



Portofino Shores
Community Development District

<http://www.portofinoshorescdd.com>

Michael Luton, Chairman

Ingrid Grubb, Vice Chairman

Tracy Belle, Assistant Secretary

Sheryl Eddy, Assistant Secretary

Janelle Anne Hertz, Assistant Secretary

April 7, 2026



Portofino Shores

Community Development District

Agenda

Seat 1: Michael Luton (C.)
Seat 3: Ingrid Grubb (V.C.)
Seat 5: Tracy Belle (A.S.)
Seat 4: Sheryl Eddy (A.S.)
Seat 2: Janelle Anne Hertz (A.S.)

Tuesday
April 7, 2026
3:00 p.m.

Portofino Shores Clubhouse
5720 Spanish River Road, Ft. Pierce, FL
Join the Meeting Now

Meeting ID: 272 743 075 744 4 and Passcode: Pk7aa98j
1 872-240-4685 and Phone Conference ID: 493 623 160#

1. Roll Call
2. Approval of the Minutes of the February 3, 2026 Meeting – **Page 3**
3. Consideration of **Resolution 2026-02** Approving the Proposed Fiscal Year 2027 Budget and Setting the Public Hearing – **Page 16**
4. Acceptance of Audit for Fiscal Year Ending in September 30, 2025 – **Page 25**
5. Discussion of:
 - A. Procedures for the General Election – **Page 59**
 - B. Buttonwood Tree Replacement
 - C. Review of Sidewalk Repair
 - D. Lease of Clubhouse for Meetings
6. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Manager/Secretary
 - D. Field Manager – Monthly Field Report – **Page 60**
 - E. Financial Reports
 - 1) Approval of Check Register – **Page 63**
 - 2) Approval of Unaudited Financials – **Page 66**
7. Audience & Supervisors Remarks
8. Adjournment

Meetings are open to the public and may be continued to a time, date and place certain. For more information regarding this CDD please visit the website: <http://www.portofinoshorescdd.com>

**MINUTES OF MEETING
PORTOFINO SHORES
COMMUNITY DEVELOPMENT DISTRICT**

A regular meeting of the Board of Supervisors of the Portofino Shores Community Development District was held on Tuesday, February 3, 2026 at 2:30 p.m. at the Shores Clubhouse, 5720 Spanish River Road, Ft. Pierce, Florida.

Present and constituting a quorum:

Michael Luton	Chairman
Ingrid Grubb	Vice Chairman (via teleconference)
Sheryl Eddy	Assistant Secretary
Janelle Anne Hertz	Assistant Secretary

Also present were:

Andressa Hinz Philippi	District Manager
Matt Hans	GMS
Seth Behn	District Counsel
Roberto Cabrera	District Engineer
Several Residents	See sign-in sheet for names

FIRST ORDER OF BUSINESS

Roll Call

Mr. Luton called the meeting to order, and Ms. Hinz Philippi called the roll.

SECOND ORDER OF BUSINESS

**Approval of the Minutes of the
November 4, 2025 Meeting**

Mr. Luton: Has everybody had a chance to look at the minutes? Does anybody have any additions or corrections they would like to make at this time?

Ms. Grubb: I do. On page 8 right above the motion by Ms. Eddy they have Mr. Hans yes, motion to approve not to exceed \$405, and then Mr. Luton says \$450. So we are at \$450, correct?

Mr. Luton: Yes.

Ms. Grubb: So \$405 isn't what we were going for. Ok. That is it.

Ms. Hinz Philippi: The motion is correct.

Mr. Luton: So there is no correction. Can I have a motion to approve?

On MOTION by Ms. Hertz seconded by Ms. Eddy with all in favor, the Minutes of the November 4, 2025 Meeting were approved.

THIRD ORDER OF BUSINESS

Discussion of:

- A. Trimming of Oak Trees on the Street Side of Common Area**
- B. Adding Sealing to Front and Back Entrances**
- C. Stripping of Roads, Cleaning and Painting the ADA Sections of Sidewalks**

Mr. Luton: The next item is a discussion of items that I think we need to consider and determine what priority you want them in. We are not going to have enough money to do all of them this year. We want to be able to do the most critical first and then work our way down. The first one is the trimming of the oak trees on the sidewalk side not the street side because we have already done. This was to counterbalance the trees. That is something that we can talk about. All these we are going to have to get quotes on before we can do something. We want to do a priority so we can get him to get quotes and come back to the Board and say what it would cost to do that. The other item that we talked about was sealing the front and back entrances. We might want to expand on that and say let's look at the cost. A couple of years ago we had a quote from our engineer for all the streets in the development plus the back. I don't remember the cost of those so I would like to maybe include the streets in that as well and get quotes from our engineer on that information. They were talking about different types of material that you could use for the sealer, and they were different costs. I think that is something we can look at. The real issue is the front and the back entrances. The sealant has come off, and you can see the asphalt under it. We can look at that and see what we can do. Then the stripping of the roads and the cleaning and painting of the handicapped access to the sidewalks. That is probably going to be a low-cost but that might be something we can look at and see. I know that they have different types of entrances. Some of them have little bubbles and some of them are cut and slanted. I don't know if paint gets down in those slots it might cause it not to be as quite as effective.

Ms. Eddy: Was that ever painted before?

Mr. Luton: Some of them were and some of them weren't. All the ones with the circles were painted but the other ones with the slots were not. That is why I was asking if when you painted them if it would cause an issue.

Mr. Hans: They do make the yellow ADA non-slip mats that get bolted into the concrete as well. It might be a little bit more permanent.

Mr. Luton: We can get a quote on that. The crosswalk areas we probably need to look at being repainted and stripped in all the crosswalk areas. Is there any discussion on that? Is there any ideas of what you would like to see done first and have Matt put an emphasis on that? After we get the quotes we will have to talk to Andressa about budgeting and what we have available and what we may need to put off to next year and maybe do some catching up with the funding for those.

Ms. Hertz: I think the trimming of the oak trees may be more important. Hurricane season is going to be back here in June. Whether it is ADA painted or not people know where the sidewalks are. Do we really use crosswalks here? I have never seen anyone go to a corner to cross the road in this development and I walk twice a day.

Mr. Luton: It is not only that it might not be used but you should. I am sure there is probably some type of regulation. I could ask our attorney. Is there a requirement for us to have crosswalk stripping in the development?

Mr. Beth: I don't know the answer to that. Is it a private development, private road or not? I would have to look into that.

Mr. Luton: If you wouldn't mind and report back.

Mr. Hans: Most of our communities don't have crosswalks. It really depends on the location where they can put the crosswalk.

Mr. Luton: We can look at that and see if it is required or not and then we can determine what we want to do.

Mr. Cabrera: Can I add a little to that question? These are crosswalks that were previously stripped. I think if it is one thing to never have them stripped at all and it is slightly different I believe if due to the lack of maintenance they are no longer functioning correctly.

Mr. Behn was inaudible at this time.

Mr. Luton: We have them at all the stop signs. They need to be there if there is a requirement.

Ms. Hinz Philippi: The CDD is responsible for maintenance of the roads and all that so whatever is considered maintenance that we need to do then I would say yes. We

could investigate better in this case, but I think whatever infrastructure was provided, we have to maintain.

Mr. Luton: I think what we can do is just put a hold on this until we get some better interpretation.

Ms. Hinz Philippi: The one thing that you mentioned the ADA compliance that we have to maintain because of the safety. If something was already there and we are not maintaining it and something happens we would be liable.

Mr. Luton: It looks to me like if somebody wants to make a motion that the way they are aligned on here are the order of importance. Does that sound right to you?

Ms. Hertz: I move that is how we look at them.

Ms. Hinz Philippi: We don't need a motion just direction.

Mr. Luton: We want the priority to be A, B, and C.

Ms. Hinz Phillipi: If Matt can get all of them even better. We can look at costs and allocate how we want to move forward.

Mr. Luton: I will leave it at your discretion to get the quotes that you think are most effective.

FOURTH ORDER OF BUSINESS Update on:

A. Front Entrance Road Repair and Other Areas Where the Road is Raised or Damaged by Tree Roots

B. Sunken Power Junction on Spanish River Road

C. Preserve Clean Status

Mr. Luton: Updates. I will ask Matt for this. We went around and looked at different areas, and he is going to give us some information on updates on the front entrance repair, a sunken power box over on Spanish River and some preserve cleaning.

Mr. Hans: We will start with that front entrance area where the road is dipping down. We believe there is some type of root or something possibly rotting below it which is causing it to subside. I met with the paver company that did all of the aprons here as well as Apex Pavers and then Atlantic Structural. None of them came back with bids just yet because we met about a week and a half ago. They were all estimating to under \$2,000 essentially. We would be removing a ten foot by ten foot section to level it all out. Then they would be recompacting and releveling the sand underneath. We will have proposals for that at the next meeting from all three of those companies. We will make a

comparison from them. The sunken power box junction I have been in contact with FP&L. We reported it about a day after Michael and I had met. I reached to follow up what their status was. Their status today is exactly as it was last Friday. They have still not sent anybody out to go look at it. I did when I was on the phone with that offer to take pictures while I was over here and send them any additional pictures they needed so I did send those today as well. Hopefully that expedites the process on whether someone comes out or not. We will keep you guys updated as FP&L updates me on that. There hasn't been too much progress. From my past experience with FP&L when you submit an FP&L ticket 45 days is kind of like the bare minimum for how quickly something will happen. I am going to keep hounding them every week just to see what the deal is because this is a tripping hazard. Thankfully we do have it caution taped off. It is a little more pressing than a streetlight being out or something like that. We are going to see if we can keep applying the pressure.

Mr. Luton: I don't know how it happened, but it is like a foot below the yard level. I don't know if they put sod in to build up their yard around it or something. I don't know what, but it is weird.

Mr. Hans: Yes at least a foot below grade. It is below even the level of the sidewalk. I think it has subsided over time. The last item the preserve cleanup status. We do have a lot of dead trees in the preserve still. I was talking with Sammy from Jerry's Tree Service. He was saying he could charge roughly \$600 to \$700 per dead pine tree that we have back there. We have a lot of large dead pines. We have six behind one house alone. It is not something that we can really afford economically. We do this at other communities where if the homeowner is genuinely concerned about the tree and they don't want to wait for us with our approval i.e. me going out there checking and making sure everything is good we give them permission to remove the tree at their own expense if they deem it necessary.

Ms. Hertz: That makes sense. If a tree is dead in the preserve. Remember we are not supposed to go in the preserve and touch anything. If it is not going to impact the dwelling or a house.

Mr. Hans: There is nothing to do with it. It is only if it could possibly fall on the house or a pool structure back there. There are homes especially along Spanish River

that are quite close to the preserve and the same with Spring Lake Terrace. That is actually where the homes that I was looking at I noticed most of the trees that were dead is in that area particularly. I think our best course of action for us is to give them the option to remove the trees pending an inspection before and after by me.

Ms. Hertz: Because you would have to go and mark the trees and verify that they are actually threatening the dwelling and that they are not just in there trimming trees.

Mr. Hans: Correct. We want to make sure that they are not just going back there. I don't like this tree and then they clear out and get a bigger backyard for themselves. We have had people in other communities take liberty in the preserve like that. That would definitely be a stipulation on there for the residents. It gives them an option. We don't necessarily have the money to remove every tree in the preserve that could be a problem. This would at least give them the same option.

Ms. Hinz Philippi: For that I would like a motion to authorize staff to work with residents in case there is an imminent danger to remove the trees at their cost.

Mr. Luton: How do we translate this information to homeowners?

Mr. Hans: When people reach out to me expressing their concern about the trees because typically when there is something going on with the preserve when they reach to Liz, Liz will bump them to me. Then I will speak with them directly on it. We don't necessarily need to put a blanket out there to the community because not everybody has the issue. It is a very small handful that are truly concerned.

Mr. Luton: Do I have a motion to allow Matt to be the point person on this and let us know when things need to be removed?

On MOTION by Ms. Hertz seconded by Ms. Eddy with all in favor, a motion authorizing Matt Hans to be the point person for residents' concerns about removing dead trees in the preserve at their cost was approved.

Ms. Hertz: The sunken power box that would FP&L's responsibility.

Mr. Hans: It really has nothing to do with the CDD or the HOA. We are just trying to help them to make it better for the community essentially.

Mr. Luton: It has been like that for about a year. The guy has had tape around it. I didn't realize it was that bad.

Mr. Hans: We will keep hounding FP&L for that.

Mr. Luton: The other thing is maybe we will hear under the engineer's report, but we were supposed to be looking at different areas of the street where the street had been raised because of either roots or some other issue.

Mr. Hans: All of those should be included in his report that he provided us back in July when he did the assessment on the roads.

Mr. Cabrera: We updated a map.

Mr. Hans: Michael's question was more about the roads particularly in this case because we didn't do anything with the roads. We have one area in particular on Arlington that we have a very interesting situation with the road there as well.

Mr. Luton: If you can report back to us the status because I don't see anything crucial other than a couple of places where the irrigation company has reported to us that there is a problem where the road has sunk right where the irrigation is and they may have to go under the road to fix the irrigation, which is a major cost. If we could look at those areas. I think there is two that I know of that are like that.

Mr. Hans: We can definitely.

Ms. Grubb: We have that dip where you go out at the front entrance.

Mr. Luton: We talked about that already.

Ms. Grubb: Sorry.

Mr. Hans: If you can hear me just to fill you in Ingrid. I had met with three separate paver companies out there last week and the week before. They should be getting us pricing back for it. It is roughly a ten by ten section that we are essentially going to have to remove and recompact.

Ms. Grubb: Ok, thank you.

Mr. Luton: Now we will go onto staff and officer reports.

FIFTH ORDER OF BUSINESS

Staff & Officer Reports

A. Attorney

Mr. Luton: Do you have anything to report for us?

Mr. Behn was inaudible at this time.

Mr. Luton: I have noticed that channel 5 has been running a special on HOA costs and they were talking about doing away with the HOA so I don't know if the CDD would be included in that discussion or not.

Mr. Behn: The issues always come back to financing and existing financial obligations to bonds and that sort of thing. Obviously a lot of the HOA's *Mr. Behn was inaudible at this time.*

Mr. Luton: Thank you.

B. Engineer

Mr. Cabrera: I have no specific updates. I will work with Matt on the roads and the irrigation question.

Mr. Luton: Thank you.

C. Manager/Secretary

Ms. Hinz Philippi: I have nothing to report under the manager.

D. Field Manager – Monthly Field Report

Mr. Luton: Field manager you have been talking a lot. Do you have any more things you want to talk about?

Mr. Hans: I will summarize my report. We did have all of those pesky stumps that Jose had left for us they have been reground. As part of that I actually wanted to bring up that at the moment pallets of St. Augustine installed are running between \$500 and \$600. We would need roughly three pallets if we the CDD wanted to take on the reinstallation of the sod in those areas where we did do the stump grinding. If the homeowners were to take on the cost themselves it would cost them about \$80 to \$90 a home to fill in the sod in front of their homes for the stumps that we ground. In the CDD side it is going to cost us about \$1,500 to \$1,600 to do the same job for all of those homes. I just wanted to see how you guys wanted to proceed for that. I can bring back options for it. You could do a not to exceed at \$1,500, which would be \$500 a pallet because we do need just under 3 pallets worth of sod. They don't sell half pallets of sod unfortunately.

Ms. Hertz: How many homes is this?

Mr. Hans: It is 11 homes in total.

Mr. Luton: I would just mention that the HOA covenants says that the homeowner is responsible for that area in front of their homes. That would not be out of the realm of reasonability to ask. We would have to turn it back to the HOA to make sure that they are

in agreement and want to do that. I would say if you wouldn't mind going ahead and getting quotes for those and then we can determine what we want to do.

Mr. Hans: I have a few different people for installing sod.

Ms. Hertz: Right now the cold has actually killed all the weeds, so they are all dead right now. The grass is still ok because it has a better root system. Since homeowners get fined if they don't maintain their lawn how can these people possibly have that pile of bricks sitting there and have not gotten fined?

Mr. Luton: Because it was undetermined as to who put them there.

Ms. Hertz: But if *Ms. Hertz was inaudible at this time*. on the outside of my sidewalk I would get in trouble for it.

Mr. Luton: I understand but if somebody comes and dumps.

Mr. Hans: I will say when they remove the tiles all the tiles were pretty much the same color. It come from one house. They might not have known that their roofer had put it there. Someone's roofer put it there at the end of the day.

Mr. Luton: When the HOA investigated it they couldn't determine if it was just from their house because people had been dumping stuff all over the place. The feeling was that there was tile dumped there from other roofers. That is why they weren't fined. If somebody came and dumped shrubs in front of your house.

Ms. Hertz: I would put them in my garbage pail. Sorry, I would.

Mr. Luton: What else do you have?

Mr. Hans: Jeremy's Tree Service on that pile of junk did charge us \$100 to dispose of it when they came out to do the tree removal. They had to dispose of that separately. I just wanted to get that number on the record.

Mr. Luton: We an always address that with the HOA if they feel like they need to apply that back to the owner if there is someway that you can tell although in this situation I am not sure.

Ms. Hertz: I don't think that should be our responsibility. If it is only \$80 to buy some sod, buy some sod.

Mr. Hans: I think the sod will be put on the homeowner. With the preserve sign replacement I did have inaccurate numbers on there. It ended up it was one of the preserve signs that did get replaced and 5 of the No Trespassing signs that got replaced.

We do have one extra No Trespassing sign to use. The area where those No Trespassing sign were to install them I did have to essentially cut back a path to get there so they should be a little bit more visible now as well.

Mr. Luton: What about the buttonwoods that were bad can those get replaced?

Mr. Hans: They did not replace those yet. They are supposed to be doing a tree install for me at another property and they were trying to do them both at the same time. I have had them hold off on that install twice now because of extenuating circumstances, but they will be removing those two trees and replacing the one that they promised us under warranty. The other one that died is a little bit too late.

Mr. Luton: Ok. Anything else?

Mr. Hans: No, that pretty much covers everything.

E. Treasurer – Financial Reports

1) Approval of Check Register

2) Acceptance of Unaudited Financials

Mr. Luton: Financial reports. Do I have an approval for the check register that was distributed?

Ms. Hertz: Why do our attorney fees change?

Mr. Luton: Because if you call and ask them for a question about something they charge you by the hour.

Mr. Behn: We set a budget annually and it could be well under but at the end of the day we bill on an hourly basis and keep an eye on the budget throughout the year. In months that it is higher it is because we did contract review work.

Ms. Hertz: I noticed the biggest increase was in December. Ok.

Mr. Luton: Any other discussion?

On MOTION by Ms. Eddy seconded by Ms. Hertz with all in favor, the Check Register was approved.

Mr. Luton: The last item is the acceptance of the unaudited financial report. Do I have a motion?

Mr. Geitz: Good because I have a fence going up and I don't want to put a fence and have it torn back down.

Mr. Luton: I understand. I am aware of the situation, and I am sorry we will have to address it on the HOA side.

Mr. Geitz: Ok.

Mr. Luton: I will talk to Liz the property manager, and we will set up a meeting with you.

Mr. Geitz: That would be great, thank you.

Mr. Luton: Who else?

Mr. Zemola: I just have two things. What about the sidewalk on the feeder road has that been repaired or going to be repaired?

Mr. Hans: We did get numbers for it. We are looking at close to \$40,000 worth of work there minimum. We are not funded for that, but it is something that we are planning on doing. It is not something we had forgotten about.

Mr. Luton: It was on the list that we decided not to repair that particular section and do the sidewalks in here first before. We spent most of the money repairing the sidewalks in the development. It is on the agenda to get done.

Mr. Zemola: On the north side outside Spanish Lakes, we have a golf cart path there right to the preserve. Are you guys going to fix that?

Mr. Luton: Is it outside?

Mr. Zemola: It a road going to the sidewalk.

Mr. Hans: It is right where the path ends it connects. There is an open connection. It was the area that the stuff was being dumped previously.

Mr. Luton: So maybe we can put some kind of barrier there or something.

Mr. Zemola: I put a bush across it at one time.

Mr. Luton: Ok, we will look at it.

Mr. Hans: Ideally we would go back there with palmettos. That would be the correct thing to put back there. They are perfect for that. That is what we have throughout the other areas.

Mr. Zemola: You are going to have to plant something.

Mr. Luton: Anybody else? Do I hear a motion to adjourn?

SEVENTH ORDER OF BUSINESS Adjournment

On MOTION by Ms. Hertz seconded by Ms. Eddy with all in favor, the meeting was adjourned.

Assistant Secretary/Secretary

Chairman/Vice Chairman

RESOLUTION 2026-02

A RESOLUTION OF THE PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT APPROVING THE DISTRICT'S PROPOSED BUDGET FOR FISCAL YEAR 2027 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW

WHEREAS, the District Manager has prepared the proposed budget for the Fiscal Year 2027; and

WHEREAS, the Board of Supervisors approves the proposed budget for purpose of submitting said budget to the local governing authorities not less than 60 days prior to the public hearing date in accordance with Chapter 190.008(b), Florida Statutes: and

WHEREAS, the Board of Supervisors desires to set the public hearing date;

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

1. The proposed budget for Fiscal Year 2027 is hereby approved for the purpose of conducting a public hearing to adopt said budget.
2. A public hearing on said approved budget is hereby declared and set for the following date, hour and place:

Date: _____
Hour: _____
Place: _____

Notice of public hearing shall be published in accordance with Florida Law.

Adopted this _____ day of _____, 2026

Chairman/Vice Chairman

Secretary/Assistant Secretary

Portofino Shores
Community Development District

Proposed Budget
FY 2027



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Portofino Shores
Community Development District
Proposed Budget
General Fund

Description	Adopted Budget FY2026	Actuals Thru 2/28/26	Projected Next 7 Months	Projected Thru 9/30/26	Proposed Budget FY 2027
REVENUES:					
Special Assessments- On Roll	\$431,143	\$399,962	\$31,181	\$431,143	\$431,143
Interest Income	8,000	6,730	9,423	16,153	8,500
TOTAL REVENUES	\$439,143	\$406,692	\$40,603	\$447,296	\$439,643

EXPENDITURES:

Administrative:

Engineering	\$25,000	\$852	\$14,583	\$15,436	\$25,000
Attorney	35,000	4,700	\$6,580	11,280	32,000
Annual Audit	3,700	3,300	-	3,300	3,700
Assessment Administration	5,600	5,600	-	5,600	5,600
Trustee Fees	4,000	-	3,000	3,000	3,500
Management Fees	55,680	23,200	32,480	55,680	57,350
Property Appraiser	5,865	7,508	-	7,508	7,510
Information Technology	1,200	500	700	1,200	1,284
Website Maintenance	1,200	500	700	1,200	1,284
Telephone	100	-	25	25	100
Postage & Delivery	2,000	440	314	755	2,000
Insurance General Liability	8,400	8,295	-	8,295	9,200
Printing & Binding	1,000	14	583	597	500
Rental & Leases	2,400	1,000	1,400	2,400	2,400
Legal Advertising	1,500	-	375	375	1,500
Other Current Charges	1,250	589	729	1,318	1,250
Office Supplies	400	18	233	251	400
Dues, Licenses & Subscriptions	175	175	-	175	175
Capital Outlay	250	-	146	146	250
Contingency	5,923	100	140	240	5,015
TOTAL ADMINISTRATIVE	\$160,643	\$56,791	\$61,989	\$118,780	\$160,019

Operations & Maintenance

Field Expenditures

Field Management	\$16,050	\$6,688	\$9,363	\$16,050	\$17,174
Repairs & Maintenance	10,000	-	5,833	5,833	10,000
Roadway Maintenance	5,000	-	2,917	2,917	5,000
Lake Bank Restoration Reserves	25,000	-	25,000	25,000	25,000
Infrastructure Reserve	22,450	-	22,450	22,450	22,450
Tree Removal/Pavement Repairs	35,000	3,850	20,417	24,267	35,000
Contingencies	15,000	-	8,750	8,750	15,000
Improvements	150,000	208,290	-	208,290	150,000

TOTAL FIELD EXPENDITURES	\$278,500	\$218,828	\$94,729	\$313,557	\$279,624
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TOTAL EXPENDITURES	\$439,143	\$275,618	\$156,719	\$432,337	\$439,643
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EXCESS REVENUES (EXPENDITURES)	\$-	\$131,074	\$(116,115)	\$14,959	\$-
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Gross Assessments	\$ 458,663
Less: Discounts & Collections 6%	(27,520)
Net Assessments	<u>\$ 431,143</u>

Product	Assessable Units	Total Gross Assessment	FY26 Gross Per Unit	FY27 Gross Per Unit	Increase/ (Decrease)
Single Family	519	\$ 458,662.50	\$ 883.74	\$ 883.74	\$ -
Total	519	\$ 458,662.50			

Portofino Shores
Community Development District
Budget Narrative

REVENUES

Maintenance Assessments

The District will levy a Non-Ad Valorem assessment on all sold and platted parcels within the District in order to pay for the operating expenditures during the Fiscal Year.

Interest

The District earns interest on the monthly average collected balance for each of their operating accounts.

Expenditures - Administrative

Engineering

The District's engineer will provide general engineering services to the District, i.e. attendance and preparation for monthly board meetings, review of invoices, and other specifically requested assignments.

Attorney

The District's Attorney, will be providing general legal services to the District, i.e., attendance and preparation for monthly Board meetings, review of contracts, review of agreements and resolutions, and other research assigned as directed by the Board of Supervisors and the District Manager.

Annual Audit

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is based on contracted fees from the previous year engagement plus anticipated increase.

Assessment Roll Administration

GMS SF, LLC provides assessment services for closing lot sales, assessment roll services with the local Tax Collector and financial advisory services.

Trustee Fees

The District bonds will be held and administered by a Trustee. This represents the trustee annual fee.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services-South Florida, LLC. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

Information Technology

The District processes all of its financial activities, i.e. accounts payable, financial statements, etc. on a main frame computer leased by Governmental Management Services – South Florida, LLC.

Website Maintenance

Per Chapter 2014-22, Laws of Florida, all Districts must have a website to provide detailed information on the CDD as well as links to useful websites regarding Compliance issues. This website will be maintained by GMS-SF, LLC and updated monthly.

Communication - Telephone

New internet and Wi-Fi service for Office.

Postage and Delivery

Actual postage and/or freight used for District mailings including agenda packages, vendor checks and other correspondence.

Insurance General Liability

The District's General Liability & Public Officials Liability Insurance policy is with a qualified entity that specializes in providing insurance coverage to governmental agencies. The amount is based upon similar Community Development Districts.

Printing and Binding

Copies used in the preparation of agenda packages, required mailings, and other special projects.

Portofino Shores
Community Development District
Budget Narrative

Expenditures - Administrative (continued)

Rentals and Leases

The District will be charged \$200 per month for office rent from Governmental Management Services – South Florida, LLC for the District's administrative office located in Ft. Lauderdale.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings and other public hearings in a newspaper of general circulation.

Other Current Charges

This includes monthly bank charges and any other miscellaneous expenses that incur during the year.

Office Supplies

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects.

Due, Licenses & Subscriptions

The District is required to pay an annual fee to the Florida Department of Commerce for \$175.

Capital Outlay

Represents any minor capital expenditures the District may need to make during the Fiscal Year such as a file cabinet for District files.

Contingencies

A contingency for any unanticipated and unscheduled administration cost to the District.

Expenditures – Field

Field Management

The District will contract management services for the operation of the Property and its contractors.

Repairs and Maintenance

Represents any general repairs and maintenance items to District property.

Roadway Maintenance

Represents costs associated with maintaining the paving, drainage, and sidewalks of the community roadway infrastructure.

Lake Bank Restoration Reserves

Represents costs associated with ongoing lake bank restoration to provide shoreline reconstruction and stabilization for the community's storm water lake systems.

Infrastructure Reserve

The District will reserve funds to for future infrastructure cost/maintenance.

Tree Removal/Pavement Repairs

The District will contract services to remove or prune intrusive tree roots within the district as well as pavement repairs to the surrounding area.

Contingencies

Any unscheduled repairs and maintenance that the District should incur during the fiscal year.

Improvements

Improvements and repairs to the district property due to damages caused by the tornado following Hurricane Milton.

Portofino Shores
Community Development District
AMORTIZATION SCHEDULE
Debt Service Series 2021

Period	Outstanding Balance	Coupons	Principal	Interest	Annual Debt Service
11/01/26	1,725,000	2.400%	-	20,700	272,136
05/01/27	1,725,000	2.400%	230,000	20,700	
11/01/27	1,495,000	2.400%	-	17,940	268,640
05/01/28	1,495,000	2.400%	236,000	17,940	
11/01/28	1,259,000	2.400%	-	15,108	269,048
05/01/29	1,259,000	2.400%	242,000	15,108	
11/01/29	1,017,000	2.400%	-	12,204	269,312
05/01/30	1,017,000	2.400%	248,000	12,204	
11/01/30	769,000	2.400%	-	9,228	269,432
05/01/31	769,000	2.400%	254,000	9,228	
11/01/31	515,000	2.400%	-	6,180	269,408
05/01/32	515,000	2.400%	260,000	6,180	
11/01/32	255,000	2.400%	-	3,060	269,240
05/01/33	255,000	2.400%	255,000	3,060	
TOTAL			\$1,725,000	\$168,840	\$1,887,216

Portofino Shores
Community Development District
Non-Ad Valorem Assessments Comparison
2026-2027

Product Type	O&M Units	Bonds Units	Prepaid Units	Annual Maintenance Assessments			Annual Debt Assessments			Total Assessed Per Unit		
				FY 2027	FY 2026	Variance	FY 2027	FY 2026	Variance	FY 2027	FY 2026	Variance
Single Family	519	510	9	\$ 883.74	\$ 883.74	\$ -	\$ 572.74	\$ 572.74	\$ -	\$ 1,456.48	\$ 1,456.48	\$ -
Total	519	510	9	\$ 458,662.50	\$ 458,662.50	\$ -	\$ 292,097.40	\$ 292,097.40	\$ -	\$ 750,759.90	\$ 750,759.90	\$ -



March 3, 2026

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

We have audited the financial statements of Portofino Shores Community Development District (“District”) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 3, 2026. Professional standards require that we advise you of the following matters relating to our audit.

We have also examined the District’s 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, 2025 which was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Our Responsibility in Relation to the Financial Statement Audit

Our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process.

However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Any findings regarding significant deficiencies or material weaknesses in internal control over financial reporting, material noncompliance, or other matters noted during our audit, **if any**, are communicated in separate reports included in the District’s financial report—titled *Independent Auditor’s Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and Management Letter Pursuant to the Rules of the Auditor General of the State of Florida*.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

With respect to financial statement preparation, the following safeguards are in place:

- Management made all decisions and performed all management functions;
- A competent individual was assigned to oversee the services;
- Management evaluated the adequacy of the services performed;
- Management evaluated and accepted responsibility for the result of the service performed; and
- Management established and maintained internal controls, including monitoring ongoing activities.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management is responsible for selecting and applying appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 2 to the financial statements. There were no new accounting policies adopted and no changes in existing significant accounting policies or their application during the fiscal year, other than those described in Note 2, if any. No matters came to our attention that, under professional standards, we are required to inform you about concerning (1) the methods used to account for significant unusual transactions or (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments normally reflect management's knowledge and experience about past and current events and assumptions about future events.

Certain accounting estimates, if present, may be particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them could differ markedly from management's current judgments.

In connection with our audit, we considered the reasonableness of the accounting estimates used by management. The most sensitive accounting estimate(s) affecting the financial statements **included, as applicable:**

- Management's estimate of the useful lives of capital assets.
- Management's estimate of the liability for employee compensated absences.
- Management's estimate of the Net Other Post-Employment Benefits (OPEB) liability.
- Management's estimate of the Net Pension Liability.

If none of the above estimates or other sensitive estimates were applicable in the current year, this section should be read to indicate that no such significant accounting estimates were identified.

We evaluated the key factors and assumptions used by management to develop the estimate(s) and determined that they were reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements **included, as applicable**:

- Long-term liabilities related to bonds payable and debt service requirements.
- Litigation, claims, and assessments related to pending legal matters; and
- Pension and Other Post-Employment Benefit (OPEB) plan disclosures.

If no such disclosures were identified for the current year, this section should be read to indicate that we did not note any financial statement disclosures involving significant judgment or sensitivity.

Circumstances Affecting the Auditor's Report

Professional standards require us to communicate any circumstances that affect the form or content of our auditor's report. **If applicable**, such circumstances—such as a modification of opinion, an emphasis-of-matter or other-matter paragraph, or a reference to substantial doubt about the District's ability to continue as a going concern—are described in our auditor's report included in the District's financial report. If no such circumstances existed, this section should be read to indicate that our report was unmodified.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Corrected Misstatements

Professional standards require us to communicate all material misstatements identified and corrected during the audit. Management has corrected all misstatements that were identified as a result of our audit procedures. Any such audit adjustments, **if applicable**, are summarized in the accompanying schedule of journal entries. If none were identified, this section should be read to indicate that we did not note any misstatements that were material, individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

Professional standards require that we obtain certain written representations from management as part of our audit. We have received such representations in a letter. A copy of this letter is available for your review upon request.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

As noted previously in this letter, any current-year findings identified during our audit are communicated in our separate reports titled *Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* and *Management Letter Pursuant to the Rules of the Auditor General of the State of Florida*. If no findings were identified, this section should be read to indicate that we did not note any additional significant matters or findings requiring communication to those charged with governance.

This report is intended solely for the information and use of the Board of Supervisors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.



Grau & Associates

**PORTOFINO SHORES
COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025**

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Portofino Shores Community Development District
St. Lucie 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 Portofino Shores Community Development District, St. Lucie County, Florida ("District") as of and for the fiscal year ended September 30, 2025, 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, 2025, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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 March 3, 2026, 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.

March 3, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Portofino Shores Community Development District, St. Lucie County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2025. 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 plus deferred outflows of resources at the close of the most recent fiscal year resulting in a net position deficit balance of (\$606,709).
- The change in the District's total net position in comparison with the prior fiscal year was \$57,755, 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, 2025, the District's governmental funds reported combined ending fund balances of \$503,143, a decrease of (\$72,723) in comparison with the prior fiscal year. The total fund balance is restricted for debt service, nonspendable for prepaid items, 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 are 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 functions.

Fund Financial Statements

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and 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 individual governmental funds. 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 to be 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 plus deferred outflows of resources 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,	
	2025	2024
Assets, excluding capital assets	\$ 504,338	\$ 596,025
Capital assets, net of depreciation	790,413	873,615
Total assets	1,294,751	1,469,640
Deferred outflows of resources	72,265	81,795
Liabilities, excluding long-term liabilities	20,725	262,899
Long-term liabilities	1,953,000	1,953,000
Total liabilities	1,973,725	2,215,899
Net position		
Net investment in capital assets	(1,090,322)	(1,218,590)
Restricted	75,662	63,838
Unrestricted	407,951	490,288
Total net position	\$ (606,709)	\$ (664,464)

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,	
	2025	2024
Revenues:		
Program revenues		
Charges for services	\$ 555,912	\$ 491,802
Operating grants and contributions	6,407	-
General revenues		
Unrestricted investment earnings	24,609	32,410
Total revenues	<u>586,928</u>	<u>524,212</u>
Expenses:		
General government	129,938	118,395
Maintenance and operations	339,739	215,686
Interest	59,496	64,702
Total expenses	<u>529,173</u>	<u>398,783</u>
Change in net position	<u>57,755</u>	<u>125,429</u>
Net position - beginning	<u>(664,464)</u>	<u>(789,893)</u>
Net position - ending	<u>\$ (606,709)</u>	<u>\$ (664,464)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2025 was \$529,173. A portion of the costs of the District's activities were paid by program revenues. Program revenues are comprised primarily of assessments. The majority of the increase in expenses is due to hurricane cleanup expenses as a result of the effects of Hurricane Milton.

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 budgeted amounts, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2025 was amended to increase revenues by \$21,461 and increase appropriations by \$170,580.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2025, the District had \$2,496,054 invested in capital assets. In the government-wide financial statements depreciation of \$1,705,641 has been taken, which resulted in a net book value of \$790,413. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2025, the District had \$1,953,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

For the subsequent fiscal year the District has budgeted an increase in maintenance and operations expenditures.

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 Portofino Shores Community Development District's Finance Department at 5385 N. Nob Hill Road Sunrise, Florida 33351.

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 8,809
Investments	391,097
Assessments receivable	945
Prepaid items	8,295
Restricted assets:	
Cash and cash equivalents	95,192
Capital assets:	
Depreciable, net	790,413
Total assets	1,294,751
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding (debit)	72,265
Total deferred outflows of resources	72,265
 LIABILITIES	
Accounts payable	1,195
Accrued interest payable	19,530
Non-current liabilities:	
Due within one year	228,000
Due in more than one year	1,725,000
Total liabilities	1,973,725
 NET POSITION	
Net investment in capital assets	(1,090,322)
Restricted for debt service	75,662
Unrestricted	407,951
Total net position	\$ (606,709)

See notes to the financial statements

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	
Governmental activities:				
General government	\$ 129,938	\$ 129,938	\$ -	\$ -
Maintenance and operations	339,739	149,591	-	(190,148)
Interest on long-term debt	59,496	276,383	6,407	223,294
Total governmental activities	529,173	555,912	6,407	33,146
General revenues:				
Unrestricted investment earnings				24,609
Total general revenues				24,609
Change in net position				57,755
Net position - beginning				(664,464)
Net position - ending				\$ (606,709)

See notes to the financial statements

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	Major Funds		Total
	General	Debt Service	Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 8,809	\$ 95,192	\$ 104,001
Investments	391,097	-	391,097
Assessments receivable	945	-	945
Prepaid items	8,295	-	8,295
Total assets	\$ 409,146	\$ 95,192	\$ 504,338
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,195	\$ -	\$ 1,195
Total liabilities	1,195	-	1,195
Fund balances:			
Nonspendable:			
Prepaid items	8,295	-	8,295
Restricted for:			
Debt service	-	95,192	95,192
Unassigned	399,656	-	399,656
Total fund balances	407,951	95,192	503,143
Total liabilities and fund balances	\$ 409,146	\$ 95,192	\$ 504,338

See notes to the financial statements

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

Fund balance - governmental funds	\$	503,143
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>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 for the government as a whole.</p>		
Cost of capital assets	2,496,054	
Accumulated depreciation	<u>(1,705,641)</u>	790,413
<p>Deferred charges on refunding of long-term debt are shown as deferred outflows/inflows of resources in the government-wide financial statements; however, this amount is expensed in the governmental fund financial statements.</p>		
		72,265
<p>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.</p>		
Accrued interest payable	(19,530)	
Bonds payable	<u>(1,953,000)</u>	<u>(1,972,530)</u>
Net position of governmental activities		<u>\$ (606,709)</u>

See notes to the financial statements

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Major Funds		Total Governmental Funds
	General	Debt Service	
REVENUES			
Assessments	\$ 279,529	\$ 276,383	\$ 555,912
Interest	24,609	6,407	31,016
Total revenues	304,138	282,790	586,928
EXPENDITURES			
Current:			
General government	129,938	-	129,938
Maintenance and operations	256,537	-	256,537
Debt service:			
Principal	-	221,000	221,000
Interest	-	52,176	52,176
Total expenditures	386,475	273,176	659,651
Excess (deficiency) of revenues over (under) expenditures	(82,337)	9,614	(72,723)
Fund balances - beginning	490,288	85,578	575,866
Fund balances - ending	\$ 407,951	\$ 95,192	\$ 503,143

See notes to the financial statements

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE 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, 2025**

Net change in fund balances - total governmental funds	\$	(72,723)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Depreciation on capital assets is not recognized in the governmental fund financial statements but is reported as an expense in the statement of activities.</p>		(83,202)
<p>Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statement but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.</p>		221,000
<p>Amortization of deferred charges is not recognized in the governmental fund statement but is reported as an expense in the statement of activities.</p>		(9,530)
<p>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.</p>		2,210
		2,210
Change in net position of governmental activities	\$	57,755

See notes to the financial statements

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

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Portofino Shores Community Development District ("District") was created on December 17, 2002 by Ordinance No. 02-030 of the Board of County Commissioners of St. Lucie County, Florida, 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 by owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the final responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted budget and levied annually at a public hearing of the District. Debt Service Assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the Debt Service Assessments on their property subject to various provisions in the Bond documents.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so 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 funds are used to account for the accumulation of resources for the annual payment of principal and interest on debt.

As a general rule, the effect of inter-fund 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Deposits and Investments

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

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

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. 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 government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets (Continued)

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>
Infrastructure	30

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.

Refundings of Debt

For current refundings and advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources and recognized ratably as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. In connection with the refunding, \$9,530 was recognized as a component of interest expense in the current fiscal year.

Unearned Revenue

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

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

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.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

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

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the 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, 2025:

	<u>Amortized Cost</u>	Credit Risk	Maturities
Investment in Local Government Surplus Funds			Weighted average
Trust Fund (Florida PRIME)	\$ 391,097	S&P AAAM	maturity: 47 days
	<u>\$ 391,097</u>		

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk.

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.

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.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

External Investment Pool – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.” With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

NOTE 5 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities</u>				
Capital assets, being depreciated				
Infrastructure	\$ 2,496,054	\$ -	\$ -	\$ 2,496,054
Total capital assets, being depreciated	2,496,054	-	-	2,496,054
Less accumulated depreciation for:				
Infrastructure	1,622,439	83,202	-	1,705,641
Total accumulated depreciation	1,622,439	83,202	-	1,705,641
Total capital assets, being depreciated, net	873,615	(83,202)	-	790,413
Governmental activities capital assets, net	\$ 873,615	\$ (83,202)	\$ -	\$ 790,413

Depreciation expense was charged to the maintenance and operations function.

NOTE 6 – LONG TERM LIABILITIES

Series 2021

In April 2021, the District issued \$2,812,000 of Special Assessment Revenue Refunding Bonds, Series 2021 due on May 1, 2033, with a fixed interest rate of 2.4%. The Bonds were issued to refund the District's outstanding Special Assessment Revenue Refunding Bonds, Series 2013 and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2022 through May 1, 2033.

The Series 2021 Bonds are subject to redemption at the option of the District prior to maturity. The Series 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established certain restrictions and requirements relating principally to the use of proceeds to refund the previously outstanding Series 2013 Bonds 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. The District was in compliance with the requirements at September 30, 2025.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2025 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2021	\$ 2,174,000	\$ -	\$ 221,000	\$ 1,953,000	\$ 228,000
Total	\$ 2,174,000	\$ -	\$ 221,000	\$ 1,953,000	\$ 228,000

At September 30, 2025, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2026	\$ 228,000	\$ 46,872	\$ 274,872
2027	230,000	41,400	271,400
2028	236,000	35,880	271,880
2029	242,000	30,216	272,216
2030	248,000	24,408	272,408
2031-2033	769,000	36,936	805,936
Total	\$ 1,953,000	\$ 215,712	\$ 2,168,712

NOTE 7 – RISK MANAGEMENT

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

NOTE 8 – MANAGEMENT COMPANY

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

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Assessments	\$ 276,731	\$ 278,583	\$ 279,529	\$ 946
Interest	5,000	24,609	24,609	-
Total revenues	281,731	303,192	304,138	946
EXPENDITURES				
Current:				
General government	155,535	140,115	129,938	10,177
Maintenance and operations	127,450	313,450	256,537	56,913
Total expenditures	282,985	453,565	386,475	67,090
Excess (deficiency) of revenues over (under) expenditures	(1,254)	(150,373)	(82,337)	68,036
OTHER FINANCING SOURCES (USES)				
Carry forward	1,254	150,373	-	(150,373)
Total other financing sources (uses)	1,254	150,373	-	(150,373)
Net change in fund balances	\$ -	\$ -	(82,337)	\$ (82,337)
Fund balance - beginning			490,288	
Fund balance - ending			\$ 407,951	

See notes to required supplementary information

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

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2025 was amended to increase revenues by \$21,461 and increase appropriations by \$170,580.

**PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT
ST. LUCIE COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
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	\$412,794.31
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
Ad Valorem taxes	Not applicable
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance - \$567.23 Debt service - \$572.74
Special assessments collected	\$555,912
Outstanding Bonds:	
Series 2021, Due May 1, 2033	\$1,953,000



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
Portofino Shores Community Development District
St. Lucie County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Portofino Shores Community Development District, St. Lucie County, Florida ("District") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated March 3, 2026.

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.

March 3, 2026



**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
Portofino Shores Community Development District
St. Lucie County, Florida

We have examined Portofino Shores Community Development District, St. Lucie County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2025. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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, 2025.

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 Portofino Shores Community Development District, St. Lucie County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

March 3, 2026



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

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

Report on the Financial Statements

We have audited the accompanying basic financial statements of Portofino Shores Community Development District, St. Lucie County, Florida ("District") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 3, 2026.

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 March 3, 2026, 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 Portofino Shores Community Development District, St. Lucie County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

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

March 3, 2026

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2024.

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, 2025.

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, 2025.

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, 2025. 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.

NOTICE OF QUALIFYING PERIOD FOR CANDIDATES FOR THE BOARD OF SUPERVISORS OF THE PORTOFINO SHORES COMMUNITY DEVELOPMENT DISTRICT

NOTICE IS HEREBY GIVEN that the qualifying period for candidates for the office of Supervisor of the Portofino Shores Community Development District ("District") will commence at **noon on June 8, 2026, and close at noon on June 12, 2026**. As provided in Section 99.061(8), Florida Statutes, qualifying papers may be submitted beginning **May 25, 2026**, to be processed and filed during the qualifying period. Candidates must qualify for the office of Supervisors of the District with the St. Lucie County Supervisor of Elections, at one of the following locations (the Supervisor of Elections recommends that qualifying papers filed during the **June 8-12** qualifying period be submitted to the Fort Pierce office):

St. Lucie West South County Annex 250 NE Country Club Drive Port St. Lucie, Florida 34986-2408 Telephone: (772) 462-1500	Dorothy J. Conrad County Admin. Annex 1664 S.E. Walton Road Port St. Lucie, Florida 34952 Telephone: (772) 462-1500
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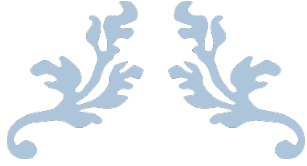
Renaissance Business Park 4132 Okeechobee Road Fort Pierce, Florida 34947 Telephone: (772) 462-1500	Tradition Tax Collector's Office 10264 SW Village Parkway Port St. Lucie, Florida 34987 (772) 462-1500
--	---

All candidates shall qualify for individual seats in accordance with Section 99.061, Florida Statutes, and must also be qualified electors of the District. A qualified elector is any person at least 18 years of age who also is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the St. Lucie County Supervisor of Elections. Campaigns shall be conducted in accordance with Chapter 106, Florida Statutes.

The District has **three** seats up for election, specifically **Seat #3, Seat # 4 and Seat #5**. Each seat carries a four-year term of office. Elections are nonpartisan and will be held at the same time as the general election on **November 3, 2026**, in the manner prescribed by law for general elections.

For additional information, please contact the St. Lucie County Supervisor of Elections.

DISTRICT
Andressa Hinz Philippi, District Manager
PORTOFINO SHORES COMMUNITY DEVELOPMENT
DISTRICT



PORTOFINO SHORES

CDD

FIELD REPORT



APRIL 7, 2026

Governmental Management Services-South Florida, LLC
5385 N. Nob Hill Road Sunrise, FL 33351

PORTOFINO SHORES CDD

Common Area's

- Tree Removal & Stump Grinding
 - all projects related to the tree removal and stump grindings have been completed
- Buttonwood freeze damage
 - All of our freshly installed buttonwoods were severely damaged during the cold span we had experienced in the beginning of February.
 - Of the 97 trees installed 1 appears to still be doing well, and 4 others are showing signs of life
 - The buttonwood is not able to handle temperatures under 30 degrees for extended periods of time
 - We are speaking with landscapers and landscape architects to look for better options for replacement trees
- Sidewalk Tripping Hazard
 - Infront of 5710 Place Lake Drive a tripping hazard was brought to out attention
 - The CDD will be replacing a 5x5 section of sidewalk to bring the area back on to ADA compliance
 - Work is scheduled for 4/5/26
 - Venice Commercial will be doing the work





FIELD SUPERVISOR REPORT
Matt Hans/ Andressa Hinz-Philippi
Mhans@gmssf.com/ahphilippi@gmssf.com
Phone# 954 512-9580/ 954 560-1858

- Front Entrance Pavers
 - We had a 5x6 section of pavers subsiding in the exit lane of the main entrance
 - Venice commercial will be completing the work when they are onsite for the sidewalk repairs next week



Lakes

- All lakes throughout the community are currently in good condition.
- There are no significant issues or concerns to report at this time.

Portofino Shores
COMMUNITY DEVELOPMENT DISTRICT

Check Register

01/01/26 - 02/28/26

<i>Date</i>	<i>check #'s</i>	<i>Amount</i>
01/01/26 - 01/31/26	1362-1365	\$ 74,696.81
02/01/26 - 02/28/26	1366-1370	\$ 15,548.00
TOTAL		\$ 90,244.81

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
1/15/26	00014	12/17/25	102854	202511	310	51300	31100			*	852.32		
			NOV 25 - ENGINEERING FEES										
									CULPEPPER & TERPENING, INC			852.32	001362
1/15/26	00021	1/01/26	287	202601	320	53800	34000			*	1,337.50		
			JAN 26 - FIELD SERVICES										
		1/01/26	288	202601	310	51300	34000			*	4,640.00		
			JAN 26 - MGMT FEES										
		1/01/26	288	202601	310	51300	44000			*	200.00		
			JAN 26 - RENT										
		1/01/26	288	202601	310	51300	35100			*	100.00		
			JAN 26 - COMPUTER TIME										
		1/01/26	288	202601	310	51300	49500			*	100.00		
			JAN 26 - WEBSITE ADMIN										
		1/01/26	288	202601	310	51300	42000			*	3.70		
			JAN 26 - POSTAGE										
									GOVERNMENTAL MANAGEMENT SERVICES -			6,381.20	001363
1/15/26	00060	1/15/26	01152026	202601	300	20700	10000			*	37,463.29		
			TRANSFER OF TAX RECEIPTS										
									PORTOFINO SHORES CO BOK FINANCIAL			37,463.29	001364
1/15/26	00052	1/14/26	01142026	202601	300	15100	10000			*	30,000.00		
			TXFER EXCESS FUNDS TO SBA										
									PORTOFINO SHORES CDD			30,000.00	001365
2/18/26	00002	1/27/26	9-154-22	202601	310	51300	42000			*	46.54		
			DELIVERIES THRU 1/16/26										
		2/03/26	9-162-33	202601	310	51300	42000			*	348.07		
			DELIVERIES THRU 1/27/26										
									FEDEX			394.61	001366
2/18/26	00021	2/01/26	289	202602	320	53800	34000			*	1,337.50		
			FEB 26 - FIELD SERVICES										
		2/01/26	290	202602	310	51300	34000			*	4,640.00		
			FEB 26 - MGMT FEES										
		2/01/26	290	202602	310	51300	44000			*	200.00		
			FEB 26 - RENT										
		2/01/26	290	202602	310	51300	35100			*	100.00		
			FEB 26 - COMPUTER TIME										
		2/01/26	290	202602	310	51300	49500			*	100.00		
			FEB 26 - WEBSITE ADMIN										
		2/01/26	290	202602	310	51300	42000			*	.74		
			FEB 26 - POSTAGE										
		2/01/26	290	202602	310	51300	42500			*	.15		
			FEB 26 - COPIES										
									GOVERNMENTAL MANAGEMENT SERVICES -			6,378.39	001367

PORS --PORT SHORE-- ACOOPER

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
2/18/26	00017	2/02/26	28650	202602 310-51300-32200	AUDIT FYE 9/30/25	*	3,300.00		
								3,300.00	001368
2/18/26	00075	1/27/26	336	202601 320-53800-46500	LIVE OAK RMV/STUMP GRIND	*	3,850.00		
								3,850.00	001369
2/18/26	00003	2/03/26	WGC-1671	202601 310-51300-31500	JAN 26 - ATTORNEY FEES	*	1,625.00		
								1,625.00	001370
TOTAL FOR BANK A							90,244.81		
TOTAL FOR REGISTER							90,244.81		

Portofino Shores
Community Development District

Unaudited Financial Reporting
February 28, 2026



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5	<u>Allocation of Infrastructure Reserves</u>
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9	<u>Long Term Debt Report</u>
10	<u>Assessment Receipt Schedule</u>

Portofino Shores
Community Development District
Combined Balance Sheet
February 28, 2026

	<i>General Fund</i>	<i>Debt Service Fund</i>	<i>Totals Governmental Funds</i>
Assets:			
<u>Cash:</u>			
Operating Account	\$ 48,411	\$ -	\$ 48,411
Due from General Fund	-	12,042	12,042
<u>Investments:</u>			
State Board of Administration (SBA)	502,656	-	502,656
<u>Series 2021:</u>			
Interest	-	13	13
Revenue	-	314,688	314,688
Sinking	-	2,091	2,091
Total Assets	\$ 551,067	\$ 328,834	\$ 879,901
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Due to Debt Service	12,042	-	12,042
Total Liabilities	\$ 12,042	\$ -	\$ 12,042
Fund Balance:			
Restricted for:			
Debt Service	\$ -	\$ 328,834	\$ 328,834
Assigned for:			
Capital Reserves (Lake Bank)	107,203	-	107,203
Capital Reserves (Infrastructure)	112,250	-	112,250
Unassigned	319,573	-	319,573
Total Fund Balances	\$ 539,026	\$ 328,834	\$ 867,860
Total Liabilities & Fund Balance	\$ 551,067	\$ 328,834	\$ 879,901

Portofino Shores

Community Development District

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending February 28, 2026

	Adopted	Prorated Budget	Actual	
	Budget	Thru 02/28/26	Thru 02/28/26	Variance
Revenues:				
Special Assessments - On Roll	\$ 431,143	\$ 399,962	\$ 399,962	\$ -
Interest Income	8,000	3,333	6,730	3,397
Total Revenues	\$ 439,143	\$ 403,295	\$ 406,692	\$ 3,397
Expenditures:				
<i>General & Administrative:</i>				
Engineering	\$ 25,000	\$ 10,417	\$ 852	\$ 9,564
Attorney	35,000	14,583	4,700	9,883
Annual Audit	3,700	3,300	3,300	-
Assessment Administration	5,600	5,600	5,600	-
Trustee Fees	4,000	-	-	-
Management Fees	55,680	23,200	23,200	-
Property Appraiser	5,865	5,865	7,508	(1,643)
Information Technology	1,200	500	500	-
Website Maintenance	1,200	500	500	-
Telephone	100	42	-	42
Postage & Delivery	2,000	833	440	393
Insurance General Liability	8,400	8,295	8,295	-
Printing & Binding	1,000	417	14	403
Rental & Leases	2,400	1,000	1,000	-
Legal Advertising	1,500	625	-	625
Other Current Charges	1,250	521	589	(68)
Office Supplies	400	167	18	149
Dues, Licenses & Subscriptions	175	175	175	-
Capital Outlay	250	104	-	104
Contingency	5,923	2,468	100	2,368
Total General & Administrative	\$ 160,643	\$ 78,611	\$ 56,791	\$ 21,821

Portofino Shores

Community Development District

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending February 28, 2026

	Adopted Budget	Prorated Budget Thru 02/28/26	Actual Thru 02/28/26	Variance
<i>Operations & Maintenance</i>				
Field Expenditures				
Field Maintenance	\$ 16,050	\$ 6,688	\$ 6,688	\$ -
Repairs & Maintenance	10,000	4,167	-	4,167
Roadway Maintenance	5,000	2,083	-	2,083
Lake Bank Restoration Reserves	25,000	10,417	-	10,417
Infrastructure Reserve	22,450	9,354	-	9,354
Tree Removal/Pavement Repairs	35,000	14,583	3,850	10,733
Contingencies	15,000	6,250	-	6,250
Improvements	150,000	150,000	208,290	(58,290)
Total Field Expenditures	\$ 278,500	\$ 203,542	\$ 218,828	\$ (15,286)
Total Expenditures	\$ 439,143	\$ 282,153	\$ 275,618	\$ 6,535
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ 121,142	\$ 131,074	\$ 9,932
Net Change in Fund Balance	\$ -	\$ 121,142	\$ 131,074	\$ 9,932
Fund Balance - Beginning	\$ -		\$ 407,951	
Fund Balance - Ending	\$ -		\$ 539,026	

Portofino Shores
Community Development District
General Fund
Allocation of Lake Bank Restoration Reserves ⁽¹⁾

Description	Amount
Beginning Balance - (As of 9/30/2012)	\$12,777
<u>Additions:</u>	
FY 2013 Adopted Budget	\$29,655
FY 2014 Adopted Budget	\$30,055
FY 2015 Adopted Budget	\$20,000
FY 2016 Adopted Budget	\$20,000
FY 2017 Adopted Budget	\$25,000
FY 2018 Adopted Budget	\$25,000
FY 2019 Adopted Budget	\$25,000
FY 2020 Adopted Budget	\$25,000
FY 2021 Adopted Budget	\$25,000
FY 2022 Adopted Budget	\$25,000
FY 2023 Adopted Budget	\$25,000
FY 2024 Adopted Budget	\$25,000
FY 2025 Adopted Budget	\$25,000
FY 2026 Adopted Budget	\$25,000
	\$362,487
<u>Subtractions:</u>	
FY 2023 Lake Bank Phase II Project (Sea and Shoreline)	(\$165,277)
FY 2024 Lake Bank Phase II Project (Sea and Shoreline) Balance	(\$18,364)
FY 2024 Lake Bank Phase II Pond 3 Erosion	(\$84,420)
	(\$268,061)
Total Capital Reserve Funds as of February 28, 2026	\$107,203

⁽¹⁾ Lake Bank Restoration represents costs associated with ongoing lake bank restoration to provide shoreline reconstruction and stabilization for the community's storm water lake systems.

Portofino Shores
Community Development District
General Fund
Allocation of Infrastructure Reserves

Description	Amount
Beginning Balance - (As of 9/30/2021)	\$0
<u>Additions:</u>	
FY 2022 Adopted Budget	\$22,450
FY 2023 Adopted Budget	\$22,450
FY 2024 Adopted Budget	\$22,450
FY 2025 Adopted Budget	\$22,450
FY 2026 Adopted Budget	\$22,450
	\$112,250
<u>Subtractions:</u>	
	\$0
	\$0
Total Infrastructure Reserve Funds as of February 28, 2026	\$112,250

Portofino Shores

Community Development District

Debt Service Fund Series 2021

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending February 28, 2026

	Adopted Budget	Prorated Budget Thru 02/28/26	Actual Thru 02/28/26	Variance
Revenues:				
Special Assessments - On Roll	\$ 274,572	\$ 254,715	\$ 254,715	\$ -
Interest Income	1,500	1,500	2,362	862
Total Revenues	\$ 276,072	\$ 256,215	\$ 257,077	\$ 862
Expenditures:				
Interest Expense - 11/1	\$ 23,436	\$ 23,436	\$ 23,436	\$ -
Interest Expense - 05/1	23,436	-	-	-
Principal Expense - 5/01	228,000	-	-	-
Total Expenditures	\$ 274,872	\$ 23,436	\$ 23,436	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ 1,200	\$ 232,779	\$ 233,641	\$ 862
Net Change in Fund Balance	\$ 1,200	\$ 232,779	\$ 233,641	\$ 862
Fund Balance - Beginning	\$ 94,851		\$ 95,193	
Fund Balance - Ending	\$ 96,051		\$ 328,834	

Portofino Shores
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
Revenues:													
Special Assessments - On Roll	\$ -	\$ 54,647	\$ 317,120	\$ 19,994	\$ 8,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 399,962
Interest Income	1,303	1,036	1,282	1,614	1,496	-	-	-	-	-	-	-	6,730
Total Revenues	\$ 1,303	\$ 55,683	\$ 318,402	\$ 21,608	\$ 9,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 406,692
Expenditures:													
General & Administrative:													
Engineering	\$ -	\$ 852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 852
Attorney	923	2,153	-	1,625	-	-	-	-	-	-	-	-	4,700
Annual Audit	-	-	-	-	3,300	-	-	-	-	-	-	-	3,300
Assessment Administration	5,600	-	-	-	-	-	-	-	-	-	-	-	5,600
Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Management Fees	4,640	4,640	4,640	4,640	4,640	-	-	-	-	-	-	-	23,200
Property Appraiser	-	-	7,508	-	-	-	-	-	-	-	-	-	7,508
Information Technology	100	100	100	100	100	-	-	-	-	-	-	-	500
Website Maintenance	100	100	100	100	100	-	-	-	-	-	-	-	500
Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage & Delivery	1	38	1	398	1	-	-	-	-	-	-	-	440
Insurance General Liability	8,295	-	-	-	-	-	-	-	-	-	-	-	8,295
Printing & Binding	-	-	14	-	0	-	-	-	-	-	-	-	14
Rental & Leases	200	200	200	200	200	-	-	-	-	-	-	-	1,000
Legal Advertising	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Charges	126	103	125	122	113	-	-	-	-	-	-	-	589
Office Supplies	-	-	18	-	-	-	-	-	-	-	-	-	18
Dues, Licenses & Subscriptions	175	-	-	-	-	-	-	-	-	-	-	-	175
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency	100	-	-	-	-	-	-	-	-	-	-	-	100
Total General & Administrative	\$ 20,260	\$ 8,186	\$ 12,705	\$ 7,186	\$ 8,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,791

Portofino Shores
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
<i>Operations & Maintenance</i>													
Field Expenditures													
Field Maintenance	\$ 1,338	\$ 1,338	\$ 1,338	\$ 1,338	\$ 1,338	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,688
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Roadway Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Lake Bank Restoration Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Lank Bank Restoration	-	-	-	-	-	-	-	-	-	-	-	-	-
Tree Removal/Pavement Repairs	-	-	-	3,850	-	-	-	-	-	-	-	-	3,850
Contingencies	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	86,125	68,900	53,265	-	-	-	-	-	-	-	-	-	208,290
Subtotal Field Expenditures	\$ 87,463	\$ 70,238	\$ 54,603	\$ 5,188	\$ 1,338	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,828
Total Expenditures	\$ 107,723	\$ 78,424	\$ 67,307	\$ 12,373	\$ 9,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,618
Excess (Deficiency) of Revenues over Expenditures	\$ (106,419)	\$ (22,741)	\$ 251,095	\$ 9,235	\$ (95)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,074
Net Change in Fund Balance	\$ (106,419)	\$ (22,741)	\$ 251,095	\$ 9,235	\$ (95)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,074

Portofino Shores
Community Development District
Long Term Debt Report

Series 2021 Special Assessments Refunding Bonds		
Original Bond Issuance:		\$2,812,000
Original Bond Date:	4/22/2021	
Interest Rate:	2.400%	
Maturity Date:	5/1/2033	
Reserve Fund Definition	N/A	
Reserve Fund Requirement	N/A	
Reserve Fund Balance	\$0	
Bonds Outstanding:		\$2,812,000
Special Call - 11/1/21		(\$10,000)
Less: Principal Payment - 5/1/22		(\$202,000)
Less: Principal Payment - 5/1/23		(\$212,000)
Less: Principal Payment - 5/1/24		(\$214,000)
Less: Principal Payment - 5/1/25		(\$221,000)
Current Bonds Outstanding		\$1,953,000

Portofino Shores
COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Receipts - St. Lucie County
Fiscal Year 2026

Gross Assessments \$ 458,661.06 \$ 292,097.40 \$ 750,758.46
Net Assessments \$ 431,141.40 \$ 274,571.56 \$ 705,712.95

ON ROLL ASSESSMENTS

allocation in % 61.09% 38.91% 100.00%

Date	Gross Amount	Discount/ Penalty	Commission	Interest	Net Receipts	2021		
						O&M Portion	Debt Service	Total
11/07/25	\$ 12,182.44	\$ 606.94	\$ 231.51	\$ -	\$ 11,343.99	\$ 6,930.39	\$ 4,413.60	\$ 11,343.99
11/14/25	36,412.00	1,456.50	699.11	-	34,256.39	20,928.27	13,328.12	34,256.39
11/20/25	46,607.36	1,864.32	894.86	-	43,848.18	26,788.18	17,060.00	43,848.18
12/01/25	39,324.96	1,573.02	755.04	-	36,996.90	22,602.53	14,394.37	36,996.90
12/05/25	426,225.16	17,049.24	8,183.51	-	400,992.41	244,978.40	156,014.01	400,992.41
12/11/25	69,911.04	2,723.64	1,343.76	-	65,843.64	40,225.87	25,617.77	65,843.64
12/18/25	7,282.40	218.46	141.29	-	6,922.65	4,229.26	2,693.39	6,922.65
12/30/25	8,738.88	247.59	169.82	-	8,321.47	5,083.84	3,237.63	8,321.47
01/05/26	7,282.40	233.03	140.99	-	6,908.38	4,220.54	2,687.84	6,908.38
01/08/26	8,251.83	225.66	160.50	427.59	8,293.26	5,066.60	3,226.66	8,293.26
01/09/26	9,622.62	274.13	186.98	-	9,161.51	5,597.04	3,564.47	9,161.51
01/16/26	2,912.96	58.26	57.10	-	2,797.60	1,709.14	1,088.46	2,797.60
01/23/26	2,912.96	87.40	56.51	-	2,769.05	1,691.70	1,077.35	2,769.05
01/29/26	2,912.96	58.26	57.09	-	2,797.61	1,709.14	1,088.47	2,797.61
02/05/26	7,282.40	160.21	142.44	-	6,979.75	4,264.14	2,715.61	6,979.75
02/12/26	6,709.66	134.19	131.51	-	6,443.96	3,936.81	2,507.15	6,443.96
TOTAL	\$ 694,572.03	\$ 26,970.85	\$ 13,352.02	\$ 427.59	\$ 654,676.75	\$ 399,961.85	\$ 254,714.90	\$ 654,676.75

92.52%	Percent Collected
\$ 56,186.43	Balance Remaining to Collect