



Rizzetta & Company

Somerset Community Development District

www.somersetcdd.org

**Approved Proposed Budget for
Fiscal Year 2026-2027**

**Presented by: Rizzetta & Company,
Inc.**

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Rizzetta & Company

Proposed Budget
Somerset Community Development District
 General Fund
 Fiscal Year 2026/2027

Chart of Accounts Classification		Actual YTD through 04/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
40	District Counsel	\$ 11,769	\$ 20,175	\$ 35,000	\$ 14,825	\$ 35,000	\$ -
41							
42	Administrative Subtotal	\$ 100,783	\$ 192,625	\$ 217,446	\$ 24,821	\$ 224,698	\$ 7,252
43							
44	EXPENDITURES - FIELD OPERATIONS						
45							
46	Electric Utility Services						
47	Utility - Irrigation	\$ 18,954	\$ 32,493	\$ 34,000	\$ 1,507	\$ 36,500	\$ 2,500
48	Utility - Street Lights	\$ 3,565	\$ 6,111	\$ 3,900	\$ (2,211)	\$ 7,300	\$ 3,400
49	Stormwater Control						
50	Stormwater Monitoring	\$ -	\$ -	\$ -	\$ -	\$ 32,000	
51	Stormwater System Maintenance	\$ 3,126	\$ 5,359	\$ 1,250	\$ (4,109)	\$ 2,000	\$ 750
52	Other Physical Environment						
53	Facility Management	\$ 58,667	\$ 100,572	\$ 100,572	\$ -	\$ 100,572	\$ -
54	General Liability Insurance & Property Insurance	\$ 26,086	\$ 26,086	\$ 29,305	\$ 3,219	\$ 26,090	\$ (3,215)
55	NPDES Inspections	\$ 17,100	\$ 29,314	\$ 30,000	\$ 686	\$ 32,000	\$ 2,000
56	Pedestrian Path Lighting Maintenance	\$ 35,403	\$ 42,563	\$ 20,000	\$ (22,563)	\$ 50,000	\$ 30,000
57	Water Management Monitoring & Reporting	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500
58	Water Quality Monitoring & Testing	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
59	Well Maintenance	\$ 10,562	\$ 15,402	\$ 8,200	\$ (7,202)	\$ 10,000	\$ 1,800
60	Landscape						
61	Irrigation Maintenance & Repair	\$ 27,509	\$ 37,519	\$ 12,100	\$ (25,419)	\$ 30,000	\$ 17,900
62	Irrigation System - Supply Pump Maintenance	\$ 20,486	\$ 35,119	\$ 27,000	\$ (8,119)	\$ 35,200	\$ 8,200
63	Irrigation System - Feeder Pump Chemicals	\$ 39,605	\$ 67,894	\$ 55,000	\$ (12,894)	\$ 76,000	\$ 21,000
64	Landscape Maintenance Contractural	\$ 64,137	\$ 109,950	\$ 107,700	\$ (2,250)	\$ 111,640	\$ 3,940
65	Landscape Maintenance	\$ 1,352	\$ 2,317	\$ -	\$ (2,317)	\$ 4,000	\$ 4,000
66	Landscape Replacement - Plants, Shrubs, Palms, Sod	\$ 2,617	\$ 4,486	\$ 10,000	\$ 5,514	\$ 10,000	\$ -
67	Landscape Tree Service	\$ -	\$ 34,000	\$ 34,000	\$ -	\$ 34,000	\$ -
68	Lake/Pond Bank Maintenance & Repair	\$ -	\$ 2,500	\$ 5,000	\$ 2,500	\$ 5,000	\$ -
69	Road & Street Facilities						
70	Crosswalk Maintenance	\$ -	\$ 6,500	\$ 20,000	\$ 13,500	\$ 20,000	\$ -
71	Slip Lane Maintenance	\$ 5,880	\$ 10,080	\$ 20,000	\$ 9,920	\$ 20,000	\$ -
72	Street Light/Decorative Light Maintenance	\$ 3,625	\$ 6,214	\$ 7,500	\$ 1,286	\$ 8,500	\$ 1,000
73	Stormwater System Maintenance	\$ 4,580	\$ 7,851	\$ 1,000	\$ (6,851)	\$ 5,000	\$ 4,000
74	Beachfront						
75	Beach & Coastal Environmental Service	\$ -	\$ -	\$ 43,000	\$ 43,000	\$ 68,000	\$ 25,000
76	Dune Maintenance	\$ 140,224	\$ 189,142	\$ 165,000	\$ (24,142)	\$ 217,500	\$ 52,500
77	Contingency						
78	Miscellaneous Contingency	\$ -	\$ -	\$ 6,279	\$ 6,279	\$ 5,752	\$ (527)

Comments
Maintained at the same rate.
In line with projections for FY26, , allowance for new meters as additional dev is completed.
In line with projections for FY26, allowance for new meters as additional dev is completed.
New Line Item: Amount budgeted for structural monitoring and system inspection.
For repairs & maintenance of stormwater system not within the roads/streets. Allowance for minor repairs & maintenance not related to Reserve projects.
In line with agreement, monitor through final as digital well readers are installed.
In line with Egis projections for FY27
In line with projections, monitor through final.
New Line Item: Amounts allocated to well reading equipment, software, and other related expenses. Monitor through final.
New Line Item: Moved budget amounts from Stormwater System Maintenance item. Agreement for monitoring Lake Marilyn water quality and allowance for as-needed aquatic treatments.
In line with projections & prior year actuals. FY26 projections include one-time unplanned repairs not expected to repeat in FY27.
Based on projected annual totals with contingency to capture heavy irrigation months.
In line with agreement.
New budget line for instances of repairs/maintenance not included in recurring contractual expense.
No changes in FY27.
Budgeting for up to two trimmings (October & April) and up to one systemic injection, plus continency for fronds
Maintained at the same rate.
Maintained at the same rate. Monitor through final.
Maintained at the same rate.
Budgeting for refinishing, pest control, fixtures, and bulb replacements.
Amount budgeted for potential sargassum removal & studies.
In line with projections. Portion of YTD Actual was reimbursed by landowner.
Amount budgeted for unforeseen expenditures.

Proposed Budget
Somerset Community Development District
 General Fund
 Fiscal Year 2026/2027

Chart of Accounts Classification	Actual YTD through 04/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
79						
80 Field Operations Subtotal	\$ 483,478	\$ 771,473	\$ 740,806	\$ (30,667)	\$ 954,554	\$ 181,748
81						
82 TOTAL EXPENDITURES	\$ 584,261	\$ 964,098	\$ 958,252	\$ (5,846)	\$ 1,179,252	\$ 189,000
83						
84 EXCESS OF REVENUES OVER EXPENDITURES	\$ 411,077	\$ 9,943	\$ -	\$ 9,943	\$ -	\$ 32,000
85						

Comments

Proposed Budget
Somerset Community Development District
Reserve Fund
Fiscal Year 2026/2027

Comments

Chart of Accounts Classification		Actual YTD through 04/30/26	Projected Annual Totals 2025/2026	Annual Budget for 2025/2026	Projected Budget variance for 2025/2026	Budget for 2026/2027	Budget Increase (Decrease) vs 2025/2026
1							
2	ASSESSMENT REVENUES						
3							
4	<i>Special Assessments</i>						
5	Tax Roll*	\$ 539,027	\$ 539,027	\$ 539,027	\$ 0	\$ 729,252	\$ 190,226
6	Off Roll*	\$ 91,610	\$ 167,973	\$ 167,973	\$ (0)	\$ 156,368	\$ (11,606)
7							
8	Assessment Revenue Subtotal	\$ 630,637	\$ 707,000	\$ 707,000	\$ -	\$ 885,620	\$ 178,620
9							
10	OTHER REVENUES	\$ -					
11							
12	Balance Forward from Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13							
14	Other Revenue Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15							
16	TOTAL REVENUES	\$ 630,637	\$ 707,000	\$ 707,000	\$ -	\$ 885,620	\$ 178,620
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	<i>Contingency</i>						
22	Capital Projects - Asset Review Projects	\$ 71,180	\$ 180,000	\$ 180,000	\$ -	\$ -	\$ (180,000)
23	Capital Reserves	\$ 109,143	\$ 187,102	\$ 527,000	\$ 339,898	\$ 885,620	\$ 358,620
24							
25	TOTAL EXPENDITURES	\$ 180,323	\$ 367,102	\$ 707,000	\$ 339,898	\$ 885,620	\$ 178,620
26							
27	EXCESS OF REVENUES OVER EXPENDITURES	\$ 450,314	\$ 339,898	\$ -	\$ 339,898	\$ -	\$ -
28							

Project to be completed in FY26
Increase consolidates funding, including anticipated stormwater infrastructure repairs. Monitor through final.

Somerset Community Development District

Debt Service

Fiscal Year 2026/2027

Chart of Accounts Classification	Series 2022 (Refunding)	Budget for 2026/2027
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 2026/2027 O&M & DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL O&M BUDGET		\$2,064,872.00
COLLECTION COSTS @	2.0%	\$43,933.45
EARLY PAYMENT DISCOUNT @	4.0%	\$87,866.89
TOTAL O&M ASSESSMENT		<u>\$2,196,672.34</u>

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	667	667	1.00	667.00	79.81%	\$1,753,132.46	\$2,628.38	\$1,252.44	\$3,880.82
COMMERCIAL ⁽⁵⁾	28.25	28.25	0.75	21.19	2.54%	\$55,688.90	\$1,971.29	\$939.33	\$2,910.62
Total Platted	695.25	695.25		688.19	82.34%	\$1,808,821.35			
<i>Unplatted</i>									
SINGLE & MULTI FAMILY	120	111	1.00	120.00	14.36%	\$315,406.14	\$2,628.38	\$1,252.44	\$3,880.82
COMMERCIAL ⁽⁵⁾	36.75	25.60	0.75	27.56	3.30%	\$72,444.85	\$1,971.29	\$939.33	\$2,910.62
Total Unplatted	156.75	136.60		147.56	17.66%	\$387,850.99			
Total Community	852	831.85		835.75	100.00%	\$2,196,672.34			

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

(\$131,800.34)

Net Revenue to be Collected:

\$2,064,872.00

⁽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 2026 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 represents 1K per sf.

SOMERSET COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2026/2027 O&M & DEBT SERVICE ASSESSMENT SCHEDULE

2026/2027 O&M Budget:		\$2,064,872.00	2025/2026 O&M Budget:	\$1,665,252.00
Collection Costs:	2%	\$43,933.45	2026/2027 O&M Budget:	\$2,064,872.00
Early Payment Discounts:	4%	\$87,866.89		
2026/2027 Total:		\$2,196,672.34	Total Difference:	\$399,620.00

Lot Size	Assessment Breakdown	Per Unit Annual Assessment Comparison		Proposed Increase / Decrease	
		2025/2026	2026/2027	\$	%
Single Family	Series 2022 Debt Service	\$1,252.44	\$1,252.44	\$0.00	0.00%
	Operations/Maintenance	\$2,119.71	\$2,628.38	\$508.67	24.00%
	Total	\$3,372.15	\$3,880.82	\$508.67	15.08%
Commercial	Series 2022 Debt Service	\$939.33	\$939.33	\$0.00	0.00%
	Operations/Maintenance	\$1,589.78	\$1,971.29	\$381.51	24.00%
	Total	\$2,529.11	\$2,910.62	\$381.51	15.08%

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.



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, well and lift station pumps and equipment, street lighting, safety lighting, 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.

Gas Utility Services: The District may incur gas utility expenditures related to district operations at its facilities such as street lighting, etc.

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.

Landscape Tree Service: The District may incur expenditures to maintain the trees within the District. These services included but are not limited to pruning, treatment, removal, and replacement.

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.

Facility Management: The District may contract with a firm to provide maintenance oversight of its infrastructure.

Maintenance & Repair: The District may incur expenses to maintain its recreation facilities.

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.

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 a combination of the principal and interest payment to satisfy the annual repayment of the bond issue debt.



Rizzetta & Company