

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
ADOPTED BUDGET
FISCAL YEAR 2014
SEPTEMBER 10, 2013**

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
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**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2014**

	Fiscal Year 2013			Total Revenue and Expenditures	Proposed Budget FY 2014
	Adopted Budget FY 2013	Actual through 3/31/13	Projected through 9/30/2013		
REVENUES					
Assessment levy - gross	\$ 347,253				\$ 416,282
Allowable discounts (4%)	(13,890)				(16,651)
Assessment levy - net	333,363	\$ 300,685	\$ 32,678	\$ 333,363	399,631
Interest and miscellaneous	1,000	648	648	1,296	1,000
Total revenues	<u>334,363</u>	<u>301,333</u>	<u>33,326</u>	<u>334,659</u>	<u>400,631</u>
EXPENDITURES					
Professional & administrative					
Supervisors	3,014	1,292	1,722	3,014	3,014
Management/recording	32,450	16,225	16,225	32,450	32,450
Legal	1,500	456	1,044	1,500	1,500
Engineering	5,000	400	4,600	5,000	5,000
Audit	9,814	5,500	4,314	9,814	10,108
Assessment roll preparation	7,210	3,605	3,605	7,210	7,210
Arbitrage rebate calculation	1,200	-	1,200	1,200	1,200
Dissemination agent	1,000	-	1,000	1,000	1,000
Trustee	3,000	-	3,000	3,000	3,000
Telephone	150	75	75	150	150
Rental and leases	1,860	930	930	1,860	1,860
Postage	700	411	289	700	700
Printing & binding	1,030	515	515	1,030	1,030
Legal advertising	500	109	391	500	500
Office supplies	100	-	100	100	100
Other current charges	390	-	390	390	390
Annual special district fee	175	175	-	175	175
Insurance	5,775	5,750	-	5,750	6,038
Contingencies	77,000	-	-	-	2,500
Other	-	337	1,663	2,000	-
Principal (FY 2012 land purch)	-	75,000	-	75,000	75,000
Interest (FY 2012 land purch)	-	9,297	8,050	17,347	13,650
Principal & interest (effluent project)	-	-	-	-	72,000
Total professional & administrative	<u>151,868</u>	<u>120,077</u>	<u>49,113</u>	<u>169,190</u>	<u>238,575</u>

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2014**

	Fiscal Year 2013			Total Revenue and Expenditures	Proposed Budget FY 2014
	Adopted Budget FY 2013	Actual through 3/31/13	Projected through 9/30/2013		
Operation and maintenance					
Street lighting	15,000	7,110	7,500	14,610	15,000
Retention pond mowing/weed control/irr.	87,000	41,047	45,953	87,000	87,000
Irrigation	9,000	220	1,500	1,720	2,000
Contingency	1,000	-	500	500	15,200
Aquatic weed control	17,400	9,980	7,420	17,400	17,400
Dry retention pond refurbishment/planting	40,000	1,453	20,000	21,453	20,000
Water quality testing	1,000	750	250	1,000	1,000
Aquatic plant	5,000	-	2,000	2,000	-
Capital outlay (effluent project)	-	400,720	-	400,720	316,000
Total operation and maintenance	<u>175,400</u>	<u>461,280</u>	<u>85,123</u>	<u>546,403</u>	<u>473,600</u>
Other fees and charges					
Property appraiser	150	-	150	150	150
Tax collector	6,945	6,014	931	6,945	8,326
Total other fees and charges	<u>7,095</u>	<u>6,014</u>	<u>1,081</u>	<u>7,095</u>	<u>8,476</u>
Total expenditures	<u>334,363</u>	<u>587,371</u>	<u>135,317</u>	<u>722,688</u>	<u>720,651</u>
Excess/(deficiency) of revenues over/(under) expenditures	-	(286,038)	(101,991)	(388,029)	(320,020)
OTHER FINANCING SOURCES/(USES)					
Loan proceeds	-	375,000	-	375,000	316,000
Total other sources/(uses)	<u>-</u>	<u>375,000</u>	<u>-</u>	<u>375,000</u>	<u>316,000</u>
Net increase/(decrease) of fund balance	-	88,962	(101,991)	(13,029)	(4,020)
Fund balance - beginning (unaudited)	105,575	120,850	209,812	120,850	107,821
Fund balance - ending (projected)	<u>\$105,575</u>	<u>\$209,812</u>	<u>\$107,821</u>	<u>\$107,821</u>	<u>\$103,801</u>

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional and Administrative Services

Supervisors	\$ 3,014
<p>Statutorily set at \$200 (plus applicable taxes) for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year. The District anticipates seven (7) meetings and only two (2) Board Members receiving fees during fiscal year 2013.</p>	
Management/recording	32,450
<p>Wrathell, Hunt and Associates, LLC specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, administer the issuance of tax exempt bonds and, operate and maintain the assets of the community.</p>	
Legal	1,500
<p>Bush Ross P.A., provides on-going general counsel and legal representation. These lawyers are confronted with issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, this firm provides services as "local government lawyers" realizing that this type of local government is very limited in its scope – providing infrastructure and services to developments.</p>	
Engineering	5,000
<p>Bayside Engineering provides a broad array of engineering, consulting and construction services to the District, which assists in crafting solutions with sustainability for the long-term interests of the community while recognizing the needs of government, the environment and maintenance of the District's facilities.</p>	
Audit	10,108
<p>Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures. The District currently has an agreement with Carr, Riggs & Ingram, LLC.</p>	
Assessment roll preparation	7,210
<p>Wrathell, Hunt and Associates, LLC provides assessment roll services, which include preparing, maintaining and transmitting the annual lien roll with the annual special assessment amounts for the operating, maintenance and capital assessments.</p>	
Arbitrage rebate calculation	1,200
<p>To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate the arbitrage rebate liability.</p>	
Dissemination agent	1,000
<p>The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities & Exchange Act of 1934.</p>	
Trustee	3,000
<p>Annual fees paid to U.S. Bank for services provided as trustee, paying agent and</p>	
Telephone	150
<p>Telephone and fax machine.</p>	
Rental and leases	1,860
<p>This fee relates to management/recording.</p>	

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (continued)

Postage	700
Mailing of agenda packages, overnight deliveries, correspondence, etc.	
Printing & binding	1,030
Letterhead, envelopes, copies, agenda packages, etc.	
Legal advertising	500
The District advertises for monthly meetings, special meetings, public hearings, public bids, etc.	
Office supplies	100
Accounting and administrative supplies.	
Other current charges	390
Miscellaneous charges.	
Annual special district fee	175
Annual fee paid to the Florida Department of Community Affairs.	
Insurance	6,038
The District carries public officials and general liability insurance with policies written by Preferred Governmental Insurance Trust. The limit of liability is set at \$1,000,000 for general liability (\$2,000,000 general aggregate) and \$1,000,000 for public officials liability.	
Contingencies	2,500
Bank charges and other miscellaneous expenses incurred during the year.	
Principal (FY 2012 land purch)	75,000
Interest (FY 2012 land purch)	13,650
Principal & interest (effluent project)	72,000
Operation and maintenance	
Street lighting	15,000
Estimated cost of annual street lighting cost paid to Withlacoochee River Electric.	
Retention pond mowing/weed control/irr.	87,000
The District has entered into the 1st year of a 5 year agreement with Valley Crest Golf Course Maintenance, Inc., to provide dry retention pond mowing, weed control and irrigation repair services. The agreement includes the CDD providing the mowing equipment and fuel.	
Irrigation	2,000
Provides for the irrigation water used to irrigate certain dry retention pond banks. This service is charged on a flat monthly fee basis from the Master Association.	
Water quality testing	1,000
Provides for quarterly testing and lab analysis of water samples from three ponds for Audubon certification usage.	
Contingency	15,200
The category is for unforeseen expenditures that the District may incur during the fiscal year.	
Aquatic weed control	17,400
The District currently contract with a licensed lake maintenance contractor to provide monthly services to the District for aquatic weed control in it's wet ponds.	
Dry retention pond refurbishment/planting	20,000
Provides for dry retention pond refurbishment, overseeding and planting.	

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (continued)

Capital Outlay	316,000
<p>It is anticipated that the CDD will begin the community effluent irrigation transition project. The total cost of the project is estimated at \$1.266M. It is anticipated that SWFWMD will provide funding offsetting 50% of the total costs and that Pasco County will provide funding offsetting 25% of the total costs leaving the CDD to address the remaining 25% of the total costs or \$316K. It is anticipated that the CDD will secure financing for it's cost with a five year repayment term at 5%. The annual interest and principle repayment cost is provided within the professional and administrative department (principle and interest effluent project)</p>	
Property appraiser	150
<p>The property appraiser's fee is \$150.</p>	
Tax collector	8,326
<p>The tax collector's fee is 2% of assessments collected.</p>	
Total expenditures	<u>\$ 720,651</u>

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET
FISCAL YEAR 2014**

	Fiscal Year 2013				Proposed Budget FY 2014
	Adopted Budget FY 2013	Actual Through 3/31/2013	Projected Through 9/30/2013	Total Revenue & Expenditures	
REVENUE					
Assessment levy - gross	\$ 222,755				\$ 220,575
Allowable discounts (4%)	(8,910)				(8,823)
Assessment levy - net	213,845	\$ 192,889	\$ 20,956	\$ 213,845	211,752
Interest	-	6	-	6	-
Total revenue	213,845	192,895	20,956	213,851	211,752
EXPENDITURES					
Debt service					
Principal	145,000	-	145,000	145,000	150,000
Principal Prepayment	-	5,000	-	5,000	-
Interest	64,390	32,910	31,480	64,390	57,340
Total debt service	209,390	37,910	176,480	214,390	207,340
Other fees & charges					
Tax collector	4,455	3,858	419	4,277	4,412
Total other fees & charges	4,455	3,858	419	4,277	4,412
Total expenditures	213,845	41,768	176,899	218,667	211,752
Net increase/(decrease) in fund balance	-	151,127	(155,943)	(4,816)	-
Beginning fund balance (unaudited)	84,167	88,103	239,230	88,103	83,287
Ending fund balance (projected)	<u>\$ 84,167</u>	<u>\$ 239,230</u>	<u>\$ 83,287</u>	<u>\$ 83,287</u>	<u>83,287</u>
Use of fund balance:					
Debt service reserve account balance (required)					(20,914)
Interest expense - November 1, 2014					(25,145)
Projected fund balance surplus/(deficit) as of September 30, 2014					<u>\$ 37,228</u>

Heritage Pines

Community Development District

Series 2008

\$1,890,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2013	-	-	28,670.00	28,670.00
05/01/2014	150,000.00	4.700%	28,670.00	178,670.00
11/01/2014	-	-	25,145.00	25,145.00
05/01/2015	160,000.00	4.700%	25,145.00	185,145.00
11/01/2015	-	-	21,385.00	21,385.00
05/01/2016	165,000.00	4.700%	21,385.00	186,385.00
11/01/2016	-	-	17,507.50	17,507.50
05/01/2017	175,000.00	4.700%	17,507.50	192,507.50
11/01/2017	-	-	13,395.00	13,395.00
05/01/2018	180,000.00	4.700%	13,395.00	193,395.00
11/01/2018	-	-	9,165.00	9,165.00
05/01/2019	190,000.00	4.700%	9,165.00	199,165.00
11/01/2019	-	-	4,700.00	4,700.00
05/01/2020	200,000.00	4.700%	4,700.00	204,700.00
Total	\$1,220,000.00	-	\$239,935.00	\$1,459,935.00

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED ASSESSMENTS**

Description	Number of Units	Projected Fiscal Year 2014 Assessments			FY 13 Assessment
		GF	DSF	Total	
All Units Except Pine Ridge	1,311	\$ 299.99	\$ 157.22	\$ 457.21	\$ 405.75
Pine Ridge	95	242.06	157.22	399.28	405.75
Total	<u>1,406</u>				