

Somerset
Community Development District

Financial Statements
(Unaudited)

November 30, 2016

Prepared by
Rizzetta & Company, Inc.
District Manager

Somerset Community Development District

Balance Sheet

As of 11/30/2016

(In Whole Numbers)

| | General Fund | Reserve Fund | Debt Service Fund | Total Governmental Funds | General Fixed Assets Account Group | General Long-Term Debt Account Group |
|--|----------------|----------------|-------------------|--------------------------|------------------------------------|--------------------------------------|
| Assets | | | | | | |
| Cash In Bank | 64,792 | 0 | 0 | 64,792 | 0 | 0 |
| Investments | 121 | 0 | 1,042,859 | 1,042,980 | 0 | 0 |
| Investments - Reserves | 0 | 160,326 | 0 | 160,326 | 0 | 0 |
| Accounts Receivable | 345,746 | 147,523 | 1,101,537 | 1,594,807 | 0 | 0 |
| Prepaid Expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| Due From Other Funds | 0 | 2,477 | 41,219 | 43,696 | 0 | 0 |
| Amount Available in Debt Service | 0 | 0 | 0 | 0 | 0 | 2,185,615 |
| Amount To Be Provided Debt Service | 0 | 0 | 0 | 0 | 0 | 12,044,385 |
| Fixed Assets | 0 | 0 | 0 | 0 | 10,915,039 | 0 |
| Total Assets | <u>410,659</u> | <u>310,326</u> | <u>2,185,615</u> | <u>2,906,600</u> | <u>10,915,039</u> | <u>14,230,000</u> |
| Liabilities | | | | | | |
| Accounts Payable | 23,967 | 0 | 0 | 23,967 | 0 | 0 |
| Accrued Expenses Payable | 8,400 | 0 | 0 | 8,400 | 0 | 0 |
| Due To Other Funds | 43,696 | 0 | 0 | 43,696 | 0 | 0 |
| Other Bonds Payable | 0 | 0 | 0 | 0 | 0 | 0 |
| Revenue Bonds Payable--Long Term | 0 | 0 | 0 | 0 | 0 | 14,230,000 |
| Total Liabilities | <u>76,063</u> | <u>0</u> | <u>0</u> | <u>76,063</u> | <u>0</u> | <u>14,230,000</u> |
| Fund Equity & Other Credits | | | | | | |
| Beginning Fund Balance | 17,392 | 160,272 | 1,437,625 | 1,615,289 | 10,915,039 | 0 |
| Net Change in Fund Balance | 317,205 | 150,054 | 747,990 | 1,215,248 | 0 | 0 |
| Total Fund Equity & Other Credits | <u>334,596</u> | <u>310,326</u> | <u>2,185,615</u> | <u>2,830,537</u> | <u>10,915,039</u> | <u>0</u> |
| Total Liabilities & Fund Equity | <u>410,659</u> | <u>310,326</u> | <u>2,185,615</u> | <u>2,906,600</u> | <u>10,915,039</u> | <u>14,230,000</u> |

See Notes to Unaudited Financial Statements

Somerset Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2016 Through 11/30/2016

(In Whole Numbers)

| | <u>Annual Budget</u> | <u>YTD Budget</u> | <u>YTD Actual</u> | <u>YTD Variance</u> | <u>Percent Annual Budget Remaining</u> |
|--|----------------------|-------------------|-------------------|---------------------|--|
| Revenues | | | | | |
| Interest Earnings | | | | | |
| Interest Earnings | 0 | 0 | 0 | 0 | 0.00% |
| Special Assessments | | | | | |
| Tax Roll | 34,488 | 34,488 | 38,148 | 3,660 | (10.61)% |
| Off Roll | <u>330,287</u> | <u>330,287</u> | <u>330,287</u> | <u>0</u> | <u>0.00%</u> |
| Total Revenues | <u>364,775</u> | <u>364,775</u> | <u>368,435</u> | <u>3,660</u> | <u>(1.00)%</u> |
| Expenditures | | | | | |
| Legislative | | | | | |
| Supervisor Fees | 2,400 | 600 | 600 | 0 | 75.00% |
| Financial & Administrative | | | | | |
| Administrative Services | 4,500 | 750 | 750 | 0 | 83.33% |
| District Management | 25,000 | 4,167 | 4,167 | 0 | 83.33% |
| District Engineer | 3,600 | 600 | 0 | 600 | 100.00% |
| Disclosure Report | 500 | 83 | 0 | 83 | 100.00% |
| Trustees Fees | 6,500 | 6,500 | 3,833 | 2,667 | 41.02% |
| Financial Consulting Services | 10,000 | 5,833 | 5,833 | 0 | 41.66% |
| Accounting Services | 15,000 | 2,500 | 2,500 | 0 | 83.33% |
| Auditing Services | 4,200 | 0 | 0 | 0 | 100.00% |
| Arbitrage Rebate Calculation | 650 | 108 | 0 | 108 | 100.00% |
| Travel | 500 | 83 | 0 | 83 | 100.00% |
| Public Officials Liability Insurance | 5,000 | 5,000 | 2,750 | 2,250 | 45.00% |
| Miscellaneous Fees | 500 | 83 | 0 | 83 | 100.00% |
| Legal Advertising | 1,800 | 300 | 718 | (418) | 60.13% |
| Bank Fees | 250 | 42 | 0 | 42 | 100.00% |
| Dues, Licenses & Fees | 175 | 175 | 175 | 0 | 0.00% |
| Website Fees & Maintenance | 2,600 | 433 | 200 | 233 | 92.30% |
| Legal Counsel | | | | | |
| District Counsel | 14,000 | 2,333 | 200 | 2,133 | 98.57% |
| Electric Utility Services | | | | | |
| Street Lights | 27,000 | 4,500 | 0 | 4,500 | 100.00% |
| Utility-Irrigation | 7,500 | 1,250 | 758 | 492 | 89.89% |
| Stormwater Control | | | | | |
| Stormwater System Maintenance | 5,000 | 833 | 0 | 833 | 100.00% |
| Lake/Pond Bank Maintenance | 5,000 | 833 | 80 | 753 | 98.40% |
| Miscellaneous Expense/Pond Liner Repair | 2,500 | 417 | 0 | 417 | 100.00% |
| Aquatic Maintenance Plant Replacement | 3,600 | 600 | 0 | 600 | 100.00% |
| Other Physical Environment | | | | | |
| General Liability Insurance | 6,500 | 6,500 | 5,050 | 1,450 | 22.30% |
| Landscape Maintenance | 95,000 | 15,833 | 22,845 | (7,011) | 75.95% |
| Irrigation Repairs | 7,500 | 1,250 | 0 | 1,250 | 100.00% |
| Irrigation System Supply Pump Maintenance | 6,200 | 1,033 | 400 | 633 | 93.54% |
| Ornamental Lighting & Maintenance | 500 | 83 | 0 | 83 | 100.00% |

Somerset Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2016 Through 11/30/2016

(In Whole Numbers)

| | <u>Annual Budget</u> | <u>YTD Budget</u> | <u>YTD Actual</u> | <u>YTD Variance</u> | <u>Percent Annual Budget Remaining</u> |
|--|----------------------|-----------------------|-----------------------|----------------------|--|
| Irrigation Well Maintenance and Repair | 3,600 | 600 | 0 | 600 | 100.00% |
| Irrigation System-Feeder Pump Maintenance | 1,000 | 167 | 0 | 167 | 100.00% |
| Irrigation System-Feeder Pump Chemicals | 6,000 | 1,000 | 372 | 629 | 93.80% |
| Landscape Replacement Plants, Shrubs, Trees | 73,200 | 12,200 | 0 | 12,200 | 100.00% |
| Landscape Maintenance - Palm Trees | 9,000 | 1,500 | 0 | 1,500 | 100.00% |
| Landscape - Mulch | 1,500 | 250 | 0 | 250 | 100.00% |
| Road & Street Facilities | | | | | |
| Street Light Decorative Light Maintenance | 5,000 | 833 | 0 | 833 | 100.00% |
| Roadway Repair & Maintenance | <u>2,000</u> | <u>333</u> | <u>0</u> | <u>333</u> | <u>100.00%</u> |
| Total Expenditures | <u>364,775</u> | <u>79,608</u> | <u>51,230</u> | <u>28,378</u> | <u>85.96%</u> |
| Excess of Revenue Over (Under) Expenditures | <u>0</u> | <u>285,167</u> | <u>317,205</u> | <u>32,038</u> | <u>0.00%</u> |
| Excess of Rev./Other Sources Over (Under) Expend./Other Uses | <u>0</u> | <u>285,167</u> | <u>317,205</u> | <u>32,038</u> | <u>0.00%</u> |
| Fund Balance Beginning of Period | 0 | 0 | 17,392 | 17,392 | 0.00% |
| Fund Balance End of Period | <u><u>0</u></u> | <u><u>285,167</u></u> | <u><u>334,596</u></u> | <u><u>49,430</u></u> | <u><u>0.00%</u></u> |

Somerset Community Development District

Statement of Revenues and Expenditures

005 - Reserve Fund

From 10/1/2016 Through 11/30/2016

(In Whole Numbers)

| | <u>Annual Budget</u> | <u>Current Period Actual</u> | <u>Budget To Actual Variance</u> | <u>Budget Percent Remaining</u> |
|---|----------------------|----------------------------------|--------------------------------------|-------------------------------------|
| Revenues | | | | |
| Interest Earnings | | | | |
| Interest Earnings | 0 | 54 | 54 | 0.00% |
| Special Assessments | | | | |
| Tax Roll | 150,000 | 150,000 | 0 | 0.00% |
| Total Revenues | <u>150,000</u> | <u>150,054</u> | <u>54</u> | <u>0.04%</u> |
| Expenditures | | | | |
| Contingency | | | | |
| Capital Reserves | 150,000 | 0 | 150,000 | 100.00% |
| Total Expenditures | <u>150,000</u> | <u>0</u> | <u>150,000</u> | <u>100.00%</u> |
| Excess of Revenue Over (Under) Expenditures | 0 | 150,054 | 150,054 | 0.00% |
| Excess of Rev./Other Sources Over (Under) Expend./Other Uses | 0 | 150,054 | 150,054 | 0.00% |
| Fund Balance, Beginning of Period | 0 | 160,272 | 160,272 | 0.00% |
| Fund Balance, End of Period | <u>0</u> | <u>310,326</u> | <u>310,326</u> | <u>0.00%</u> |

Somerset Community Development District

Statement of Revenues and Expenditures

200 - Debt Service Fund

From 10/1/2016 Through 11/30/2016

(In Whole Numbers)

| | <u>Annual Budget</u> | <u>Current Period Actual</u> | <u>Budget To Actual Variance</u> | <u>Budget Percent Remaining</u> |
|--|----------------------|------------------------------|----------------------------------|---------------------------------|
| Revenues | | | | |
| Interest Earnings | | | | |
| Interest Earnings | 0 | 526 | 526 | 0.00% |
| Special Assessments | | | | |
| Tax Roll | 411,985 | 411,985 | (0) | 0.00% |
| Off Roll | 737,574 | 737,574 | 0 | 0.00% |
| Total Revenues | <u>1,149,559</u> | <u>1,150,085</u> | <u>526</u> | <u>0.05%</u> |
| Expenditures | | | | |
| Debt Service | | | | |
| Interest | 769,559 | 377,095 | 392,464 | 50.99% |
| Principal | 380,000 | 25,000 | 355,000 | 93.42% |
| Total Expenditures | <u>1,149,559</u> | <u>402,095</u> | <u>747,464</u> | <u>65.02%</u> |
| Excess of Revenue Over (Under) Expenditures | 0 | 747,990 | 747,990 | 0.00% |
| Excess of Rev./Other Sources Over (Under) Expend./Other Uses | 0 | 747,990 | 747,990 | 0.00% |
| Fund Balance, Beginning of Period | 0 | 1,437,625 | 1,437,625 | 0.00% |
| Fund Balance, End of Period | <u>0</u> | <u>2,185,615</u> | <u>2,185,615</u> | <u>0.00%</u> |

**Somerset CDD
Investment Summary
November 30, 2016**

| <u>Account</u> | <u>Investment</u> | <u>Balance as of November 30, 2016</u> |
|--|---|--|
| The Bank of Tampa | Money Market Account | \$ 121 |
| | Total General Fund Investments | \$ 121 |
| The Bank of Tampa ICS - Capital Reserve Bank of China | Money Market Account | \$ 160,326 |
| | Total Reserve Fund Investments | \$ 160,326 |
| US Bank Series 2005 Prepayment | First American Treasury Obligation Fund Class Z | \$ 655 |
| US Bank Series 2005 Reserve | First American Treasury Obligation Fund Class Z | 947,606 |
| US Bank Series 2005 Revenue | First American Treasury Obligation Fund Class Z | 94,598 |
| | Total Debt Service Fund Investments | \$ 1,042,859 |

Somerset Community Development District

Summary A/R Ledger

001 - General Fund

From 11/1/2016 Through 11/30/2016

| <u>Invoice Date</u> | <u>Customer Name</u> | <u>Invoice Number</u> | <u>Current Balance</u> |
|---------------------|-----------------------------------|-----------------------|------------------------|
| 10/1/2016 | Walton County Tax Collector | FY16-17 | 15,459.37 |
| 10/28/2016 | EBSCO Gulf Coast Development Inc. | 861-17-01 | <u>330,286.59</u> |
| | Total 001 - General Fund | | 345,745.96 |

Somerset Community Development District

Summary A/R Ledger

005 - Reserve Fund

From 11/1/2016 Through 11/30/2016

| <u>Invoice Date</u> | <u>Customer Name</u> | <u>Invoice Number</u> | <u>Current Balance</u> |
|---------------------|-----------------------------|-----------------------|------------------------|
| 10/1/2016 | Walton County Tax Collector | FY16-17 | <u>147,523.28</u> |
| | Total 005 - Reserve Fund | | 147,523.28 |

Somerset Community Development District

Summary A/R Ledger

200 - Debt Service Fund

From 11/1/2016 Through 11/30/2016

| <u>Invoice Date</u> | <u>Customer Name</u> | <u>Invoice Number</u> | <u>Current Balance</u> |
|---------------------|-----------------------------------|-----------------------|----------------------------|
| 10/1/2016 | Walton County Tax Collector | FY16-17 | 363,963.32 |
| 10/28/2016 | EBSCO Gulf Coast Development Inc. | 861-17-01 | <u>737,574.11</u> |
| | Total 200 - Debt Service Fund | | <u>1,101,537.43</u> |
| Report Balance | | | <u><u>1,594,806.67</u></u> |

Somerset Community Development District

Summary A/P Ledger

001 - General Fund

From 11/1/2016 Through 11/30/2016

| <u>Vendor Name</u> | <u>Invoice Date</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Current Balance</u> |
|--|---------------------|-----------------------|---------------------------------------|------------------------|
| ALYS Beach Neighborhood Association | 9/30/2016 | 09302016 | Rip's Maint 09/16 | 8,119.50 |
| ALYS Beach Neighborhood Association | 10/31/2016 | 10312016 | Rip's Maint 10/16 | 13,725.08 |
| Charles E. Reichman | 11/14/2016 | CR111416 | Board of Supervisors Meeting 11/14/16 | 200.00 |
| Culligan Filter Service | 10/31/2016 | 212734 | Value Soft Solar Salt 10/25/16 | 232.50 |
| Culligan Filter Service | 11/7/2016 | 349661 | Chemical Feed System | 79.75 |
| George Hartley | 11/14/2016 | GH111416 | Board of Supervisors Meeting 11/14/16 | 200.00 |
| Gulf Power Company | 11/1/2016 | 89919-91030 11/16 | 9396 E Cty Hwy 30A Irrigation 11/16 | 305.05 |
| Gulf Power Company | 12/2/2016 | 42245-97026 11/16 | 9954 E Cty Hwy 30A Irrigation 11/16 | 116.20 |
| Halifax Media Group, Northwest Florida | 10/31/2016 | 34790026 | Legal Advertising 10/24/16 - 10/31/16 | 548.78 |
| John Rosenberg | 11/14/2016 | JR111416 | Board of Supervisors Meeting 11/14/16 | 200.00 |
| Mills Supply | 11/3/2016 | 6366 | Pump Station Maintenance 11/16 | 200.00 |
| The Lake Doctors, Inc. | 11/1/2016 | 262563 | Monthly Monitoring/Inspection 11/16 | 40.00 |
| | | | Total 001 - General Fund | 23,966.86 |
| Report Balance | | | | 23,966.86 |

Somerset Community Development District
Notes to Unaudited Financial Statements
November 30, 2016

Balance Sheet

1. Trust statement activity has been recorded through 11/30/16.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. For presentation purposes, the Reserves are shown in a separate fund titled Reserve Fund.

Summary A/R Ledger

4. Payment terms for landowner assessments are (a) defined in the FY16-17 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.

Summary A/R Ledger – Subsequent Collections

5. General Fund – Payment for Invoice FY16-17 in the amount of \$127,168.21 was received in December 2016.
6. Debt Service Fund – Payment for Invoice FY16-17 in the amount of \$283,984.62 was received in December 2016.