

HERITAGE HARBOR
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2014

Version 5 - Final Budget
(Adopted at the 08/20/13 meeting)

Prepared by:



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HERITAGE HARBOR
Community Development District

General Fund
Fiscal Year 2014

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2012	BUDGET FY 2013	THRU JUL-2013	AUG - SEP-2013	PROJECTED FY 2013	BUDGET FY 2014
REVENUES						
Interest - Investments	\$ 3,299	\$ 1,800	\$ 1,667	\$ 724	\$ 2,391	\$ 1,800
Interest - Tax Collector	41	-	-	-	-	-
Special Assmnts- Tax Collector	738,340	738,385	738,340	-	738,340	738,387
Special Assmnts- Discounts	(26,708)	(29,535)	(26,339)	-	(26,339)	(29,535)
Other Miscellaneous Revenues	75	-	345	-	345	-
TOTAL REVENUES	715,047	710,650	714,013	724	714,737	710,652
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	11,400	12,000	9,400	2,000	11,400	12,000
FICA Taxes	872	918	719	153	872	918
ProfServ-Engineering	1,985	12,000	3,708	2,000	5,708	12,000
ProfServ-Legal Services	4,947	15,000	8,798	2,000	10,798	15,000
ProfServ-Mgmt Consulting Serv	54,000	55,000	47,333	7,667	55,000	55,000
ProfServ-Property Appraiser	14,029	14,768	14,065	-	14,065	14,768
Auditing Services	8,275	8,275	8,275	-	8,275	8,275
Communication - Telephone	432	960	42	8	50	250
Postage and Freight	891	900	779	121	900	900
Insurance - General Liability	10,918	12,857	10,424	-	10,424	12,857
Printing and Binding	2,508	2,500	1,453	400	1,853	2,500
Legal Advertising	1,871	5,500	69	5,000	5,069	5,500
Miscellaneous Services	668	840	596	150	746	840
Misc-Assessmnt Collection Cost	8,943	14,768	14,065	-	14,065	14,768
Office Supplies	410	600	165	66	231	600
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	122,324	157,061	120,066	19,565	139,631	156,351
<i>Field</i>						
Payroll-Salaried	15,767	15,954	13,441	2,700	16,141	16,204
FICA Taxes	2,457	2,916	2,109	466	2,575	2,876
Life and Health Insurance	13,577	14,000	12,472	2,506	14,978	16,100
Contracts-Guard Services	143,260	136,024	116,025	21,142	137,167	133,471
Contracts-Fountain	1,680	1,680	1,400	280	1,680	1,680
Contracts-Landscape	164,952	168,000	142,142	27,902	170,044	126,912
Contracts-Lakes	21,036	21,036	17,530	3,506	21,036	21,036
Utility - General	76,559	80,000	60,441	13,000	73,441	82,683
R&M-General	5,607	9,000	1,516	7,000	8,516	9,000
R&M-Gate	4,938	5,000	11	900	911	5,000
R&M-Other Landscape	-	-	-	-	-	30,500
R&M-Irrigation	-	-	-	-	-	10,000
R&M-Lake	-	1,284	-	1,000	1,000	1,284
R&M-Mitigation	-	2,260	-	2,260	2,260	2,260
R&M-Trees and Trimming	46,553	10,000	-	-	-	10,000

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2012	ADOPTED BUDGET FY 2013	ACTUAL THRU JUL-2013	PROJECTED AUG - SEP-2013	TOTAL PROJECTED FY 2013	ANNUAL BUDGET FY 2014
Misc-Holiday Decor	726	2,000	2,008	-	2,008	2,000
Misc-Contingency	6,805	64,435	4,340	10,000	14,340	63,295
Reserve - Fountain	-	2,000	-	-	-	2,000
Reserve - Gate/Entry Feature	11,725	6,000	3,609	2,000	5,609	6,000
Reserve - Lake Embankm/Drainage	-	6,000	-	-	-	6,000
Reserve - Landscaping	-	6,000	-	-	-	6,000
Total Field	515,642	553,589	377,044	94,662	471,706	554,301
TOTAL EXPENDITURES	637,966	710,650	497,110	114,227	611,337	710,652
Excess (deficiency) of revenues						
Over (under) expenditures	77,081	-	216,903	(113,503)	103,400	-
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	-
Net change in fund balance	77,081	-	216,903	(113,503)	103,400	-
FUND BALANCE, BEGINNING	378,314	455,395	455,395	-	455,395	558,795
FUND BALANCE, ENDING	\$ 455,395	\$ 455,395	\$ 672,298	\$ (113,503)	\$ 558,795	\$ 558,795

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2014	\$ 558,795
Net Change in Fund Balance - Fiscal Year 2014	-
Reserves - Fiscal Year 2014 Additions	20,000
Total Funds Available (Estimated) - 9/30/2013	578,795

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		177,663 ⁽¹⁾
Reserve - Fountains (Prior Years)	11,600 ⁽²⁾	
Reserve - Fountains (Current Year)	2,000 ⁽³⁾	
Reserve - Fountains (Budget Year)	2,000 ⁽⁴⁾	15,600
Reserve - Gate/Entry Features (Prior Years)	28,800 ⁽²⁾	
Reserve - Gate/Entry Features (Current Year)	6,000 ⁽³⁾	
Reserve - Gate/Entry Features (Actual Expensed)	(3,609) ⁽⁵⁾	
Reserve - Gate/Entry Features (Budget Year)	6,000 ⁽⁴⁾	37,191
Reserve - Lake Embankments (Prior Years)	34,800 ⁽²⁾	
Reserve - Lake Embankments (Current Year)	6,000 ⁽³⁾	
Reserve - Lake Embankments (Budget Year)	6,000 ⁽⁴⁾	46,800
Reserve - Landscape (Prior Years)	34,800 ⁽²⁾	
Reserve - Landscape (Current Year)	6,000 ⁽³⁾	
Reserve - Landscape (Budget Year)	6,000 ⁽⁴⁾	46,800
Subtotal		<u>324,054</u>

Total Allocation of Available Funds	326,054
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Total Unassigned Cash	<u><u>\$ 252,741</u></u>
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Notes

- (1) Represents approximately 3 months of operating expenditures
- (2) Represents budgeted reserves (FY 2003 through FY 2012) for Fountains, Gate/Entry Features, Lake Embankments and Landscape
- (3) Represents budgeted reserves for FY 2013 for Fountains, Gate/Entry Features, Lake Embankments and Landscape that will be reserved at end of year 2013
- (4) Represents proposed budgeted reserves for FY 2014 that is being reserved for Fountains, Gate/Entry Features, Lake Embankments and Landscape
- (5) Represents Actual expenditures in the Reserves in the Current Year FY 2013

Budget Narrative
Fiscal Year 2014

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 FY 2014 budget for property appraiser costs is based upon 2% of the anticipated assessment collections.

Budget Narrative
Fiscal Year 2014

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.

Communication-Telephone

Telephone and fax transmission expenditures.

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 FY2014 budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

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 2014

EXPENDITURES

Field

Payroll - Salaried

This is for the Director of Operation's wages.

FICA Taxes

This is for the FICA Taxes along with Workers Compensation and Administrative Fees for the Director of Operation's.

Life and Health Insurance

This is for the Life and Health Insurance for the Director of Operation's.

Contracts – Guard Services

The District has a contract with Critical Intervention Services for rover guard services, a contract with Envera for Gate monitoring and maintenance services and phone services with Verizon for the gate.

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 Luke Brothers for landscape services, incidental landscaping and irrigation expenditures.

Contracts – Lake

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

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 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 2014

EXPENDITURES

Field (continued)

R&M-Trees and Trimming

The District will incur costs associated with the tree 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 2014

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2012	ADOPTED BUDGET FY 2013	ACTUAL THRU JUL-2013	PROJECTED AUG - SEP-2013	TOTAL PROJECTED FY 2013	ANNUAL BUDGET FY 2014
REVENUES						
Interest - Investments	\$ 78	\$ -	\$ 68	\$ 8	\$ 76	\$ -
Special Assmnts- Tax Collector	307,928	307,928	307,928	-	307,928	307,928
Special Assmnts- Discounts	(11,139)	(12,317)	(10,985)	-	(10,985)	(12,317)
TOTAL REVENUES	296,867	295,611	297,011	8	297,019	295,611
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Arbitrage Rebate	600	600	-	-	-	-
ProfServ-Dissemination Agent	-	1,000	-	-	-	-
ProfServ-Property Appraiser	5,851	6,159	5,866	-	5,866	6,159
ProfServ-Trustee	3,771	3,000	3,771	-	3,771	3,771
Misc-Assessmnt Collection Cost	3,730	6,159	5,866	-	5,866	6,159
Total Administrative	13,952	16,918	15,503	-	15,503	16,089
<i>Debt Service</i>						
Principal Debt Retirement	205,000	210,000	210,000	-	210,000	220,000
Principal Prepayments	-	-	10,000	-	10,000	-
Interest Expense Series A	80,514	71,781	71,781	-	71,781	62,409
Total Debt Service	285,514	281,781	291,781	-	291,781	282,409
TOTAL EXPENDITURES	299,466	298,699	307,284	-	307,284	298,498
Excess (deficiency) of revenues Over (under) expenditures	(2,599)	(3,088)	(10,273)	8	(10,265)	(2,887)
OTHER FINANCING SOURCES (USES)						
Interfund Transfer - In	-	-	8,715	-	8,715	-
Contribution to (Use of) Fund Balance	-	(3,088)	-	-	-	(2,887)
TOTAL OTHER SOURCES (USES)	-	(3,088)	8,715	-	8,715	(2,887)
Net change in fund balance	(2,599)	(3,088)	(1,558)	8	(1,550)	(2,887)
FUND BALANCE, BEGINNING	99,961	97,362	97,362	-	97,362	95,812
FUND BALANCE, ENDING	\$ 97,362	\$ 94,274	\$ 95,804	\$ 8	\$ 95,812	\$ 92,925

SERIES 2008 REFUNDING BONDS

AMORTIZATION SCHEDULE

Date	Balance	Rate	Extraordinary Redemptions	Principal	Interest	Fiscal Year Total
11/01/13	1,465,000.00	4.26%		-	31,204.50	
05/01/14	1,465,000.00	4.26%		220,000.00	31,204.50	282,409.00
11/01/14	1,245,000.00	4.26%		-	26,518.50	
05/01/15	1,245,000.00	4.26%		230,000.00	26,518.50	283,037.00
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%		-	-	
			\$ -	\$ 1,465,000.00	\$ 225,567.00	\$ 1,690,567.00

HERITAGE HARBOR
Community Development District

Supporting Schedule
Fiscal Year 2014

Comparison of Assessment Rates
Fiscal Year 2014 vs. Fiscal Year 2013

Product	General Fund			Debt Service			Total Assessments per Unit			Units	Bond Units
	FY 2014	FY 2013	Percent Change	FY 2014	FY 2013	Percent Change	FY 2014	FY 2013	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