

HERITAGE GREENS

Community Development District

Annual Operating Budget

Fiscal Year 2013

Version 3 -Final Budget:

(Adopted 8/20/12)

Prepared by:



HERITAGE GREENS

Community Development District

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HERITAGE GREENS

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2013 Adopted Budget

| ACCOUNT DESCRIPTION | ACTUAL | ADOPTED | ACTUAL | PROJECTED | TOTAL | ANNUAL |
|--------------------------------|----------------|-------------------|-------------------|------------------|----------------------|-------------------|
| | FY 2011 | BUDGET FY 2012 | THRU JULY-2012 | AUG- SEP-2012 | PROJECTED FY 2012 | BUDGET FY 2013 |
| REVENUES | | | | | | |
| Interest - Investments | \$ 912 | \$ 683 | \$ 377 | \$ 76 | \$ 453 | \$ 400 |
| Special Assmnts- Tax Collector | 183,148 | 217,904 | 217,904 | - | 217,904 | 217,904 |
| Special Assmnts- Discounts | (6,565) | (8,716) | (7,886) | - | (7,886) | (8,716) |
| Gate Bar Code/Remotes | 660 | - | 720 | - | 720 | - |
| TOTAL REVENUES | 178,155 | 209,871 | 211,115 | 76 | 211,191 | 209,588 |
| EXPENDITURES | | | | | | |
| <i>Administrative</i> | | | | | | |
| ProfServ-Engineering | 44 | 750 | 1,695 | - | 1,695 | 750 |
| ProfServ-Legal Services | 6,283 | 3,500 | 976 | 195 | 1,171 | 3,500 |
| ProfServ-Mgmt Consulting Serv | 34,000 | 34,850 | 29,042 | 5,808 | 34,850 | 35,895 |
| ProfServ-Property Appraiser | 1,871 | 3,269 | 2,747 | 522 | 3,269 | 3,269 |
| ProfServ-Special Assessment | 5,330 | 5,463 | 5,463 | - | 5,463 | 5,463 |
| ProfServ-Web Site Development | 119 | 120 | 119 | - | 119 | 650 |
| Auditing Services | 3,200 | 3,200 | 3,200 | - | 3,200 | 3,200 |
| Communication - Telephone | 6 | 50 | 5 | 10 | 15 | 50 |
| Postage and Freight | 638 | 500 | 511 | 102 | 613 | 500 |
| Insurance - General Liability | 5,248 | 5,750 | 6,023 | - | 6,023 | 7,000 |
| Printing and Binding | 1,928 | 1,500 | 740 | 760 | 1,500 | 1,500 |
| Legal Advertising | 2,311 | 1,200 | 297 | 903 | 1,200 | 1,200 |
| Misc-Bank Charges | 516 | 500 | 467 | 93 | 560 | 500 |
| Misc-Assessmnt Collection Cost | 2,077 | 4,358 | 4,200 | - | 4,200 | 4,358 |
| Misc-Contingency | 45 | - | - | - | - | - |
| Office Supplies | 126 | 300 | 61 | 12 | 73 | 300 |
| Annual District Filing Fee | 175 | 175 | 175 | - | 175 | 175 |
| Total Administrative | 63,917 | 65,485 | 55,721 | 8,406 | 64,127 | 68,310 |
| <i>Public Safety</i> | | | | | | |
| Contracts-Security Services | 49,762 | 64,000 | 38,896 | 7,942 | 46,838 | 48,000 |
| Contracts-HVAC | - | 350 | - | - | - | 350 |
| Contracts-Sheriff | 510 | 1,000 | 255 | 128 | 383 | 3,000 |
| Communication - Telephone | 1,727 | 2,000 | 973 | 197 | 1,170 | 1,500 |
| Electricity - Entrance | 1,966 | 2,200 | 1,578 | 300 | 1,878 | 2,200 |
| Utility - Water & Sewer | - | 900 | 520 | 102 | 622 | 900 |
| Lease - Carts | 1,500 | 1,500 | 1,500 | - | 1,500 | 1,500 |
| R&M-Gate | 5,635 | 4,386 | 1,173 | 880 | 2,053 | 4,352 |
| R&M-Gatehouse | 1,172 | 2,000 | 283 | 200 | 483 | 1,500 |
| Op Supplies - Gatehouse | 171 | 250 | 141 | 28 | 169 | 250 |
| Cap Outlay - Equipment | 394 | 7,740 | 788 | - | 788 | 6,726 |
| Total Public Safety | 62,837 | 86,326 | 46,107 | 9,776 | 55,883 | 70,278 |

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General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2013 Adopted Budget

| ACCOUNT DESCRIPTION | ACTUAL FY 2011 | ADOPTED BUDGET FY 2012 | ACTUAL THRU JULY-2012 | PROJECTED AUG- SEP-2012 | TOTAL PROJECTED FY 2012 | ANNUAL BUDGET FY 2013 |
|--|-------------------|------------------------------|-----------------------------|-------------------------------|-------------------------------|-----------------------------|
| Landscape | | | | | | |
| Contracts-Landscape | 11,665 | 15,060 | 12,550 | 2,510 | 15,060 | 18,000 |
| Contracts-Preserve Management | 2,480 | 2,000 | 1,760 | - | 1,760 | 2,000 |
| Electricity - Irrigation | 1,803 | 2,000 | 1,672 | 350 | 2,022 | 2,000 |
| R&M-Renewal and Replacement | 616 | 1,500 | - | - | - | 1,500 |
| R&M-Canals | 2,590 | 2,600 | 1,295 | 1,295 | 2,590 | 2,600 |
| R&M-Fountain | 1,032 | 900 | 2,127 | 150 | 2,277 | 900 |
| R&M-Grounds | 4,205 | 8,500 | 3,960 | 1,454 | 5,414 | 8,500 |
| R&M-Irrigation | 227 | 2,500 | 972 | - | 972 | 2,500 |
| R&M-Preserves | - | 500 | - | - | - | 500 |
| Misc-Special Projects | 5,000 | 4,000 | 6,465 | - | 6,465 | 4,000 |
| Cap Outlay-Lake Aerators | 6,427 | - | - | - | - | - |
| Total Landscape | 36,045 | 39,560 | 30,801 | 5,759 | 36,560 | 42,500 |
| Road and Street Facilities | | | | | | |
| Electricity - Streetlighting | 8,773 | 11,000 | 7,166 | 1,438 | 8,604 | 11,000 |
| R&M-Drainage | 2,087 | 2,500 | - | 6,465 | 6,465 | 2,500 |
| R&M-Roads & Alleyways | 270 | 2,000 | - | - | - | 2,000 |
| R&M-Sidewalks | - | 1,750 | 1,500 | - | 1,500 | 1,750 |
| Traffic Signage Rehabilitation | 547 | 1,250 | 756 | - | 756 | 1,250 |
| Reserve - Roads | - | - | - | - | - | 10,000 |
| Total Road and Street Facilities | 11,677 | 18,500 | 9,422 | 7,903 | 17,325 | 28,500 |
| TOTAL EXPENDITURES | 174,476 | 209,871 | 142,051 | 31,845 | 173,896 | 209,588 |
| Excess (deficiency) of revenues Over (under) expenditures | 3,679 | - | 69,064 | (31,769) | 37,295 | - |
| Net change in fund balance | 3,679 | - | 69,064 | (31,769) | 37,295 | - |
| FUND BALANCE, BEGINNING | 85,131 | 88,810 | 88,810 | - | 88,810 | 126,105 |
| FUND BALANCE, ENDING | \$ 88,810 | \$ 88,810 | \$ 157,874 | \$ (31,769) | \$ 126,105 | \$ 126,105 |

| | FY2012 | FY2013 |
|----------------------------|-----------|-----------|
| Gross Assessments | 217,904 | 217,904 |
| Assessable Units | 527 | 527 |
| Gross Assessments per Unit | \$ 413.48 | \$ 413.48 |

Heritage Greens

Community Development District

GENERAL FUND BUDGET

REVENUES:

Special Assessment - On Roll

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 for the Fiscal Year.

Special Assessment – Discount

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.

Interest Income (Investments)

The District will have all excess funds invested with the CDs or Money Market Accts. The amount is based upon the estimated average balance of funds available during the Fiscal Year.

EXPENDITURES:

Administrative:

P/R – Board of Supervisors

Chapter 190 of the Florida Statutes allows for a member of the Board of Supervisors to be compensated for a meeting attendance and to receive \$200 per meeting plus payroll taxes. The amount for the Fiscal Year is based upon all Supervisors attending the meetings.

Engineering Fees

The District's engineer will be providing general engineering services to the District, i.e. attendance and preparation for monthly board meetings, review invoices, etc.

Legal Services

The District's legal counsel will be providing general legal services to the District, i.e. attendance and preparation for monthly meetings, review operating and maintenance contracts, etc. Fees are based on prior year legal expenses.

Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Management Services, Inc.

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Community Development District

GENERAL FUND BUDGET

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. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, postage, and programming. The FY2013 budget for property appraiser costs was based on 1.5% of gross assessments.

Special Assessment

The District's Collection Agent will be providing financial services which include the collection of prepaid assessments, maintenance of District's assessment roll and levying the annual operating and maintenance assessments.

Web Site Development

The District incurs fees as they relate to the development and ongoing maintenance of its own website.

Auditing Services

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

Communication-Telephone

Telephone and fax machine expenses for administrative functions.

Postage & Delivery

Mailing of agenda packages, overnight deliveries, correspondence, etc.

Insurance – General Liability

The District will incur expenditures for public officials' liability insurance for the Board & Staff. FY13 has a proposed increase of 15%.

Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, etc.

Legal Advertising

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

Misc – Bank Charges

Bank charges that incurred during the year.

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Community Development District

GENERAL FUND BUDGET

Misc-Assessment Collection Fee

This represents 2.0% Collier County Tax Collector Fees for services rendered in assessing and collecting 2013 Assessment Roll.

Office Supplies

Miscellaneous office supplies related to the preparation of agenda packets.

Annual District Filing Fee

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

Public Safety

Contracts – Janitorial Services

Currently being paid by the Heritage Greens Community Association in exchange for locking and unlocking of the community center.

Contracts – Security Services

The District has contracted with Kent Security to have a security officer on duty at the front gate for a set period of time to check guest coming into the community and tour the property to check for any problems that may need to be addressed.

Contracts – HVAC

To service the air conditioning unit at the guardhouse.

Contracts – Sheriff

This includes the agreement between the District and the Collier County Sheriffs department to patrol and enforce traffic laws over the roads the District is responsible for.

Communication – Telephone

This includes any telephone or fax usage for the guardhouse to allow the security officer to be able to communicate with management and residents. This also allows the gate system to be operable when there is no security officer present.

Electricity – Entrance

Electricity usage for the guardhouse. Costs are based on historical expenses occurred incurred with Florida power & Light (FPL).

Utilities – Water & Sewer

Any cost associated with the water and sewer used at the guardhouse.

Heritage Greens

Community Development District

GENERAL FUND BUDGET

Lease – Carts

The District leases a golf cart, for \$800 every six months, for the guard to use to do community patrol and to lock and unlock the community center.

R&M – Gates

This represents any repairs or maintenance that may need to be done to the gates.

R&M – Gatehouse

Cost associated with any normal repairs and maintenance of the guardhouse along with the cost incurred with Collier County Utilities to run the tele-entry system.

Op Supplies- Gatehouse

Costs associated with any supplies purchased for use within the guardhouse.

Capital Outlay – Equipment

Any capital items needed to improve security within the District.

Landscape

Contracts – Landscape

The District is responsible for cutting all CDD property which are common areas which includes the entry way and guardhouse.

Contracts – Preserve Maintenance

The District has contracted with Uplands, LLC for the maintenance of the preserves. Currently treatments are on a semi annual basis.

Electricity – Irrigation

Any electricity cost incurred to run the irrigation system as well as the fountain that is owned by the District.

R&M – Renewal and Replacement

This line item includes costs associated with renewing or replacing plant material on CDD property. Additionally, various repair and maintenance costs incurred as needed.

R&M – Canals

The District is responsible for maintaining the canal banks of high weeds and must cut them several times per year or be subject to property maintenance code violations.

R&M – Fountains

This is to include any repairs or maintenance that need to be addressed to make sure that the fountains the District is responsible are in proper working order.

Heritage Greens

Community Development District

GENERAL FUND BUDGET

R&M – Grounds

Funding if needed for the District to apply mulch and pesticides to all CDD property identified as common areas.

R&M – Irrigation

Cost associated with the irrigation system through out the District.

R&M – Preserves

The District is responsible for having the preserves treated for invasive plants on an annual basis

Misc – Special Projects

This is a contingency in case the District is to incur costs relating to any special projects that are felt to be needed and identified by the Board of Supervisors.

Capital Outlay – Lake Aerators

These monies were used in coordination with the fountain project that is owned by the District.

Road and Street Facilities

Electricity – Streetlighting

Street Lighting usage for District facilities and assets. Costs are based on historical expenses occurred incurred with Florida power & Light (FPL).

R&M – Drainage

The District is responsible for making any repairs to the storm drainage infrastructure.

R&M – Roads & Alleyways

This represents miscellaneous repairs of the roads and alleyways of the District.

R&M – Sidewalks

Includes all costs associated with sidewalks within the District.

R&M – Signage

Any costs that are associated with any roadway signage the District may incur.

Reserves – Roads

Designated Funds set aside for *future* road improvements.

**Heritage Greens
Community Development District**

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

| | <u>Amount</u> |
|--|----------------|
| Beginning Fund Balance - Fiscal Year 2013 | \$ 126,105 |
| Net Change in Fund Balance - Fiscal Year 2013 | - |
| Reserves - Fiscal Year 2013 Additions | 10,000 |
| Total Funds Available (Estimated) - 9/30/2013 | 136,105 |

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

| | |
|---|----------------|
| Operating Reserve - First Quarter Operating Capital (1) | 49,897 |
| Reserves - Irrigation System | 7,500 |
| Reserves - Drainage | 6,000 |
| Reserves - Wall Painting | 6,000 |
| Reserves - Wall Replacement | 12,786 |
| Reserves - Fountain | 5,500 |
| Reserves - Signs | 1,000 |
| Reserves - Roads & Sidewalks | 16,201 |
| Reserves - Roads & Sidewalks (FY13 Proposed) | 10,000 |
| Subtotal | <u>114,884</u> |
| Total Allocation of Available Funds | 114,884 |

| | |
|---|------------------|
| Total Unassigned (undesignated) Cash | \$ 21,221 |
|---|------------------|

Notes

(1) Represents approximately 3 months of operating expenditures