



Rizzetta & Company

Paseo Community Development District

www.paseocdd.org

Adopted Budget for Fiscal Year 2018/2019

Presented by: Rizzetta & Company, Inc.

9530 Marketplace Road
Suite 206
Fort Myers, Florida 33912
Phone: 239-936-0913

www.rizzetta.com

Table of Contents

	<u>Page</u>
General Fund Budget Account Category Descriptions	1
Reserve Fund Budget Account Category Descriptions	5
Debt Service Fund Budget Account Category Descriptions	6
General Fund Budget for Fiscal Year 2018/2019	7
Reserve Fund for Fiscal Year 2018/2019	9
Debt Service Fund Budget for Fiscal Year 2018/2019	10
Assessments Charts for Fiscal Year 2018/2019	11 - 12



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:

Interest Earnings: The District may earn interest on its monies in the various operating accounts.

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 management and administration of the District's day to day needs. These service include the conducting of board meetings, workshops, overall administration of District functions, all required state and local filings, preparation of 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.



Rizzetta & Company

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 maintain the assessment roll and annually levy a Non-Ad Valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services 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. These services include, but are not limited to, assessment roll preparation and certification, direct billings and funding request processing as well as responding to property owner questions regarding District assessments. This line item also includes the fees incurred for a Collection Agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on 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.

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:

Security Services and Patrols: The District may wish to contract with a private company to provide security for the District.

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.

Fountain Service Repairs & Maintenance: The District may incur expenses related to maintaining the fountains within throughout the Parks & Recreational areas

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.

Wetland Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various wetlands and waterways by other governmental entities.

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

Entry and Walls Maintenance: The District will incur expenditures to maintain the entry monuments and the fencing.

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

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



Rizzetta & Company

Field Services: The District may contract for field management services to provide landscape maintenance oversight.

Gate Phone: The District will incur telephone expenses if the District has gates that are to be opened and closed.

Street/Sidewalk Cleaning: The District may incur expenses related to street sweeping for roadways it owns or are owned by another governmental entity, for which it elects to maintain.

Sidewalk Repair & Maintenance: Expenses related to sidewalks located in the right of way of streets the District may own if any.

Roadway Repair & Maintenance: Expenses related to the repair and maintenance of roadways owned by the District if any.

Guardhouse Maintenance & Repairs: Any ongoing gate repairs and maintenance would be included in this line item.

Gate phone: The District may incur telephone, and internet expenses for the guardhouse and field manager office.

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.

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



**Adopted Budget
Paseo Community Development District
General Fund
Fiscal Year 2018/2019**

Chart of Accounts Classification	Budget for 2018/2019
REVENUES	
Special Assessments	
Tax Roll*	\$ 1,684,313
TOTAL REVENUES	\$ 1,684,313
Balance Forward from Prior Year	\$ -
TOTAL REVENUES AND BALANCE FORWARD	\$ 1,684,313
EXPENDITURES - ADMINISTRATIVE	
Legislative	
Supervisor Fees	\$ 12,000
Financial & Administrative	
Administrative Services	\$ 9,200
District Management	\$ 35,700
District Engineer	\$ 40,000
Disclosure Report	\$ 5,000
Trustees Fees	\$ 14,000
Assessment Roll	\$ 5,250
Financial & Revenue Collections	\$ 5,250
Accounting Services	\$ 22,920
Auditing Services	\$ 4,300
Arbitrage Rebate Calculation	\$ 500
Miscellaneous Mailings	\$ 500
Public Officials Liability Insurance	\$ 3,757
Legal Advertising	\$ 750
Dues, Licenses & Fees	\$ 175
Tax Collector /Property Appraiser Fees	\$ 1,146
Website Hosting, Maintenance, Backup (and Email)	\$ 2,280
Legal Counsel	
District Counsel	\$ 47,000
Administrative Subtotal	\$ 209,728
EXPENDITURES - FIELD OPERATIONS	
Security Operations	
Access System Transponders	\$ 10,000
Guard & Gate Facility Maintenance	\$ 3,980
Guardhouse Maintenance	\$ 3,180
Misc. Operating Supplies	\$ 2,000
Security Services and Patrols	\$ 140,020
Electric Utility Services	
Utility Entry Gate System	\$ 12,476
Utility Trash Compactor	\$ 326
Utility - Fountains	\$ 67,395
Utility - Irrigation	\$ 38,520
Street Lights	\$ 33,170
Garbage/Solid Waste Control Services	
Garbage - Compactor/Recycling	\$ 49,500
Stormwater Control	
Fountain Service Repairs & Maintenance	\$ 15,000
Fountain Maintenance Contract	\$ 10,676
Aquatic Maintenance	\$ 24,492
Water Use/Quality Monitoring	\$ 19,840
Lake/Pond Bank Maintenance	\$ 45,000
Preserve/Wetland Monitoring & Maintenance	\$ 19,400
Other Physical Environment	
General Liability Insurance	\$ 4,125

**Adopted Budget
Paseo Community Development District
General Fund
Fiscal Year 2018/2019**

Chart of Accounts Classification	Budget for 2018/2019
Property Insurance	\$ 17,373
Entry & Walls Maintenance	\$ 8,000
Landscape Maintenance	
	\$ 300,336
Holiday Decorations	\$ 7,000
Reserve Study	\$ 2,500
Irrigation Repairs	\$ 30,000
Landscape - Mulch	\$ 95,400
Landscape Replacement Plants, Shrubs, Trees	\$ 20,000
Landscape - Annual Flower Replacement	\$ 10,230
Landscape Pest Control	\$ 24,640
Field Services	
	\$ 8,400
Field Manager	\$ 65,344
Road & Street Facilities	
Gate Phone	\$ 6,500
Street Light Decorative Light Maintenance	\$ 21,421
Sidewalk Repair & Maintenance	\$ 15,000
Street Sign Repair & Replacement	\$ 4,000
Roadway Repair & Maintenance	\$ 7,000
Storm Sewer Cleaning	\$ 10,000
Street/Sidewalk Cleaning	\$ 27,200
Parks & Recreation	
Misc. Maintenance and Repair	\$ 1,500
Furniture Repair/Replacement	
	\$ 4,000
Fishing Pier & Pavillion Maintenance Repairs	\$ 2,000
Contingency	
Capital Projects - Asset Review Projects	\$ 87,640
Capital Projects - LED Lighting Project	\$ 200,000
Field Operations Subtotal	\$ 1,474,585
TOTAL EXPENDITURES	\$ 1,684,313
EXCESS OF REVENUES OVER EXPENDITURES	\$ 0

**Adopted Budget
Paseo Community Development District
Reserve Fund
Fiscal Year 2018/2019**

Chart of Accounts Classification	Budget for 2018/2019
REVENUES	
Special Assessments	
Tax Roll*	\$ 210,125
TOTAL REVENUES	\$ 210,125
Balance Forward from Prior Year	\$ -
TOTAL REVENUES AND BALANCE FORWARD	\$ 210,125
EXPENDITURES	
Contingency	
Capital Reserves	\$ 210,125
Capital Outlay	\$ -
TOTAL EXPENDITURES	\$ 210,125
EXCESS OF REVENUES OVER EXPENDITURES	\$ -

Budget Template
Paseo Community Development District
Debt Service
Fiscal Year 2018/2019

Chart of Accounts Classification	Series 2011A-1	Series 2011A-2 ⁽¹⁾	Budget for 2018/2019
REVENUES			
Special Assessments			
Net Special Assessments	\$301,320.00	\$555,768.00	\$857,088.00
TOTAL REVENUES	\$301,320.00	\$555,768.00	\$857,088.00
EXPENDITURES			
Administrative			
Financial & Administrative			
Bank Fees			\$0.00
Debt Service Obligation	\$301,320.00	\$555,768.00	\$857,088.00
Administrative Subtotal	\$301,320.00	\$555,768.00	\$857,088.00
Principal Balloon Payment			
TOTAL EXPENDITURES	\$301,320.00	\$555,768.00	\$857,088.00
EXCESS OF REVENUES OVER EXPENDITURE	\$0.00	\$0.00	\$0.00

Lee County Collection Early Payment Discounts (4%): 4.00%

Gross assessments **\$892,800.00**

Notes:

Tax Roll Early Payment Discount for Lee County is 4.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

⁽¹⁾ Amounts may be reduced to reflect certain assessments that are subject to the restructuring agreement.

PASEO COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2018/2019 O&M AND DEBT SERVICE ASSESSMENT SCHEDULE

2018/2019 O&M Budget (net):	\$1,894,438.00
Early Payment Discount @ 4%	\$78,934.92
⁽¹⁾ Tax Collector Fee (\$1.45 per parcel/line)	<u>\$1,661.70</u>
2018/2019 Total:	<u><u>\$1,975,034.62</u></u>

2017/2018 O&M Budget	\$1,894,641.00
2018/2019 O&M Budget	\$1,894,438.00
Total Difference:	<u><u>-\$203.00</u></u>

	PER UNIT ANNUAL ASSESSMENT		Proposed Increase / Decrease \$
	2017/2018	2018/2019	
Debt Service - Multi-Family	\$581.25	\$581.25	\$0.00
Operations/Maintenance	\$1,747.42	\$1,747.26	-\$0.16
Total	<u>\$2,328.67</u>	<u>\$2,328.51</u>	<u>-\$0.16</u>
Debt Service - Single Family	\$1,162.50	\$1,162.50	\$0.00
Operations/Maintenance	\$1,678.58	\$1,678.42	-\$0.16
Total	<u>\$2,841.08</u>	<u>\$2,840.92</u>	<u>-\$0.16</u>
Debt Service - Villas	\$1,162.50	\$1,162.50	\$0.00
Operations/Maintenance	\$1,678.58	\$1,678.42	-\$0.16
Total	<u>\$2,841.08</u>	<u>\$2,840.92</u>	<u>-\$0.16</u>

⁽¹⁾ Lee County collection costs increased from \$1.42 to \$1.45 per parcel /line.

PASEO COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2018/2019 O&M AND DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL O&M BUDGET		\$1,844,938.00	(4) TRASH COMPACTOR ASSESSMENT		\$49,500.00
EARLY PAYMENT DISCOUNTS @	4.0%	\$76,872.42	EARLY PAYMENT DISCOUNTS @	4.0%	\$2,062.50
(6) TAX COLLECTOR FEE (\$1.45 PER PARCEL / LINE)		\$1,661.70			
TOTAL O&M ASSESSMENT		\$1,923,472.12	TOTAL TRASH COMPACTOR ASSESSMENT		\$51,562.50

LOT SIZE PLATTED PARCELS	UNITS ASSESSED		ALLOCATION OF O&M ASSESSMENT				ALLOCATION OF TRASH COMPACTOR ASSESSMENT (4)				PER LOT ANNUAL ASSESSMENT				
	O&M	SERIES 2011A-1/SERIES 2011A-2		EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET	EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET	O&M	SERIES 2011A-1		TOTAL (6) (8)
		DEBT SERVICE (1) (3)	DEBT SERVICE (2) (3) (7)										DEBT SERVICE (5)	DEBT SERVICE (5) (7)	
Multi-Family	271	268		1.00	271.00	23.65%	\$454,852.48	1.00	271.00	36.18%	\$18,656.12	\$1,747.26	\$581.25		\$2,328.51
Multi-Family	478		477	1.00	478.00	41.71%	\$802,285.93	1.00	478.00	63.82%	\$32,906.38	\$1,747.26		\$581.25	\$2,328.51
Single Family	137	136		1.00	137.00	11.95%	\$229,943.87	0.00	0.00	0.00%	\$0.00	\$1,678.42	\$1,162.50		\$2,840.92
Single Family	184		184	1.00	184.00	16.06%	\$308,829.73	0.00	0.00	0.00%	\$0.00	\$1,678.42		\$1,162.50	\$2,840.92
Villa	76		76	1.00	76.00	6.63%	\$127,560.11	0.00	0.00	0.00%	\$0.00	\$1,678.42		\$1,162.50	\$2,840.92
	<u>1146</u>	<u>404</u>	<u>737</u>		<u>1146.00</u>	<u>100.00%</u>	<u>\$1,923,472.12</u>		<u>749.00</u>	<u>100.00%</u>	<u>\$51,562.50</u>				

LESS: Lee County Collection Costs (\$1.45 per parcel / line) and Early Payment Discounts (4%): (\$78,534.12) (\$2,062.50)

Net Revenue to be Collected: \$1,844,938.00 \$49,500.00

- (1) Reflects 3 (three) Series 2011A-1 Multi-Family prepayments and 1 (one) Single Family prepayment.
- (2) Reflects 1 (one) Series 2011A-2 Multi-Family prepayment.
- (3) Reflects the number of total lots with Series 2011A-1 and 2011A-2 debt outstanding.
- (4) Only the Multi-Family units have access to the trash compactor, therefore are the only units benefiting from that service.
- (5) Annual debt service assessment per lot adopted in connection with the Series 2011A-1 and 2011A-2 bond issues. Annual assessment includes principal, interest, Lee County collection costs and early payment discounts.
- (6) Annual assessment that will appear on November 2018 Lee County property tax bill. Amount shown includes all applicable collection costs and early payment discounts (up to 4% if paid early).
- (7) Certain debt service assessments may be subject to the restructuring agreement.
- (8) Lee County collection costs increased from \$1.42 to \$1.45 per parcel / line.