

HERITAGE HARBOR
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2017

Version 4 - Final Budget
(Adopted on 08/18/16)

Prepared by:



HERITAGE HARBOR

Community Development District

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HERITAGE HARBOR
Community Development District

General Fund
Fiscal Year 2017

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2015	BUDGET FY 2016	THRU JUL-2016	AUG - SEP-2016	PROJECTED FY 2016	BUDGET FY 2017
REVENUES						
Interest - Investments	\$ 3,692	\$ 1,800	\$ 2,419	\$ 1,050	\$ 3,469	\$ 2,700
Interest - Tax Collector	62	-	43	-	43	-
Special Assmnts- Tax Collector	738,387	738,387	738,387	-	738,387	738,387
Special Assmnts- Discounts	(26,586)	(29,535)	(26,364)	-	(26,364)	(29,535)
Other Miscellaneous Revenues	21	-	-	-	-	-
TOTAL REVENUES	715,576	710,652	714,485	1,050	715,535	711,552
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	10,600	12,000	9,800	2,000	11,800	12,000
FICA Taxes	811	918	750	153	903	918
ProfServ-Engineering	8,262	12,000	3,213	4,000	7,213	9,000
ProfServ-Legal Services	4,094	15,000	3,770	4,000	7,770	6,000
ProfServ-Mgmt Consulting Serv	55,000	55,000	47,333	7,667	55,000	56,100
ProfServ-Property Appraiser	13,914	14,768	7,120	-	7,120	-
Accounting Services	150	-	500	100	600	600
Auditing Services	6,000	8,275	6,000	-	6,000	6,000
Postage and Freight	739	900	719	140	859	900
Insurance - General Liability	10,493	12,857	10,999	-	10,999	12,099
Printing and Binding	2,047	2,500	657	400	1,057	2,400
Legal Advertising	671	5,500	34	900	934	1,200
Miscellaneous Services	1,411	960	461	160	621	960
Misc-Assessmnt Collection Cost	11,030	14,768	7,120	-	7,120	14,768
Misc-Web Hosting	1,000	1,000	1,000	-	1,000	1,000
Office Supplies	203	600	61	100	161	600
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	126,600	157,221	99,712	19,620	119,332	124,720
<i>Field</i>						
Payroll-Salaried	5,519	-	35,321	7,496	42,817	45,600
FICA Taxes	790	-	5,072	1,000	6,072	6,510
Life and Health Insurance	3,955	-	3,780	800	4,580	4,800
ProfServ-Field Management	10,000	15,000	12,500	2,500	15,000	15,000
Contracts-Guard Services	125,019	155,000	116,465	25,760	142,225	154,560
Contracts-Fountain	1,680	1,680	1,400	280	1,680	1,680
Contracts-Landscape	133,025	136,800	114,000	22,800	136,800	136,800
Contracts-Lakes	21,036	21,036	31,280	6,256	37,536	37,536
Contracts-Gates	50,138	50,280	42,210	9,140	51,350	50,280
Utility - General	70,738	79,800	60,896	13,000	73,896	79,800
R&M-General	1,073	9,000	5,041	4,000	9,041	9,000
R&M-Gate	1,468	5,000	3,575	460	4,035	5,000
R&M-Other Landscape	39,330	28,800	37,245	4,000	41,245	28,800
R&M-Irrigation	3,510	10,000	2,350	1,000	3,350	6,000

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2015	BUDGET FY 2016	THRU JUL-2016	AUG - SEP-2016	PROJECTED FY 2016	BUDGET FY 2017
R&M-Lake	-	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
R&M-Parks & Facilities	-	-	-	-	-	3,600
Misc-Holiday Decor	2,982	3,000	11,004	-	11,004	7,500
Misc-Contingency	14,375	44,945	22,655	2,000	24,655	15,000
Capital Outlay	7,100	-	-	70,000	70,000	-
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	491,738	593,801	504,794	180,752	685,546	640,926
TOTAL EXPENDITURES	618,338	751,022	604,506	200,372	804,878	765,646
Excess (deficiency) of revenues						
Over (under) expenditures	97,238	(40,370)	109,979	(199,322)	(89,343)	(54,094)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(40,370)	-	-	-	(54,094)
TOTAL OTHER SOURCES (USES)	-	(40,370)	-	-	-	(54,094)
Net change in fund balance	97,238	(40,370)	109,979	(199,322)	(89,343)	(54,094)
FUND BALANCE, BEGINNING	698,766	796,004	796,004	-	796,004	706,661
FUND BALANCE, ENDING	\$ 796,004	\$ 755,634	\$ 905,983	\$ (199,322)	\$ 706,661	\$ 652,567

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2017	\$ 706,661
Net Change in Fund Balance - Fiscal Year 2017	(54,094)
Reserves - Fiscal Year 2017 Additions	20,000
Total Funds Available (Estimated) - 9/30/2017	672,567

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		191,412 ⁽¹⁾
Reserve - Fountains (Prior Years)	17,600 ⁽²⁾	
Reserve - Fountains (Current Year)	2,000 ⁽³⁾	
Reserve - Fountains (Budget Year)	2,000 ⁽⁴⁾	21,600
Reserve - Gate/Entry Features (Prior Years)	43,191 ⁽²⁾	
Reserve - Gate/Entry Features (Current Year)	6,000 ⁽³⁾	
Reserve - Gate/Entry Features (Budget Year)	6,000 ⁽⁴⁾	55,191
Reserve - Irrigation System	-	100,000
Reserve - Lake Embankments (Prior Years)	52,800 ⁽²⁾	
Reserve - Lake Embankments (Current Year)	6,000 ⁽³⁾	
Reserve - Lake Embankments (Budget Year)	6,000 ⁽⁴⁾	64,800
Reserve - Landscape (Prior Years)	52,800 ⁽²⁾	
Reserve - Landscape (Current Year)	6,000 ⁽³⁾	
Reserve - Landscape (Budget Year)	6,000 ⁽⁴⁾	64,800
Subtotal		<u>497,803</u>

Total Allocation of Available Funds	499,803
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Total Unassigned Cash	<u><u>\$ 172,764</u></u>
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Notes

- (1) Represents approximately 3 months of operating expenditures
- (2) Represents budgeted reserves (FY 2003 through FY 2015) for Fountains, Gate/Entry Features, Lake Embankments and Landscape
- (3) Represents budgeted reserves for FY 2016 for Fountains, Gate/Entry Features, Lake Embankments and Landscape that will be reserved at end of year 2016
- (4) Represents proposed budgeted reserves for FY 2017 that is being reserved for Fountains, Gate/Entry Features, Lake Embankments and Landscape

Budget Narrative
Fiscal Year 2017**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.

Accounting Services

The District now has payroll for the guard services being processed by Severn Trent Environmental Services, Inc.

Budget Narrative
Fiscal Year 2017**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 the current audit engagement letter.

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 2017**EXPENDITURES****Field****Payroll – Salaried**

This is for the front office staff payroll which is billed back to the HOA in a 50/50 split.

FICA Taxes

These are the Payroll taxes paid for the front office staff which is billed back to the HOA in a 50/50 split.

Life and Health Insurance

This is the health insurance for the front office staff which is billed back to the HOA in a 50/50 split.

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 Hillsborough County Sheriff's Office for rover guard services. Also included is mobile phone service with AT&T Mobility.

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 all of 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.

Budget Narrative
Fiscal Year 2017

EXPENDITURES

Field (continued)

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.

R&M-Trees and Trimming

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

R&M-Parks & Facilities

The District will incur costs associated with the new multi-purpose field/park.

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 2017

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2015	ADOPTED BUDGET FY 2016	ACTUAL THRU JUL-2016	PROJECTED AUG - SEP-2016	TOTAL PROJECTED FY 2016	ANNUAL BUDGET FY 2017
REVENUES						
Interest - Investments	\$ 79	\$ -	\$ 107	\$ 12	\$ 119	\$ -
Special Assmnts- Tax Collector	307,928	307,928	307,928	-	307,928	307,928
Special Assmnts- Discounts	(11,087)	(12,317)	(10,994)	-	(10,994)	(12,317)
TOTAL REVENUES	296,920	295,611	297,041	12	297,053	295,611
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Property Appraiser	5,802	6,159	2,969	-	2,969	-
ProfServ-Trustee	4,337	4,337	4,337	-	4,337	4,337
Misc-Assessmnt Collection Cost	4,600	6,159	2,969	-	2,969	6,159
Total Administrative	14,739	16,655	10,275	-	10,275	10,496
<i>Debt Service</i>						
Principal Debt Retirement	230,000	240,000	240,000	-	240,000	250,000
Interest Expense Series A	53,037	43,239	43,239	-	43,239	33,015
Total Debt Service	283,037	283,239	283,239	-	283,239	283,015
TOTAL EXPENDITURES	297,776	299,894	293,514	-	293,514	293,511
Excess (deficiency) of revenues Over (under) expenditures	(856)	(4,283)	3,527	12	3,539	2,100
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(4,283)	-	-	-	2,100
TOTAL OTHER SOURCES (USES)	-	(4,283)	-	-	-	2,100
Net change in fund balance	(856)	(4,283)	3,527	12	3,539	2,100
FUND BALANCE, BEGINNING	98,173	97,317	97,317	-	97,317	100,856
FUND BALANCE, ENDING	\$ 97,317	\$ 93,034	\$ 100,844	\$ 12	\$ 100,856	\$ 102,956

SERIES 2008 REFUNDING BONDS

AMORTIZATION SCHEDULE

Date	Balance	Rate	Extraordinary Redemptions	Principal	Interest	Fiscal Year Total
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%		-	-	
			\$ -	\$ 775,000.00	\$ 66,882.00	\$ 841,882.00

HERITAGE HARBOR
Community Development District

Supporting Schedule
Fiscal Year 2017

**Comparison of Assessment Rates
Fiscal Year 2017 vs. Fiscal Year 2016**

Product	General Fund			Debt Service			Total Assessments per Unit			Units	Bond Units
	FY 2017	FY 2016	Percent Change	FY 2017	FY 2016	Percent Change	FY 2017	FY 2016	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