

HERITAGE HARBOR

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2016

Version 4 - Final Budget
(Adopted at the 08/20/15 Meeting)

Prepared by:



HERITAGE HARBOR

Community Development District

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HERITAGE HARBOR
Community Development District

General Fund
Fiscal Year 2016

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2016 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2014	BUDGET FY 2015	THRU JUL-2015	AUG - SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
REVENUES						
Interest - Investments	\$ 2,236	\$ 1,800	\$ 2,286	\$ 250	\$ 2,536	\$ 1,800
Interest - Tax Collector	25	-	15	-	15	-
Special Assmnts- Tax Collector	738,387	738,388	738,387	-	738,387	738,387
Special Assmnts- Discounts	(25,952)	(29,536)	(26,586)	-	(26,586)	(29,535)
Other Miscellaneous Revenues	-	-	21	-	21	-
TOTAL REVENUES	714,696	710,652	714,123	250	714,373	710,652
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	12,200	12,000	8,600	2,000	10,600	12,000
FICA Taxes	933	918	658	153	811	918
ProfServ-Engineering	2,392	12,000	6,694	4,000	10,694	12,000
ProfServ-Legal Services	4,448	15,000	2,845	4,000	6,845	15,000
ProfServ-Mgmt Consulting Serv	55,000	55,000	47,333	7,667	55,000	55,000
ProfServ-Property Appraiser	13,790	14,768	14,236	-	14,236	14,768
Auditing Services	8,275	8,275	6,000	-	6,000	8,275
Postage and Freight	1,344	900	612	140	752	900
Insurance - General Liability	11,244	12,857	10,493	-	10,493	12,857
Printing and Binding	2,198	2,500	1,558	300	1,858	2,500
Legal Advertising	755	5,500	75	3,000	3,075	5,500
Miscellaneous Services	799	960	685	160	845	960
Misc-Assessmnt Collection Cost	10,726	14,768	14,236	-	14,236	14,768
Misc-Web Hosting	-	-	1,050	100	1,150	1,000
Office Supplies	518	600	203	100	303	600
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	124,797	156,221	115,453	21,620	137,073	157,221
<i>Field</i>						
Payroll-Salaried	16,422	16,495	5,519	-	5,519	-
FICA Taxes	2,408	2,705	790	-	790	-
Life and Health Insurance	10,849	11,153	3,955	-	3,955	-
ProfServ-Field Management	-	-	7,500	2,500	10,000	15,000
Contracts-Guard Services	134,067	133,471	103,211	14,240	117,451	155,000
Contracts-Fountain	1,680	1,680	1,400	280	1,680	1,680
Contracts-Landscape	124,192	134,400	110,425	22,600	133,025	136,800
Contracts-Lakes	21,036	21,036	17,530	3,506	21,036	21,036
Contracts-Gates	-	-	42,155	8,180	50,335	50,280
Utility - General	76,212	82,683	59,376	13,000	72,376	79,800
R&M-General	8,574	9,000	1,073	5,000	6,073	9,000
R&M-Gate	698	5,000	1,468	900	2,368	5,000
R&M-Other Landscape	75,281	30,500	39,130	2,000	41,130	28,800
R&M-Irrigation	2,635	10,000	3,510	1,000	4,510	10,000

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2016 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2014	BUDGET FY 2015	THRU JUL-2015	AUG - SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
R&M-Lake	698	1,200	-	500	500	1,200
R&M-Mitigation	-	2,260	-	2,260	2,260	2,260
R&M-Trees and Trimming	-	10,000	-	7,500	7,500	10,000
Misc-Holiday Decor	1,945	2,000	2,982	-	2,982	3,000
Misc-Contingency	7,937	60,848	13,580	2,000	15,580	44,945
Reserve - Fountain	-	2,000	-	-	-	2,000
Reserve - Gate/Entry Feature	-	6,000	-	-	-	6,000
Reserve - Lake Embankm/Drainage	-	6,000	-	-	-	6,000
Reserve - Landscaping	-	6,000	-	-	-	6,000
Total Field	484,634	554,431	413,604	85,466	499,070	593,801
TOTAL EXPENDITURES	609,431	710,652	529,057	107,086	636,143	751,022
Excess (deficiency) of revenues						
Over (under) expenditures	105,265	-	185,066	(106,836)	78,230	(40,370)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	-	-	-	-	(40,370)
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	(40,370)
Net change in fund balance	105,265	-	185,066	(106,836)	78,230	(40,370)
FUND BALANCE, BEGINNING	593,503	698,768	698,768	-	698,768	776,998
FUND BALANCE, ENDING	\$ 698,768	\$ 698,768	\$ 883,834	\$ (106,836)	\$ 776,998	\$ 736,628

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2016	\$ 776,998
Net Change in Fund Balance - Fiscal Year 2016	(40,370)
Reserves - Fiscal Year 2016 Additions	20,000
Total Funds Available (Estimated) - 9/30/2016	756,628

ALLOCATION OF AVAILABLE FUNDS

Nonspendable Fund Balance

Deposits	<u>2,000</u>
Subtotal	<u>2,000</u>

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		187,756 ⁽¹⁾
Reserve - Fountains (Prior Years)	15,600 ⁽²⁾	
Reserve - Fountains (Current Year)	2,000 ⁽³⁾	
Reserve - Fountains (Budget Year)	2,000 ⁽⁴⁾	19,600
Reserve - Gate/Entry Features (Prior Years)	37,191 ⁽²⁾	
Reserve - Gate/Entry Features (Current Year)	6,000 ⁽³⁾	
Reserve - Gate/Entry Features (Budget Year)	6,000 ⁽⁴⁾	49,191
Reserve - Irrigation System	-	100,000
Reserve - Lake Embankments (Prior Years)	46,800 ⁽²⁾	
Reserve - Lake Embankments (Current Year)	6,000 ⁽³⁾	
Reserve - Lake Embankments (Budget Year)	6,000 ⁽⁴⁾	58,800
Reserve - Landscape (Prior Years)	46,800 ⁽²⁾	
Reserve - Landscape (Current Year)	6,000 ⁽³⁾	
Reserve - Landscape (Budget Year)	6,000 ⁽⁴⁾	58,800
Subtotal		<u>474,147</u>

Total Allocation of Available Funds	476,147
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Total Unassigned Cash	<u><u>\$ 280,481</u></u>
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Notes

- (1) Represents approximately 3 months of operating expenditures
- (2) Represents budgeted reserves (FY 2003 through FY 2014) for Fountains, Gate/Entry Features, Lake Embankments and Landscape
- (3) Represents budgeted reserves for FY 2014 for Fountains, Gate/Entry Features, Lake Embankments and Landscape that will be reserved at end of year 2015
- (4) Represents proposed budgeted reserves for FY 2016 that is being reserved for Fountains, Gate/Entry Features, Lake Embankments and Landscape

Budget Narrative
Fiscal Year 2016**REVENUES****Interest-Investments**

The District earns interest on the monthly average collected balance for their operating and money market accounts.

Special Assessments-Tax Collector

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

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES**Administrative****P/R-Board of Supervisors**

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance. The amount for the Fiscal Year is based upon all supervisors attending all of the meetings.

FICA Taxes

These are the Payroll taxes paid for the Board of Supervisors.

Professional Services-Engineering

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

Professional Services-Legal Services

The District's Attorney provides 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 as directed or requested by the Board of Supervisors and the District Manager.

Professional Services-Management Consulting Services

The District receives Management, Accounting, Administrative and Assessment services as part of a Management Agreement with Severn Trent Environmental Services, Inc. Also included are costs for Information Technology charges to process all of the District's financial activities, i.e. accounts payable, financial statements, budgets, etc., on a main frame computer owned by Severn Trent in accordance with the management contract and the charge for rentals. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

Professional Services-Property Appraiser

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. The budget for property appraiser costs is based upon 2% of the anticipated assessment collections.

Budget Narrative
Fiscal Year 2016**EXPENDITURES****Administrative** (continued)**Auditing Services**

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 current market rates.

Postage and Freight

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 and Umbrella Policy is with Brown & Brown. The District also has a TECO Utility Bond with Florida Municipal Insurance Trust (FMIT). The budgeted amount allows for a projected increase in the premium.

Printing and Binding

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

Legal Advertising

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

Miscellaneous Services

This includes monthly bank charges and any other miscellaneous expenses that may be incurred during the year.

Miscellaneous-Assessment Collection Costs

The District reimburses the Hillsborough County Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Miscellaneous-Web Hosting

The District is mandated to post on the internet the approved and adopted budgets, minutes and audits per State requirements.

Office Supplies

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

Annual District Filing Fee

The District is required to pay an annual fee of \$175 to the Department of Community Affairs.

Budget Narrative
Fiscal Year 2016**EXPENDITURES****Field****Professional Services – Field Management**

This service includes coordinating with vendors regarding service contracts, purchase orders, invoice approval and insurance damage claims to facilitate field operations. Also coordinate activities with the HOA.

Contracts – Guard Services

The District has a contract with Critical Intervention Services for rover guard services.

Contracts – Fountain

The District has a contract with A-Quality Pool Service to maintain the entrance fountain.

Contracts – Landscape

The District has a contract with Greenview Landscaping for landscape services and mowing along the pond banks plus a contract with OLM, Inc. for landscape inspections.

Contracts – Lake

The District has a contract with Aquatic Systems to maintain the lakes in the District.

Contracts – Gates

The District has a contract with Envera for Gate monitoring and maintenance services and phone services with Verizon for the gate.

Utility – General

The District uses both TECO and BOCC as utility service providers.

R&M-General

The District will incur routine repair and maintenance expenditures to maintain the District's property.

R&M-Gate

The District will incur routine repair and maintenance expenditures to maintain the District's gates.

R&M-Other Landscape

The District will incur costs associated with the landscape and plant maintenance around the District.

R&M-Irrigation

The District will incur costs associated with the routine irrigation maintenance around the District.

R&M-Lake

The District will incur costs associated with miscellaneous maintenance of the lakes throughout the District.

R&M-Mitigation

The District will incur costs associated with mitigation maintenance of the lakes throughout the District.

Budget Narrative
Fiscal Year 2016

EXPENDITURES

Field (continued)

R&M-Trees and Trimming

The District will incur costs associated with the tree trimming and maintenance around the District.

R&M-Holiday Decor

The District will incur costs associated with seasonal décor of the District.

Miscellaneous - Contingency

This is for miscellaneous expenditures not accounted for in the budget.

Reserve - Fountains

These are the Reserves the District expects to set aside for Fountains.

Reserve – Gate/Entry Features

These are the Reserves the District expects to set aside for Gate/Entry Features.

Reserve – Lake Embankments

These are the Reserves the District expects to set aside for Lake Embankments.

Reserve - Landscape

These are the Reserves the District expects to set aside for Landscaping.

HERITAGE HARBOR
Community Development District

Debt Service Fund
Fiscal Year 2016

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2016 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2014	ADOPTED BUDGET FY 2015	ACTUAL THRU JUL-2015	PROJECTED AUG - SEP-2015	TOTAL PROJECTED FY 2015	ANNUAL BUDGET FY 2016
REVENUES						
Interest - Investments	\$ 79	\$ -	\$ 71	\$ 12	\$ 83	\$ -
Special Assmnts- Tax Collector	307,928	307,928	307,928	-	307,928	307,928
Special Assmnts- Discounts	(10,823)	(12,317)	(11,087)	-	(11,087)	(12,317)
TOTAL REVENUES	297,184	295,611	296,912	12	296,924	295,611
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Property Appraiser	5,751	6,159	5,937	-	5,937	6,159
ProfServ-Trustee	3,771	4,337	4,337	-	4,337	4,337
Misc-Assessmnt Collection Cost	4,473	6,159	5,937	-	5,937	6,159
Total Administrative	13,995	16,655	16,211	-	16,211	16,655
<i>Debt Service</i>						
Principal Debt Retirement	220,000	230,000	230,000	-	230,000	240,000
Interest Expense Series A	62,409	53,037	53,037	-	53,037	43,239
Total Debt Service	282,409	283,037	283,037	-	283,037	283,239
TOTAL EXPENDITURES	296,404	299,692	299,248	-	299,248	299,894
Excess (deficiency) of revenues Over (under) expenditures	780	(4,081)	(2,336)	12	(2,324)	(4,283)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(4,081)	-	-	-	(4,283)
TOTAL OTHER SOURCES (USES)	-	(4,081)	-	-	-	(4,283)
Net change in fund balance	780	(4,081)	(2,336)	12	(2,324)	(4,283)
FUND BALANCE, BEGINNING	97,394	98,174	98,174	-	98,174	95,850
FUND BALANCE, ENDING	\$ 98,174	\$ 94,093	\$ 95,838	\$ 12	\$ 95,850	\$ 91,567

SERIES 2008 REFUNDING BONDS

AMORTIZATION SCHEDULE

Date	Balance	Rate	Extraordinary Redemptions	Principal	Interest	Fiscal Year Total
11/01/15	1,015,000.00	4.26%		-	21,619.50	
05/01/16	1,015,000.00	4.26%		240,000.00	21,619.50	283,239.00
11/01/16	775,000.00	4.26%		-	16,507.50	
05/01/17	775,000.00	4.26%		250,000.00	16,507.50	283,015.00
11/01/17	525,000.00	4.26%		-	11,182.50	
05/01/18	525,000.00	4.26%		255,000.00	11,182.50	277,365.00
11/01/18	270,000.00	4.26%		-	5,751.00	
05/01/19	270,000.00	4.26%		270,000.00	5,751.00	281,502.00
11/01/19	-	4.26%		-	-	
			\$ -	\$ 1,015,000.00	\$ 110,121.00	\$ 1,125,121.00

HERITAGE HARBOR
Community Development District

Supporting Schedule
Fiscal Year 2016

**Comparison of Assessment Rates
Fiscal Year 2016 vs. Fiscal Year 2015**

Product	General Fund			Debt Service			Total Assessments per Unit			Units	Bond Units
	FY 2016	FY 2015	Percent Change	FY 2016	FY 2015	Percent Change	FY 2016	FY 2015	Percent Change		
50 x 110	\$1,102.07	\$1,102.07	0.0%	\$425.42	\$425.42	0%	\$1,527.49	\$1,527.49	0.0%	393	392
50 x 120,125	\$1,102.07	\$1,102.07	0.0%	\$436.41	\$436.41	0%	\$1,538.48	\$1,538.48	0.0%	91	91
65 x 110	\$1,102.07	\$1,102.07	0.0%	\$481.15	\$481.15	0%	\$1,583.22	\$1,583.22	0.0%	50	50
75 x 115	\$1,102.07	\$1,102.07	0.0%	\$533.74	\$533.74	0%	\$1,635.81	\$1,635.81	0.0%	91	91
90 x 130	\$1,102.07	\$1,102.07	0.0%	\$640.49	\$640.49	0%	\$1,742.56	\$1,742.56	0.0%	45	45
										670	669