 Days. A finance charge of 1.5% per month (18% per annum) will be charged on unpaid balances.	SUBTOTAL	885.00
	TAX	0.00
Thank you for your business!	TOTAL 04/30/25	885.00

BALANCE DUE		\$885.00

McHenry Electric Inc
50 Hatchew Road
Miramar Beach, FL 32550
(850) 837-9003
customerservice@mchenryelectric.com



INVOICE

BILL TO
Kim O'Mera
Somerset CDD C/O Rizzetta & Company, Inc
3434 Colwell Ave Suite 200
Tampa, FL 33614

INVOICE 26267
DATE 03/24/2025
TERMS Net 10
DUE DATE 04/03/2025

P.O. NUMBER
Hwy 30A Lights / WO #190889

DESCRIPTION	QTY	AMOUNT
A) Troubleshoot circuits for (4) up lights in different locations.		
B) Technician discovered (1) bad bulb, (2) defective fixtures, and (2) neutral circuits were connected incorrectly in pedestals.		
C) Installed (1) owner furnished bulb from old fixture to replace faulty.		
D) Furnished and installed (2) focus up lights to replace defective.		
E) Corrected wiring for circuits.		
WO #190889		
Total Labor and Material	1	750.00

Net 10 Days. A finance charge of 1.5% per month (18% per annum) will be charged on unpaid balances.

Thank you for your business!

04/30/25

SUBTOTAL	750.00
TAX	0.00
TOTAL	750.00
BALANCE DUE	\$750.00

McHenry Electric Inc
50 Hatchew Road
Miramar Beach, FL 32550
(850) 837-9003
customerservice@mchenryelectric.com



INVOICE

BILL TO
Kim O'Mera
Somerset CDD C/O Rizzetta & Company, Inc
3434 Colwell Ave Suite 200
Tampa, FL 33614

INVOICE 26269
DATE 03/24/2025
TERMS Net 10
DUE DATE 04/03/2025

P.O. NUMBER
30A lights / WO #191213

DESCRIPTION	QTY	AMOUNT
A) Furnished and installed (1) outlet garden post to replace damaged.		
B) Furnished and installed (1) GFI and (1) in-use cover to replace defective.		
C) Reinstalled owner furnished light on top.		
WO #191213		
Total Labor and Material	1	257.90

Net 10 Days. A finance charge of 1.5% per month (18% per annum) will be charged on unpaid balances.

Thank you for your business!

SUBTOTAL		257.90
TAX		0.00
TOTAL	04/30/25	257.90
BALANCE DUE		\$257.90

WORK AUTHORIZATION #25-02

April 25, 2025

Somerset Community Development District
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Subject: **Work Authorization Number 25-02 ("Work Authorization")**
Somerset Community Development District

Dear Board of Supervisors:

Couch Collective, LLC ("Contractor") is pleased to submit this work authorization to provide paver repair, installation and/or replacement services for the Somerset Community Development District ("District"). We will provide these services pursuant to our current *Agreement for Paver Repair, Installation and Replacement Services* dated April 3, 2025 ("Agreement") as follows:

I. Scope of Work


The District hereby engages the services of Contractor to perform the work described in **Attachment A**, attached hereto. **Attachment A** shall not be incorporated herein, except that **Attachment A** is applicable to the extent that it states the Work's scope of services for the labor and materials to be provided under this Agreement and the price. Otherwise, none of the provisions of **Attachment A** shall apply to this Work Authorization and the Agreement.

II. Fees

The District will compensate Contractor at the price listed in **Attachment A** in accordance with the terms of the Agreement and this Work Authorization.

This Work Authorization, together with the Agreement, represents the entire understanding between the District and Contractor with regard to the referenced Work Authorization. If you wish to accept this Work Authorization, please sign below where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule the approved services.

Sincerely,

 (Apr 28, 2025 16:25 CDT)

Authorized Representative of
Couch Collective, LLC

APPROVED AND ACCEPTED

By: *Robert Stenhammer*
Robert Stenhammer (Apr 28, 2025 15:39 CDT)

Chair/Vice-Chair, Board of Supervisors
Somerset Community Development District

Date: Apr 28, 2025

Attachment A

ESTIMATE

Couch Collective, LLC
PO Box 4733
Santa Rosa Beach, FL 32459-4733

mason@ccollective.llc
+1 (678) 736-9304

Bill to
Alys Beach - CDD

Estimate details

Estimate no.: 1050
Estimate date: 04/25/2025

#	Product or service	Description	Qty	Rate	Amount
1.	Change Order #1 for WAN 25-01	- Additional Radius at East Butteries per Alys Beach Representative - Scope - Demo / Remove Existing Concrete / Soils - Prep / Form / Place Radius to Match - Install 57/89 Stone per AB Standard Detail - Place Road Pavers - Clean ** Pricing is Material and Labor	1	\$6,280.00	\$6,280.00
Total					\$6,280.00

Accepted date

Accepted by

WORK AUTHORIZATION #25-03

May 21, 2025

Somerset Community Development District
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Subject: **Work Authorization Number 25-03 ("Work Authorization")**
Somerset Community Development District

Dear Board of Supervisors:

Couch Collective, LLC ("Contractor") is pleased to submit this work authorization to provide paver repair, installation and/or replacement services for the Somerset Community Development District ("District"). We will provide these services pursuant to our current *Agreement for Paver Repair, Installation and Replacement Services* dated April 3, 2025 ("Agreement") as follows:

I. Scope of Work

The District hereby engages the services of Contractor to perform the work described in **Attachment A**, attached hereto. **Attachment A** shall not be incorporated herein, except that **Attachment A** is applicable to the extent that it states the Work's scope of services for the labor and materials to be provided under this Agreement and the price. Otherwise, none of the provisions of **Attachment A** shall apply to this Work Authorization and the Agreement.

II. Fees

The District will compensate Contractor at the price listed in **Attachment A** in accordance with the terms of the Agreement and this Work Authorization.

This Work Authorization, together with the Agreement, represents the entire understanding between the District and Contractor with regard to the referenced Work Authorization. If you wish to accept this Work Authorization, please sign below where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule the approved services.

Sincerely,

Mason Couch
Mason Couch (May 21, 2025 20:22 CDT)

Authorized Representative of
Couch Collective, LLC

APPROVED AND ACCEPTED

By: *Robert Stenhammer*
Robert Stenhammer (May 21, 2025 12:34 CDT)

Chair/Vice-Chair, Board of Supervisors
Somerset Community Development District

Date: May 21, 2025

Attachment A

ESTIMATE

Couch Collective, LLC
PO Box 4733
Santa Rosa Beach, FL 32459-4733

mason@ccollective.io
+1 (678) 736-9304

Bill to
Somerset CDD

Estimate details

Estimate no.: 1062
Estimate date: 05/19/2025

#	Product or service	Description	Qty	Rate	Amount
1.	Alys Beach - Paver Repair	Intersection of - North Somerset and 30A - West La Garza and 30A	1	\$2,280.00	\$2,280.00
Total					\$2,280.00

Accepted date

Accepted by

WORK AUTHORIZATION #25-01

April 21, 2025

Somerset Community Development District
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Subject: **Work Authorization Number 25-01** (“**Work Authorization**”)
Somerset Community Development District

Dear Board of Supervisors:

Jottis, LLC, d/b/a Aqua Pro Water Systems (“Contractor”) is pleased to submit this work authorization to provide salt system maintenance services for the Somerset Community Development District (“District”). We will provide these services pursuant to our current *Agreement Between the Somerset Community Development District and Aqua Pro Water Systems for Salt System Maintenance Services* dated February 7, 2025 (“Agreement”) as follows:

I. Scope of Work


The District hereby engages the services of Contractor to perform the work described in **Attachment A**, attached hereto. **Attachment A** shall not be incorporated herein, except that **Attachment A** is applicable to the extent that it states the Work’s scope of services for the labor and materials to be provided under this Agreement and the price. Otherwise, none of the provisions of **Attachment A** shall apply to this Work Authorization and the Agreement.

II. Fees

The District will compensate Contractor at the price listed in **Attachment A** in accordance with the terms of the Agreement and this Work Authorization.

This Work Authorization, together with the Agreement, represents the entire understanding between the District and Contractor with regard to the referenced Work Authorization. If you wish to accept this Work Authorization, please sign below where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule the approved services.

Sincerely,


Bragg Jones (Apr 22, 2025 12:18 CDT)
Authorized Representative of
Aqua Pro Water Systems

APPROVED AND ACCEPTED

By: Robert Stenhammer
Robert Stenhammer (Apr 21, 2025 14:09 CDT)
Chair/Vice-Chair, Board of Supervisors
Somerset Community Development District

Date: Apr 21, 2025

Attachment A

AquaPro Water Systems
17710 Beach Park Trl
Panama City Beach, FL 32413
+18503401311
Administrator@aquaprows.com
www.aquaprows.com

Estimate



ADDRESS
Somerset Community Development District 3434 Colwell Avenue c/o Rizzetta & Company 200 Tampa, FL 33614 USA

SHIP TO
Somerset Community Development District 3434 Colwell Avenue c/o Rizzetta & Company 200 Tampa, FL 33614 USA

ESTIMATE #	DATE	
1567	04/18/2025	

ACTIVITY	QTY	RATE	AMOUNT
Sales Clack Valves 1"	16	987.00	15,792.00T
Sales Hard Water Stop valves 13672	16	970.00	15,520.00T
High Capacity Cation Resin, 1 cubic foot (NSF Certified)	40	350.00	14,000.00T
Sales Self cleaning sand filter	4	1,700.00	6,800.00T
Labor 3 days	1	6,000.00	6,000.00

These valves will handle the sand issues much better than the current valves. This will also renew your one year labor warranty.

SUBTOTAL	58,112.00
DISCOUNT 35%	-20,339.20
TAX	2,201.73
TOTAL	\$39,974.53

Accepted By

Accepted Date

Please Remit Payment to:
AquaPro Water Systems
3801 Burton Court
Albany, GA 31721

Payment is due at time of service.
Up to a \$25.00 late fee will be added to an invoice not paid in a timely manner.

**ADDENDUM TO PROPOSAL BETWEEN THE SOMERSET COMMUNITY DEVELOPMENT DISTRICT
("DISTRICT") AND MURDOCK INVESTMENTS, LLC DBA GRIFFIN TRAFFIC SIGNALS
("CONTRACTOR") FOR CROSSWALK ASSEMBLY REPAIR AND REPLACEMENT SERVICES**

District:	Somerset Community Development District	Contractor:	Murdock Investments, LLC dba Griffin Traffic Signals
Mailing Address:	3434 Colwell Avenue, Suite 200 Tampa, Florida 33614	Mailing Address:	5324 E. 14 th Street Panama City, Florida 32404
Phone:	(850) 344-9055	Phone:	(850) 270-2715

The following provisions govern the proposal, dated April 21, 2025, submitted by the Contractor, and attached hereto as **Exhibit A** (hereinafter referred to as the "Proposal," and as modified by this Addendum, the "Agreement") for the following crosswalk assembly repair and replacement services:

1. The Agreement shall be deemed effective as of the date of the full execution of the Agreement and this Addendum.
2. District agrees to compensate Contractor for the services identified in the Proposal at an amount of **Three Thousand Five Hundred Dollars and Zero Cents (\$3,500.00)**, due upon completion of the services identified in Exhibit A.
3. Contractor shall use reasonable care in performing the services and shall be responsible for any harm of any kind to persons or property resulting from Contractor's actions or inactions. Contractor shall defend, indemnify and hold harmless the District, and the District's officers, staff, representatives, and agents, from any and all liabilities, damages, claims, losses, costs, or harm of any kind, including, but not limited to, reasonable attorney's fees, to the extent caused by any acts or omissions of the indemnifying party and persons employed or utilized by the indemnifying party in the performance of the Agreement. The obligations under this paragraph shall be limited to no more than \$1,000,000.00, which amount Contractor agrees bears a reasonable commercial relationship to this Agreement. Nothing in this Section is intended to waive or alter any other remedies that the District may have as against the Contractor.
4. The Contractor or any subcontractor performing the work described in this Agreement shall maintain throughout the term of this Agreement the following insurance:
 - a. Workers' Compensation Insurance in accordance with the laws of the State of Florida.
 - b. Commercial General Liability Insurance covering the Contractor's legal liability for bodily injuries, with limits of not less than \$1,000,000 combined single limit bodily injury and property damage liability, including Independent Contractors Coverage for bodily injury and property damage in connection with subcontractors' operation.
 - c. Automobile Liability Insurance for bodily injuries in limits of not less than \$1,000,000 combined single limit bodily injury and for property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Contractor of any owned, non-owned, or hired automobiles, trailers, or other equipment required to be licensed.

The District, its staff, consultants, agents and supervisors shall be named as additional insureds and certificate holders. The Contractor shall furnish the District with the Certificate of Insurance evidencing compliance with this requirement. No certificate shall be acceptable to the District unless it provides that any change or termination within the policy periods of the insurance coverage, as certified, shall not be effective within thirty (30) days of prior written notice to the District. Insurance coverage shall be from a reputable insurance carrier, licensed to conduct business in the State of Florida.

If the Contractor fails to have secured and maintained the required insurance, the District has the right (without any obligation to do so, however), to secure such required insurance in which event, the Contractor shall pay the cost for that required insurance and shall furnish, upon demand, all information that may be required in connection with the District's obtaining the required insurance.

5. In addition to all manufacturer warranties for materials purchased for purposes of this Agreement, the Contractor agrees all materials furnished under this Agreement shall be new, and that all services and materials shall be of good quality, free from faults and defects, and will conform to the standards and practices for projects of similar design and complexity in an expeditious and economical manner consistent with the best interest of the District. If prior to final acceptance of the work, any of the materials or work are found to be defective, deficient or not in accordance with the Agreement, Contractor shall correct, remove and replace it promptly after receipt of a written notice from the District and correct and pay for any other damage resulting therefrom to District property or the property of landowner's within the District.
6. Contractor further agrees that nothing in the Agreement between the parties shall constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, *Florida Statutes*, or other statute.
7. The Agreement may be terminated immediately by the District for cause, or for any or no reason upon 30 days written notice by either party. Contractor shall not be entitled to lost profits or any other damages of any kind resulting from any such termination by the District, provided however that Contractor shall be entitled to payment for any work provided through the effective date of termination, subject to any offsets.
8. Contractor understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Contractor agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, *Florida Statutes*. Contractor acknowledges that the designated public records custodian for the District is **Kim O'Meara** ("Public Records Custodian"). Among other requirements and to the extent applicable by law, the Contractor 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 the Contractor 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 Contractor'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 the Contractor, the Contractor 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 THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, *FLORIDA STATUTES*, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (850) 334-9055, KOMEARA@RIZZETTA.COM, AND 3434 COLWELL AVENUE, SUITE 200, TAMPA, FLORIDA 33614.

9. The Contractor shall comply with and perform all applicable provisions of Section 448.095, *Florida Statutes*. Accordingly, to the extent required by Florida Statute, Contractor shall register with and use the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all newly hired employees. The District may terminate this Agreement immediately for cause if there is a good faith belief that the Contractor has knowingly violated Section 448.09(1), *Florida Statutes*. By entering into this Agreement, the Contractor represents that no public employer has terminated a contract with the Contractor under Section 448.095(2)(c), *Florida Statutes*, within the year immediately preceding the date of this Agreement.
10. The Contractor agrees to comply with Section 20.055(5), *Florida Statutes*, to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to such section and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), *Florida Statutes*.

11. Contractor certifies it: (i) is not in violation of Section 287.135, Florida Statutes; (ii) is not on the Scrutinized Companies with Activities in Sudan List; (iii) is not on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; (iv) does not have business operations in Cuba or Syria; (v) is not on the Scrutinized Companies that Boycott Israel List; and (vi) is not participating in a boycott of Israel. If the Contractor is found to have submitted a false statement with regards to the prior sentence, has been placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List, has engaged in business operations in Cuba or Syria, and/or has engaged in a boycott of Israel, the District may immediately terminate the Contract.
12. To the extent any of the provisions of this Addendum are in conflict with the provisions of the Agreement, this Addendum controls.

**MURDOCK INVESTMENTS, LLC DBA
GRIFFIN TRAFFIC SIGNALS**

Matt Salmon

By: Matt Salmon

Its: Owner

Date: Apr 21, 2025

**SOMERSET COMMUNITY
DEVELOPMENT DISTRICT**

Robert Stenhammer

Robert Stenhammer (Apr 21, 2025 13:59 CDT)

By: Robert Stenhammer

Its: CDD Chairman

Date: Apr 21, 2025

GRIFFIN TRAFFIC SIGNALS

5324 E. 14th St.
 Panama City, FL 32404

Voice: (850) 270-2715

Email: griffintraffic@gmail.com

PROPOSAL

Proposal Number: WO# 193228

Proposal Date: Apr 21, 2025

Page: 1

To:
Somerset CDD c/o Rizzetta & Company 3434 Colwell Ave, Suite 200 Tampa, FL 33614



Customer ID		
Somerset CDD		
Customer Contact		Payment Terms
		Net 30 Days

Quantity	Item	Description	Unit Price	Amount
1.00		S Sea Garden @ CR 30A: F&I 9' ped pole w/cap, 9x12 push button sign & frame, and a Polara Bulldog push button w/hamess.	3,500.00	3,500.00
Subtotal				3,500.00
Sales Tax				
Freight				0.00
TOTAL PROPOSAL AMOUNT				3,500.00

Bid assumes General Contractor will provide Performance Bond and/or Warranty Bond unless specified in Pay Items.

WORK AUTHORIZATION #25-1

May 29, 2025

Somerset Community Development District
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

Subject: **Work Authorization Number 25-1 (“Work Authorization”)**
Somerset Community Development District

Dear Board of Supervisors:

The Lake Doctors, Inc. (“Contractor”) is pleased to submit this work authorization to provide additional aquatic maintenance and repair services for the Somerset Community Development District (“District”). We will provide these services pursuant to our current *Agreement Between the Somerset Community Development District and The Lake Doctors, Inc., for Pond Inspection and Monitoring Services*, as amended (“Agreement”) as follows:

I. Scope of Work

The District hereby engages the services of Contractor to perform the work described in **Attachment A**, attached hereto. **Attachment A** shall not be incorporated herein, except that **Attachment A** is applicable to the extent that it states the Work’s scope of services for the labor and materials to be provided under this Agreement and the price. Otherwise, none of the provisions of **Attachment A** shall apply to this Work Authorization and the Agreement.

II. Fees

The District will compensate Contractor at the price listed in **Attachment A** in accordance with the terms of the Agreement and this Work Authorization.

This Work Authorization, together with the Agreement, represents the entire understanding between the District and Contractor with regard to the referenced Work Authorization. If you wish to accept this Work Authorization, please sign below where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule the approved services.

Sincerely,

Richard Collier

Richard Collier (May 29, 2025 12:59 CDT)

Authorized Representative of
The Lake Doctors, Inc.

APPROVED AND ACCEPTED

By: Robert Stenhammer

Robert Stenhammer (May 29, 2025 12:50 CDT)

Chair/Vice-Chair, Board of Supervisors
Somerset Community Development District

Date: May 29, 2025

ATTACHMENT A



The Lake Doctors, Inc.
Aquatic Management Services®

Navarre Office
8307 East Bay Boulevard
Navarre, FL 32566
(850) 939-5787
navarre@lakedoctors.com
www.lakedoctors.com

SERVICE ORDER

SALES REP. **GIBSON**

ACCOUNT/SITE Somerset CDD		ACCOUNT # 717616
BILLING NAME		DATE 5/22/2025
BILLING ADDRESS		COUNTY # Bay
CONTACT		PHONE #
EMAIL ADDRESS dlang@alysbeach.com		Email Invoice: Y <input checked="" type="radio"/> N <input type="radio"/>
PO#	MANUFACTURER: AQM <input checked="" type="radio"/> AES <input type="radio"/> KAS <input type="radio"/> LF <input type="radio"/> OA <input type="radio"/> OTT <input type="radio"/> AQC <input type="radio"/> ARM <input type="radio"/> ODS <input type="radio"/>	
SERVICE REQUEST Quote to replace circulator motor.		

NOTES **Motor has failed. This will be a drop off to customer.**

QTY	UNIT	DESCRIPTION	PRICE	EXTENDED
1	EA	Power Unit, Replacement, 0.5HP 120V 60Hz, SS	1,838.67	1,838.67
		Drop Off Charge	125.00	0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00

PARTS TOTAL **\$ 1,838.67**

LABOR

FREIGHT

\$ 75.00

SUBTOTAL

\$ 1,913.67

0.000%

STATE SALES TAX

\$ 0.00

TOTAL

\$ 1,913.67

SERVED BY:

SERVICE DATE:

WORK AUTHORIZED BY:

CUSTOMER SIGNATURE

DATE

The terms and conditions appearing on the reverse side, form an integral part of this Service Order, and CUSTOMER hereby acknowledges that he/she has read and is familiar with the contents thereof.
Pricing is valid thirty (30) days from date of quotation.

Florida Offices

Clearwater (727) 544-7644
Dania Beach (954) 565-7488
Fort Myers (239) 493-2270
Fort Pierce (772) 241-6775

Jacksonville (904) 262-0580
Navarre (850) 939-5787
Sarasota (941) 371-0658
Tallahassee (850) 325-2389

Winter Springs (407) 327-7918

Ohio Offices

Centerville (937) 433-2942
Columbus (614) 987-0938

South Carolina Offices

Myrtle Beach (843) 450-0060
Summerville (843) 873-1911

Tab 6



Rizzetta & Company

Somerset Community Development District

www.somersetcdd.org

Proposed Budget for Fiscal Year 2024-2025

Presented by: Rizzetta & Company, Inc.

**120 Richard Jackson Boulevard, Ste #220
Panama City Beach, FL 32407
Phone: 850-334-9055**

rizzetta.com

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Rizzetta & Company

Proposed Budget Somerset Community Development District General Fund Fiscal Year 2025/2026								Comments
Chart of Accounts Classification		Actual YTD through 04/30/25	Projected Annual Totals 2024/2025	Annual Budget for 2024/2025	Projected Budget variance for 2024/2025	Budget for 2025/2026	Budget Increase (Decrease) vs 2024/2025	
1								
2	ASSESSMENT REVENUES							
3								
4	Special Assessments							
5	Tax Roll*	\$ 608,284	\$ 608,284	\$ 641,835	\$ (33,551)	\$ 727,925	\$ 86,090	
6	Off Roll*	\$ 232,670	\$ 398,862	\$ 233,417	\$ 165,445	\$ 230,327	\$ (3,090)	
7								
8	Assessment Revenue Subtotal	\$ 840,954	\$ 1,007,147	\$ 875,252	\$ 131,895	\$ 958,252	\$ 83,000	
9								
10	OTHER REVENUES							
11								
12	Balance Forward from Prior Year	\$ 40,112	\$ 40,112	\$ 40,112	\$ -	\$ -	\$ (40,112)	
13								
14	Other Revenue Subtotal	\$ 40,112	\$ 40,112	\$ 40,112	\$ -	\$ -	\$ (40,112)	
15								
16	TOTAL REVENUES	\$ 881,066	\$ 1,047,259	\$ 915,364	\$ 131,895	\$ 958,252	\$ 42,888	
17	*Allocation of assessments between the Tax Roll and Off Roll are estimates only and subject to change prior to certification.							
18								
19	EXPENDITURES - ADMINISTRATIVE							
20								
21	Legislative							
22	Supervisor Fees	\$ 2,800	\$ 4,800	\$ 6,000	\$ 1,200	\$ 6,000	\$ -	
23	Financial & Administrative							
24	Accounting Services	\$ 12,384	\$ 21,230	\$ 21,230	\$ 0	\$ 22,079	\$ 849	
25	Administrative Services	\$ 3,670	\$ 6,291	\$ 6,292	\$ 1	\$ 6,554	\$ 262	
26	Arbitrage Rebate Calculation	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ -	
27	Assessment Roll	\$ 6,050	\$ 6,050	\$ 6,050	\$ -	\$ 6,292	\$ 242	
28	Auditing Services	\$ 3,900	\$ 3,900	\$ 3,800	\$ (100)	\$ 3,900	\$ 100	
29	Disclosure Report	\$ 875	\$ 1,500	\$ 1,500	\$ -	\$ 1,500	\$ -	
30	District Engineer	\$ 36,500	\$ 62,571	\$ 36,000	\$ (26,571)	\$ 36,000	\$ -	
31	District Management	\$ 17,665	\$ 30,283	\$ 71,674	\$ 41,391	\$ 74,541	\$ 2,867	
32	Dues, Licenses & Fees	\$ 175	\$ 300	\$ 175	\$ (125)	\$ 175	\$ -	
33	Financial & Revenue Collections	\$ 3,529	\$ 6,050	\$ 6,050	\$ 0	\$ 6,292	\$ 242	
34	Legal Advertising	\$ 919	\$ 1,575	\$ 2,500	\$ 925	\$ 2,500	\$ -	
35	Miscellaneous Fees	\$ -	\$ -	\$ 250	\$ 250	\$ 250	\$ -	
36	Public Officials Liability Insurance	\$ 3,700	\$ 3,700	\$ 3,700	\$ -	\$ 4,163	\$ 463	
37	Trustees Fees	\$ 2,357	\$ 2,357	\$ 4,200	\$ 1,843	\$ 4,200	\$ -	
38	Website Hosting, Maintenance, Backup	\$ 4,375	\$ 7,500	\$ 7,500	\$ -	\$ 7,500	\$ -	
39	Legal Counsel							
40	District Counsel	\$ 10,639	\$ 18,238	\$ 35,000	\$ 16,762	\$ 35,000	\$ -	
41								
42	Administrative Subtotal	\$ 109,538	\$ 176,346	\$ 212,421	\$ 36,075	\$ 217,446	\$ 5,025	
43								
44	EXPENDITURES - FIELD OPERATIONS							
45								
46	Electric Utility Services							
47	Utility - Irrigation	\$ 18,937	\$ 32,463	\$ 30,000	\$ (2,463)	\$ 34,000	\$ 4,000	
48	Utility - Street Lights	\$ 1,751	\$ 3,002	\$ 3,900	\$ 898	\$ 3,900	\$ -	
49	Garbage/Solid Waste Control Services							
50	Trash Compactor Lease Expense	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)	
51	Stormwater Control							
52	Lake/Pond Bank Maintenance & Repair	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	
53	Pond Liner Repair	\$ -	\$ -	\$ 500	\$ 500	\$ -	\$ (500)	
54	Stormwater System Maintenance	\$ 357	\$ 612	\$ 1,250	\$ 638	\$ 1,250	\$ -	
55	Other Physical Environment							
55	Beach & Coastal Environmental Service	\$ -	\$ -	\$ -	\$ -	\$ 23,000	\$ 23,000	
56	Dune Maintenance	\$ 101,853	\$ 174,605	\$ 136,000	\$ (38,605)	\$ 165,000	\$ 29,000	
57	Facility Management	\$ 34,762	\$ 59,592	\$ 59,592	\$ -	\$ 100,572	\$ 40,980	
58	General Liability Insurance & Property Insurance	\$ 26,489	\$ 26,489	\$ 26,489	\$ -	\$ 29,305	\$ 2,816	
59	Irrigation Maintenance & Repair	\$ 7,686	\$ 13,176	\$ 12,100	\$ (1,076)	\$ 12,100	\$ -	
60	Irrigation System - Supply Pump Maintenance	\$ 25,492	\$ 43,701	\$ 12,000	\$ (31,701)	\$ 27,000	\$ 15,000	
61	Irrigation System - Feeder Pump Chemicals	\$ 15,459	\$ 26,501	\$ 60,000	\$ 33,499	\$ 55,000	\$ (5,000)	
62	Landscape Maintenance	\$ 62,825	\$ 107,700	\$ 110,500	\$ 2,800	\$ 107,700	\$ (2,800)	
63	Landscape Replacement - Plants, Shrubs, Palms, Sod	\$ -	\$ -	\$ 45,000	\$ 45,000	\$ 10,000	\$ (35,000)	
64	Landscape Tree Service	\$ 6,500	\$ 11,143	\$ 34,000	\$ 22,857	\$ 34,000	\$ -	

Proposed Budget Somerset Community Development District General Fund Fiscal Year 2025/2026							
Chart of Accounts Classification		Actual YTD through 04/30/25	Projected Annual Totals 2024/2025	Annual Budget for 2024/2025	Projected Budget variance for 2024/2025	Budget for 2025/2026	Budget Increase (Decrease) vs 2024/2025
65	NPDES Inspections	\$ 13,300	\$ 22,800	\$ 30,000	\$ 7,200	\$ 30,000	\$ -
66	Pedestrian Path Lighting Maintenance	\$ 13,777	\$ 23,618	\$ 20,000	\$ (3,618)	\$ 20,000	\$ -
67	Well Maintenance	\$ 1,078	\$ 1,848	\$ 8,200	\$ 6,352	\$ 8,200	\$ -
68	Road & Street Facilities						
69	Crosswalk Maintenance	\$ 4,500	\$ 7,714	\$ 20,000	\$ 12,286	\$ 20,000	\$ -
70	Slip Lane Maintenance	\$ 6,975	\$ 11,957	\$ 40,000	\$ 28,043	\$ 40,000	\$ -
71	Stormwater System Maintenance	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ -
72	Street Light/Decorative Light Maintenance	\$ 2,702	\$ 4,632	\$ 20,000	\$ 15,368	\$ 7,500	\$ (12,500)
73	Contingency						
74	Miscellaneous Contingency	\$ 6,382	\$ 10,941	\$ 2,412	\$ (8,529)	\$ 6,279	\$ 3,867
75							
76	Field Operations Subtotal	\$ 350,825	\$ 582,494	\$ 702,943	\$ 120,449	\$ 740,806	\$ 37,863
77							
78	TOTAL EXPENDITURES	\$ 460,363	\$ 758,840	\$ 915,364	\$ 156,524	\$ 958,252	\$ 42,888
79							
80	EXCESS OF REVENUES OVER EXPENDITURES	\$ 420,703	\$ 288,419	\$ -	\$ 288,419	\$ -	\$ -
81							

Comments	
X	Maintained at the same rate.
	Maintained at the same rate.
	Maintained at the same rate.
X	Maintained at the same rate.
	Maintained at the same rate.
	Budgeting for refinishing, pest control, fixtures, and bulb replacements.
	Amount budgeted for unforeseen expenditures.

Proposed Budget Somerset Community Development District Reserve Fund Fiscal Year 2025/2026								Comments
	Chart of Accounts Classification	Actual YTD through 04/30/25	Projected Annual Totals 2024/2025	Annual Budget for 2024/2025	Projected Budget variance for 2024/2025	Budget for 2025/2026	Budget Increase (Decrease) vs 2024/2025	
1								
2	ASSESSMENT REVENUES							
3								
4	Special Assessments							
5	Tax Roll*	\$ 527,986	\$ 527,986	\$ 527,986	\$ -	\$ 537,064	\$ 9,078	
6	Off Roll*	\$ 86,404	\$ 148,121	\$ 192,014	\$ (43,893)	\$ 169,936	\$ (22,078)	
7								
8	Assessment Revenue Subtotal	\$ 614,390	\$ 676,107	\$ 720,000	\$ (43,893)	\$ 707,000	\$ (13,000)	
9								
10	OTHER REVENUES	\$ -						
11								
12	Balance Forward from Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13								
14	Other Revenue Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
15								
16	TOTAL REVENUES	\$ 614,390	\$ 676,107	\$ 720,000	\$ (43,893)	\$ 707,000	\$ (13,000)	
17	*Allocation of assessments between the Tax Roll and Off Roll are estimates only and subject to change prior to certification.							
18								
19	EXPENDITURES							
20								
21	Contingency							
22	Capital Reserves	\$ 130,690	\$ 224,040	\$ 650,000	\$ 425,960	\$ 707,000	\$ 57,000	
23	30A Traffic Management	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ -	\$ (70,000)	
24								
25	TOTAL EXPENDITURES	\$ 130,690	\$ 224,040	\$ 720,000	\$ 495,960	\$ 707,000	\$ (13,000)	
26								
27	EXCESS OF REVENUES OVER EXPENDITURES	\$ 483,700	\$ 452,067	\$ -	\$ 452,067	\$ -	\$ -	
28								

Somerset Community Development District

Debt Service

Fiscal Year 2025/2026

Chart of Accounts Classification	Series 2022 (Refunding)	Budget for 2025/2026
REVENUES		
Special Assessments		
Net Special Assessments ⁽¹⁾	\$963,485.00	\$963,485.00
TOTAL REVENUES	\$963,485.00	\$963,485.00
EXPENDITURES		
Administrative		
Debt Service Obligation	\$963,485.00	\$963,485.00
Administrative Subtotal	\$963,485.00	\$963,485.00
TOTAL EXPENDITURES	\$963,485.00	\$963,485.00
EXCESS OF REVENUES OVER EXPENDITURES	\$0.00	\$0.00

Walton County Collecction Costs (2%) and Early Payment Discounts (4%):

6.0%

GROSS ASSESSMENTS

\$1,024,984.04

Notes:

1. Tax Roll Collection Costs and Early Payment Discounts are 6.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

⁽¹⁾ Maximum Annual Debt Service less Prepaid Assessments received.

SOMERSET COMMUNITY DEVELOPMENT DISTRICT					
FISCAL YEAR 2025/2026 O&M & DEBT SERVICE ASSESSMENT SCHEDULE					
2025/2026 O&M Budget:		\$1,665,252.00		2024/2025 O&M Budget:	\$1,595,252.00
Collection Costs:	2%	\$35,430.89		2025/2026 O&M Budget:	\$1,665,252.00
Early Payment Discounts:	4%	\$70,861.79			
2025/2026 Total:				Total Difference:	

Lot Size	Assessment Breakdown	Per Unit Annual Assessment Comparison		Proposed Increase / Decrease	
		2024/2025	2025/2026	\$	%
Single Family	Series 2022 Debt Service	\$1,252.44	\$1,252.44	\$0.00	0.00%
	Operations/Maintenance	\$2,030.60	\$2,119.71	\$89.11	4.39%
	Total	\$3,283.04	\$3,372.15	\$89.11	2.71%
Commercial	Series 2022 Debt Service	\$939.33	\$939.33	\$0.00	0.00%
	Operations/Maintenance	\$1,522.95	\$1,589.78	\$66.83	4.39%
	Total	\$2,462.28	\$2,529.11	\$66.83	2.71%

SOMERSET COMMUNITY DEVELOPMENT DISTRICT									
FISCAL YEAR 2025/2026 O&M & DEBT SERVICE ASSESSMENT SCHEDULE									
TOTAL O&M BUDGET					\$1,665,252.00				
COLLECTION COSTS @			2.0%		\$35,430.89				
EARLY PAYMENT DISCOUNT @			4.0%		\$70,861.79				
TOTAL O&M ASSESSMENT					\$1,771,544.68				
UNITS ASSESSED			ALLOCATION OF O&M ASSESSMENT			PER LOT ANNUAL ASSESSMENT			
LOT SIZE	O&M	SERIES 2022 (REFUNDING) DEBT SERVICE ⁽¹⁾	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET	O&M ⁽²⁾	SERIES 2022 (REFUNDING) DEBT SERVICE ⁽²⁾⁽³⁾	TOTAL ⁽⁴⁾
SINGLE & MULTI FAMILY	618	618	1.00	618.00	73.95%	\$1,309,978.60	\$2,119.71	\$1,252.44	\$3,372.15
COMMERCIAL ⁽⁵⁾	22.49	22.49	0.75	16.87	2.02%	\$35,754.15	\$1,589.78	\$939.33	\$2,529.11
Total Platted	640.49	640.49		634.87	75.96%	\$1,345,732.75			
<i>Unplatted</i>									
SINGLE & MULTI FAMILY	169	160	1.00	169.00	20.22%	\$358,230.39	\$2,119.71	\$1,252.44	\$3,372.15
COMMERCIAL ⁽⁵⁾	42.51	31.36	0.75	31.88	3.81%	\$67,581.54	\$1,589.78	\$939.33	\$2,529.11
Total Unplatted	211.51	191.36		200.88	24.04%	\$425,811.93			
Total Community	852	831.85		835.75	100.00%	\$1,771,544.68			
LESS: Walton County Collection Costs (2%) and Early Payment Discounts (4%):						(\$106,292.68)			
Net Revenue to be Collected:						\$1,665,252.00			
⁽¹⁾ Reflects the number of total lots with Series 2022 debt outstanding.									
⁽²⁾ Assessments are allocated on an equal assessment per acre basis until lots are platted.									
⁽³⁾ Annual debt service assessment per lot adopted in connection with the Series 2022 bond issue. Annual assessment includes principal, interest, Walton County collection costs and early payment discounts.									
⁽⁴⁾ Annual assessment that will appear on November 2025 Walton County property tax bill. Amount shown includes all applicable collection costs and early payment discounts (up to 4% if paid early).									
⁽⁵⁾ Commercial squares units respresents 1K per sf.									

GENERAL FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The General Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all General Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

EXPENDITURES – ADMINISTRATIVE:

Supervisor Fees: The District may compensate its supervisors within the appropriate statutory limits of \$200.00 maximum per meeting within an annual cap of \$4,800.00 per supervisor.

Administrative Services: The District will incur expenditures for the day to today operation of District matters. These services include support for the District Management function, recording and preparation of meeting minutes, records retention and maintenance in accordance with Chapter 119, Florida Statutes, and the District's adopted Rules of Procedure, preparation and delivery of agenda, overnight deliveries, facsimiles, and phone calls.

District Management: The District as required by statute, will contract with a firm to provide for the management and administration of the District's day-to-day needs. These services include the conducting of board meetings, workshops, the overall administration of District functions, all required state, and local filings, preparation of the annual budget, purchasing, risk management, preparing various resolutions, and all other secretarial duties requested by the District throughout the year is also reflected in this amount.

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



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Disclosure Report: The District is required to file quarterly and annual disclosure reports, as required in the District's Trust Indenture, with the specified repositories. This is contracted out to a third party in compliance with the Trust Indenture.

Trustee's Fees: The District will incur annual trustee's fees upon the issuance of bonds for the oversight of the various accounts relating to the bond issues.

Assessment Roll: The District will contract with a firm to prepare, maintain and certify the assessment roll(s) and annually levy a non-ad Valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services of the Collection Agent include all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. The Collection Agent also maintains and updates the District's lien book(s) annually and provides for the release of liens on the property after the full collection of bond debt levied on particular properties.

Accounting Services: Services include the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.

Auditing Services: The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting firm, once it reaches certain revenue and expenditure levels, or has issued bonds and incurred debt.

Arbitrage Rebate Calculation: The District is required to calculate the interest earned from bond proceeds each year pursuant to the Internal Revenue Code of 1986. The Rebate Analyst is required to verify that the District has not received earnings higher than the yield of the bonds.

Public Officials Liability Insurance: The District will incur expenditures for public officials' liability insurance for the Board and Staff.

Legal Advertising: The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to meeting schedules, special meeting notices, and public hearings, bidding etc. for the District based on statutory guidelines

Bank Fees: The District will incur bank service charges during the year.

Dues, Licenses & Fees: The District is required to pay an annual fee to the Department of Economic Opportunity, along with other items which may require licenses or permits, etc.

Miscellaneous Fees: The District could incur miscellaneous throughout the year, which may not fit into any standard categories.

Website Hosting, Maintenance and Email: The District may incur fees as they relate to the development and ongoing maintenance of its own website along with possible email services if requested.

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

EXPENDITURES - FIELD OPERATIONS:

Electric Utility Services: The District will incur electric utility expenditures for general purposes such as irrigation timers, lift station pumps, fountains, etc.

Street Lights: The District may have expenditures relating to street lights throughout the community. These may be restricted to main arterial roads or in some cases to all street lights within the District's boundaries.

Aquatic Maintenance: Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species.

Lake/Pond Bank Maintenance: The District may incur expenditures to maintain lake banks, etc. for the ponds and lakes within the District's boundaries, along with planting of beneficial aquatic plants, stocking of fish, mowing and landscaping of the banks as the District determines necessary.

General Liability Insurance: The District will incur fees to insure items owned by the District for its general liability needs

Property Insurance: The District will incur fees to insure items owned by the District for its property needs

Landscape Maintenance: The District will incur expenditures to maintain the rights-of-way, median strips, recreational facilities including pond banks, entryways, and similar planting areas within the District. These services include but are not limited to monthly landscape maintenance, fertilizer, pesticides, annuals, mulch, and irrigation repairs.

Irrigation Maintenance: The District will incur expenditures related to the maintenance of the irrigation systems.

Irrigation Repairs: The District will incur expenditures related to repairs of the irrigation systems.

Landscape Replacement: Expenditures related to replacement of turf, trees, shrubs etc.

Miscellaneous Fees: The District may incur miscellaneous expenses that do not readily fit into defined categories in field operations.

Facilities Management Contract: The District may contract with a firm to provide for the oversight of its recreation facilities.



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Miscellaneous Fees: Monies collected and allocated for fees that the District could incur throughout the year, which may not fit into any standard categories.

Miscellaneous Contingency: Monies collected and allocated for expenses that the District could incur throughout the year, which may not fit into any standard categories.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.

RESERVE FUND BUDGET **ACCOUNT CATEGORY DESCRIPTION**

The Reserve Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Reserve Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Developer Contributions: The District may enter into a funding agreement and receive certain prescribed dollars from the Developer to off-set expenditures of the District.

Miscellaneous Revenues: The District may receive monies for the sale or provision of electronic access cards, entry decals etc.

EXPENDITURES:

Capital Reserve: Monies collected and allocated for the future repair and replacement of various capital improvements such as club facilities, swimming pools, athletic courts, roads, etc.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.



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DEBT SERVICE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The Debt Service Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Debt Service Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Special Assessments: The District may levy special assessments to repay the debt incurred by the sale of bonds to raise working capital for certain public improvements. The assessments may be collected in the same fashion as described in the Operations and Maintenance Assessments.

EXPENDITURES – ADMINISTRATIVE:

Bank Fees: The District may incur bank service charges during the year.

Debt Service Obligation: This would be a combination of the principal and interest payment to satisfy the annual repayment of the bond issue debt.



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Tab 7

RESOLUTION 2025-06
[FY 2026 BUDGET APPROVAL RESOLUTION]

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SOMERSET COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGET(S) FOR FY 2026; SETTING A PUBLIC HEARING THEREON AND DIRECTING PUBLICATION; ADDRESSING TRANSMITTAL AND POSTING REQUIREMENTS; ADDRESSING SEVERABILITY AND EFFECTIVE DATE.

WHEREAS, for the fiscal year beginning October 1, 2025, and ending September 30, 2026 (“**FY 2026**”), the District Manager prepared and submitted to the Board of Supervisors (“**Board**”) of the Somerset Community Development District (“**District**”) prior to June 15, 2025, the proposed budget(s) attached hereto as **Exhibit A (“Proposed Budget”)**; and

WHEREAS, the Board now desires to set the required public hearing on the Proposed Budget.

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget attached hereto as **Exhibit A** is hereby approved preliminarily.

2. **SETTING A PUBLIC HEARING; DIRECTING PUBLICATION.** A public hearing on said approved Proposed Budget is hereby declared and set for the following date, time, and location, and District staff is directed to provide notice of the same in accordance with Florida law:

DATE: August 7, 2025
TIME: 2:00 p.m. (CDT)
LOCATION: Somerset Conference Hall
215 Nonesuch Way
Alys Beach, Florida 32461

3. **TRANSMITTAL TO LOCAL GENERAL PURPOSE GOVERNMENTS; POSTING OF PROPOSED BUDGET.** The District Manager is hereby directed to (i) submit a copy of the Proposed Budget to the applicable local general-purpose government(s) at least 60 days prior to its adoption, and (ii) post the approved Proposed Budget on the District’s website in accordance with Chapter 189, Florida Statutes.

4. **SEVERABILITY; EFFECTIVE DATE.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 5TH DAY OF JUNE 2025.

ATTEST:

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

Secretary / Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A
Proposed Budget

Tab 8



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UPCOMING DATES TO REMEMBER

- **Next Meeting:** August 7, 2025
- **FY 2023-2024 Audit:** Completed
- **Next Election (Seats 1, 4, & 5):** November 2026

District Manager's Report

June 5

2025

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FINANCIAL SUMMARY

April 30, 2025

General Fund Cash & Investment Balance:	\$ 965,563.00
Reserve Fund Cash & Investment Balance:	\$ 2,690,682.00
Total Cash and Investment Balances:	\$ 3,656,245.00

General Fund	
FY24/25 Budget	\$ 915,364.00
TYD Expenditures	\$ 460,363.00
YTD Budget - 4/30/25	\$ 550,833.00
YTD Budget Trend (over)/under	\$ 90,470.00

Reserve Fund	
FY24/25 Budget	\$ 720,000.00
TYD Expenditures	\$ 130,690.00
Remaining FY Budget	\$ 850,690.00
Unbilled Reserve Items	\$ (323,559.27)
	\$ 527,130.73



Noteworthy Items

1. Reserve Study – We will revisit the report following the completion of the Stormwater Reporting by District Engineer to better capture all necessary components.
2. Budget Schedule
 - Final Budget: August 7, 2025
3. Action Item List:

Meeting Date/ Date Added	Meeting Item?	Item	Status	Owner	Description	Notes
9/5/2024	YES	Public Facilities Report	In Progress	District Engineer	Presented at April 3, 2025 BOS Meeting with approval to submit to the County.	Pending confirmation from Jim on transmission to the County.
9/5/2024	YES	Updated Reserve Study	In Progress	District Manager District Counsel	Obtain a proposal from Association Reserves	Additional work needed to capture funding
2/6/2025	YES	Stormwater Bill and O&M Requirements	In Progress	District Engineer	Task #1 approved at April 3, 2025 BOS	Executed
2/20/2025	NO	Update Memorandum of Understanding (MOU)	In Progress	District Manager/ Town Operations/ CDD Chair / HOA President	Enhance current MOU to clarify areas of need and discuss any additional areas	2/20/25: Submitted comments with request for input to TO, Chair, and President.
4/3/2025	YES	Dune Consultation	In Progress	District Manager	Approved, \$8,175.78, Operating Expense	Agreement executed 4/4/25
4/3/2025	YES	Surplus Debt Service Revenue	In Progress	District Manager	Transfer \$169,092.67 to Reserve Fund	Submitted 4/4/25
9/5/2024	YES	30A Sod Replacement	Closed	District Manager/ Town Operations	Presented & approved at April 3, 2025 BOS Meeting. NTE \$210,000	(1) Sod is complete. (2) Permit is in the works, but the asphalt cutting is on 2/20/25 District
9/5/2024	YES	Manhole Repairs	Closed	District Counsel/ District Engineer/ Town Operations	Engineer to inform the vendor of items needing a resolution, confirm completion,	Follow-up inspection scheduled for April 9th at 9AM
9/5/2024	YES	30A Intersection Study	Closed	Town Operations District Engineer	Presented at April 3, 2025 BOS Meeting	
9/5/2024	YES	Compactor Lease Agreement	Closed	Chairman District Manager District Counsel	Approved entering into a lease agreement, subject	