

## Understanding Your CDD Assessment Letter

In most cases, your CDD Assessment is made up of two parts, the Bond Assessment (repayment) and the Operating and Management (O&M) Assessment. The letter you received address ONLY the O&M portion of your assessment, which is why the proposed amount you see in your letter may be different than what is listed on your tax bill.

The Bond Assessment pays back the principal and interest used to build the infrastructure and common areas of the community. It typically lasts about 30 years, does not change, and can be paid off early. The bond portion usually comprises about 45-55% of your total CDD Assessment, and O&M makes up the rest.

The O&M Assessment pays for the upkeep, repair, and improvements to the community common areas, and includes landscaping, pond maintenance, etc. It may change from year to year, but it never goes away, and is set each year by your elected CDD Board of Supervisors, with input from the residents.

The process of setting the O&M Assessment has two parts:

1. A preliminary, highwater budget is drafted in June based on historic expenditures and anticipated community needs and wants. This preliminary budget is accepted by the Board during a public meeting and submitted to the state. It is often set higher than the final budget to give the Board options over the next several months, as they discuss community needs and wants. PLEASE NOTE THAT THE ACCEPTED PRELIMINARY BUDGET MAY BE **DECREASED**, BUT CANNOT BE INCREASED.
2. The preliminary budget is discussed openly at a public hearing in August, to which residents are strongly encouraged to attend in order to provide their input. Directly following the public hearing, the Board approves any changes to the preliminary budget and adopts the final operating budget for the upcoming fiscal year (October 1 through September 30). This meeting/date is noticed in your letter and advertised twice in the local newspaper, as well as on this website. PLEASE NOTE THAT ALL CDD MEETINGS ARE NOTICED ON THIS WEBSITE.

O&M Assessments are typically determined by lot size (ERU) rather than appraised home values or number of residents – every lot within the District is assessed and pays its respective share, whether resident- or developer-owned. That means that if a lot is undeveloped or under construction, the developer and home builders are paying their portion of the District assessments.

In summary, any assessment increases only apply to the O&M portion of your Assessment, not the entire CDD fee, because the Bond Assessments do not change. **The amount shown on your letter is not the increase amount, but rather the new proposed annual total amount of the O&M assessment.**

You can also check your current assessment on you County Tax Collector website. PLEASE NOTE THAT IF YOUR COMMUNITY STILL HAS BONDS TO PAY OFF, YOUR ASSESSMENT AS PRESENTED ON THE TAX COLLECTOR SITE INCLUDES THE BOND AMOUNT IN YOUR TOTAL.

Thank you,

Your CDD Board of Supervisors and Management Team