

HERITAGE GREENS
Community Development District

Annual Operating Budget
Fiscal Year 2018

(Adopted 08/21/2017)

Prepared By:



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HERITAGE GREENS
Community Development District

Operating Budget
Fiscal Year 2018

**Statement of Revenues, Expenditures and Changes in Fund Balances
September 30, 2018**

<u>ACCOUNT DESCRIPTION</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>ADOPTED BUDGET FY 2016</u>	<u>ADOPTED BUDGET FY 2017</u>	<u>ACTUAL YTD OCT - JULY</u>	<u>PROJECTED AUG-SEP 2017</u>	<u>TOTAL PROJECTED FY 2017</u>	<u>PROPOSED BUDGET FY 2018</u>
<u>Revenues</u>								
001.361001.0000 Interest - Investments	491	948	500	500	815	332	1,147	500
001.361006.0000 Interest - Tax Collector	7	7	-	-	14	-	14	-
001.362001.0000 Gate Bar Code/Remotes	1,250	1,295	1,100	1,100	935	300	1,235	1,000
001.363010.0000 Special Assmnts- Tax Collector	242,905	242,905	242,903	242,904	242,905	(1)	242,904	242,904
001.363090.0000 Special Assmnts- Discounts	(8,762)	(8,792)	(9,716)	(9,716)	(8,853)	1,000	(7,853)	(9,716)
001.369900.0000 Other Miscellaneous Revenues	400	1,040	-	-	1,865	-	1,865	-
Total Revenues	236,291	237,403	234,787	234,788	237,681	1,631	239,312	234,688
<u>Expenses</u>								
<u>Administrative</u>								
001.511001.0000 P/R-Board of Supervisors	6,200	6,000	7,200	7,200	2,800	800	3,600	4,800
001.521001.0000 FICA Taxes	474	459	551	551	214	6	220	368
001.531013.0000 Profserv-Engineering	1,099	225	1,000	1,000	-	-	-	1,000
001.531023.0000 Profserv-Legal Services	4,721	2,259	4,000	4,000	3,909	1,000	4,909	4,000
001.531027.0000 Profserv-Mgmt Consulting Serv	38,081	39,223	39,223	40,401	34,291	6,733	41,024	40,401
001.531035.0000 Profserv-Property Appraiser	3,644	3,644	3,644	3,644	3,644	-	3,644	3,644
001.531038.0000 Profserv-Special Assessment	5,463	5,463	5,463	5,628	5,587	938	6,525	5,628
001.531047.0000 Profserv-Web Site								
Development	814	612	650	650	832	110	942	650
001.532002.0000 Auditing Services	3,200	2,800	3,200	3,000	2,900	-	2,900	3,000
001.541006.0000 Postage and Freight	580	947	1,500	1,500	443	100	543	1,500
001.545002.0000 Insurance - General Liability	7,557	7,865	8,691	8,652	7,823	-	7,823	8,652
001.547001.0000 Printing and Binding	1,082	735	1,000	1,000	-	-	-	1,000
001.548002.0000 Legal Advertising	1,302	1,624	1,500	1,500	322	750	1,072	1,500
001.549009.0000 Misc-Bank Charge	696	685	800	800	669	300	969	800

HERITAGE GREENS

Community Development District

General Fund

<u>ACCOUNT DESCRIPTION</u>	<u>ACTUAL FY 2015</u>	<u>ACTUAL FY 2016</u>	<u>ADOPTED BUDGET FY 2016</u>	<u>ADOPTED BUDGET FY 2017</u>	<u>ACTUAL YTD OCT - JULY</u>	<u>PROJECTED AUG-SEP 2017</u>	<u>TOTAL PROJECTED FY 2017</u>	<u>PROPOSED BUDGET FY 2018</u>
Cost 001.549070.0000 Misc-Assessment Collection	2,864	4,682	4,855	4,855	4,711	-	4,711	4,855
001.551002.1001 Office Supplies	162	-	175	175	-	-	-	175
001.554007.0000 Annual District Filing Fee	175	175	175	175	175	-	175	175
Total Administrative	78,114	77,398	83,627	84,731	68,320	10,737	79,057	82,148
<u>Public Safety</u>								
Serv 001.534001.0000 Contracts-Gate Maintenance	-	1,100	-	1,200	400	400	800	1,550
001.534020.0000 Contracts-Cleaning Services	-	2,809	1,920	3,016	2,262	450	2,712	3,016
001.534023.0000 Contracts-HVAC	189	-	350	350	-	234	234	350
001.534024.0000 Contracts-Sheriff	7,013	-	-	-	-	-	-	-
001.534033.0000 Contracts - Other Services	-	-	-	-	1,540	-	-	-
001.534037.0000 Contracts-Security Services	49,117	46,871	47,000	47,000	46,619	9,000	55,619	60,000
001.541003.0000 Communication - Telephone	1,731	1,782	1,750	1,750	1,807	290	2,097	1,750
001.543010.0000 Electricity - Entrance	1,937	1,900	2,200	2,200	1,421	300	1,721	2,200
001.543033.0000 Utility - Water & Sewer	712	705	700	700	590	120	710	700
001.544003.0000 Lease - Carts	1,500	-	1,500	-	-	-	-	-
001.546034.0000 R&M-Gate	138	1,132	3,000	12,000	1,148	150	1,298	2,500
001.546035.0000 R&M-Gatehouse	1,020	1,922	2,130	2,130	-	150	150	2,000
001.552035.0000 Op Supplies - Transmitters	794	2,004	1,200	1,200	1,066	-	1,066	600
001.552104.0000 Op Supplies - Gatehouse	613	-	900	900	-	400	400	600
Total Public Safety	64,764	60,225	66,450	75,446	56,853	11,494	66,807	75,266
<u>Landscape</u>								
001.534050.0000 Contracts-Landscape	21,276	17,947	18,000	18,000	12,521	2,762	15,283	18,000
Management 001.534076.0000 Contracts-Preserve	1,760	1,760	2,000	1,760	1,760	-	1,760	1,760
001.543033.1001 Electricity - Irrigation	2,046	1,892	2,200	2,200	1,449	290	1,739	2,200
001.546007.0000 R&M-Canals	1,840	3,088	2,600	2,000	1,200	1,200	2,400	2,400
001.546032.0000 R&M-Fountain	1,894	1,229	2,700	2,516	1,425	500	1,925	2,516
Replacement 001.546036.0000 R&M-Renewal and	-	225	1,000	900	360	600	960	3,000
001.546037.0000 R&M-Grounds	1,763	125	3,000	3,000	6,130	-	6,130	3,000

HERITAGE GREENS

Community Development District

General Fund

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001.546041.0000 R&M-Irrigation	828	400	1,500	1,500	628	600	1,228	1,500
001.546123.0000 R&M-Preserves	-	-	100	100	-	-	-	100
001.549915.0000 Misc-special projects	1,415	4,805	7,000	7,000	-	-	-	5,000
Total Landscape	32,822	31,471	40,100	38,976	25,473	5,952	31,425	39,476
<u>Road and Street Facilities</u>								
001.543013.0000 Electricity - Streetlighting	10,446	10,451	11,000	10,500	8,276	1,660	9,936	10,500
001.546019.0000 R&M-Drainage	-	-	1,500	1,500	-	-	-	1,500
001.546084.1001 R&M-Sidewalks	-	-	4,000	3,485	8,565	-	8,565	3,485
001.546139.0000 R&M-Roads & Alleyways	800	-	2,000	2,000	275	-	275	2,000
001.549027.0000 Traffic Signage Rehabilitation	-	1,380	1,260	1,400	-	-	-	1,400
Total Road and Street Facilities	20,646	18,904	44,610	35,635	17,116	1,660	18,776	18,885
<u>Capital Planning</u>								
001.568091.0000 Reserve - Roadways	9,400	7,073	24,850	16,750	2,395	-	2,395	16,013
001.564043.0000 Capital Outlay	-	-	3,800	3,000	45,350	5,000	50,350	3,000
Total Capital Planning	9,400	7,073	28,650	19,750	47,745	5,000	52,745	19,013
Total Expenses	196,346	187,998	234,787	234,788	215,507	34,843	250,350	234,788
Excess Revenue Over (Under) Expenditures	39,945	49,405	-	-	22,174	(33,212)	(11,038)	(100)
Fund Balance Beginning	156,580	196,525	196,525	247,312	247,312	247,312	247,312	236,274
Fund Balance Ending	196,525	247,312	247,312	247,312	269,486	214,100	236,274	236,374

HERITAGE GREENS
Community Development District

Budget Narrative
Fiscal Year 2018

Budget Narrative
Fiscal Year 2018

REVENUES

Interest Income (Investments)

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

Gate Access Stickers

The District receives amounts for resident stickers that operate the entry gates of the District.

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.

Other Miscellaneous Revenue

Funds we are uncertain of and usually don't get budgeted because sources are unretainable and not defined.

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 if desired and which they are in attendance. The amount for the Fiscal Year is based upon two Supervisors being compensated and attending all the meetings.

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 invoices and other specifically requested assignments.

Professional Services-Legal Services

The District's legal counsel provides general legal services to the District, i.e. attendance and preparation for monthly meetings, requested review operating and maintenance contracts, etc.

Professional Services-Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with PDM, Inc. The Budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement, which is a zero increase in this fiscal year.

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. 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 budget for property appraiser costs was based on 1.5% of gross assessments.

Professional Services-Special Assessment

The District's Management Company will be providing financial services which include the collection of prepaid assessments, maintenance of the District's assessment roll and levying the annual operating and maintenance assessments. In addition, the company will respond to all inquiries from realtors and residents regarding District Assessments.

Budget Narrative
Fiscal Year 2018

Professional Services-Web Site Development

The District incurs fees as they relate to the development and ongoing maintenance of the District's website which is mandated by State Statute.

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 contracted fees from the current engagement letter.

Postage and Freight

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

Insurance – General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance Agency, Inc. They specialize in providing insurance coverage to governmental agencies. The budgeted amount allows for a projected 10% increase in the premium.

Normal Printing and Binding

Printing and Binding agenda packages for board meetings is included in the management fees. Printing of checks, stationary, envelopes, usually large printing jobs and other expenses such as is charged here.

Legal Advertising

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

Miscellaneous – Bank Charges

Bank charges that are incurred during the year.

Miscellaneous – Assessment Collection Cost

The District reimburses the Collier 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.

Office Supplies

Supplies that are unique and not used in the normal process of preparation and binding of agenda packages. Special or unique examples included required mailings, and other special projects

Annual District Filing Fee

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

Expenditures - Public Safety

Contracts – Gate Maintenance Services

The District had contracted with PDM to maintain the data call box service. Now, New IQ provides this service with the Gate Maintenance Contract reflected in the line item.

Contracts – Cleaning Services

This is for guardhouse cleaning services.

Contracts – HVAC

To service the air conditioning unit at the guardhouse.

Budget Narrative
Fiscal Year 2018

Contracts – Security Services

The District has contracted with Cambridge Security to have a security officer on duty at the front gate for a set period of time to check guests coming into the community.

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. The tele-entry system telephone line is also included here as it allows the gate system to be operable when there is no security officer present or to manage the visitor access. The current service provider is Comcast.

Electricity – Entrance

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

Utilities – Water & Sewer

Any cost associated with the water and sewer used at the guardhouse and change by Collier County Utilities.

R&M – Gates

This represents any repairs or maintenance that may need to be done to the gates by New IQ the current service provider.

R&M – Gatehouse

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

Op Supplies – Transmitters

Cost associated with supplying transmitters/stickers to residents for operation of the gate.

Op Supplies – Gatehouse

This is for costs associated with any supplies purchased for use within the guardhouse.

Expenditures - Landscape

Contracts – Landscape

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

Contracts – Preserve Maintenance

The District has contracted with Aquatic Weed Control, Inc 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 – 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. Currently the District uses P and T Lawn & Tractor and have budgeted \$2,400 for two cuttings per fiscal year.

R&M – Fountains

This is to include any repairs or maintenance that need to be addressed for the fountain at the front gate and which the District is responsible for is in proper working order. The amount budgeted for FY17 reflects last year's expenditures.

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.

Budget Narrative
Fiscal Year 2018

R&M – Grounds

This is for the maintenance of mulch and pesticides to all CDD property identified as CDD common areas.

R&M – Irrigation

Cost associated with the maintenance of the irrigation system at the front of the Community.

R&M – Preserves

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

Miscellaneous – 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.

Expenditures – Road and Street Facilities

Electricity – Streetlighting

This is for street lighting for the Districts road way lighting. 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 – Sidewalks This includes all costs associated with sidewalks within the District.

R&M – Roads & Alleyways

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

Traffic Signage Rehabilitation

This is for any costs that are associated with any roadway signage the District may incur.

Expenditures – Capital Planning

Reserves – Roadways

This is for the reserve for the road improvements.

Capital Outlay – Equipment

This is for any capital items needed for community improvement

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2017	234,152
Net Change in Fund Balance - Fiscal Year 2017	-
Reserves - Fiscal Year 2017 Additions	16,750
Total Funds Available (Estimated) - 9/30/17	

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance		<u>250,902</u>
Operating Reserve - Operating Capital		58,697 ⁽¹⁾
Reserves - Drainage		6,000
Reserves - Fountains		5,500
Reserves- Irrigation System		7,500
Reserves - Roads and Sidewalks - Previous years	35,251	
Reserves - Roads and Sidewalks - FY16	24,850	
Reserves - Roads and Sidewalks - FY17	16,750	
		<u>76,851</u>
Reserves - Signage		1,000
Reserves -Wall Painting		6,000
Reserves -Wall Replacement		12,786
Total Allocation of Available Funds		<u>174,334</u>
Total Unassigned (undesignated) Cash		<u>\$76,568</u>

Notes

(1) Represents approximately 3 months of operating expenditures

HERITAGE GREENS

Community Development District

Supporting Budget Schedule
Fiscal Year 2018

Comparison of Assessment Rates

Fiscal Year 2018 vs Fiscal Year 2017

	<u>FY 2018</u>	<u>FY2017</u>
Gross Assessments	242,904	242,903
Assessable Units	527	527
Gross Assessments Per Unit	\$ 460.92	\$ 460.92