

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
ADOPTED BUDGET
FISCAL YEAR 2015
PREPARED AUGUST 22, 2014**

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
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**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2015**

	Fiscal Year 2014			Total Revenue and Expenditures	Proposed Budget FY 2015
	Adopted Budget FY 2014	Actual through 3/31/14	Projected through 9/30/2014		
REVENUES					
Assessment levy - gross	\$ 416,282				\$ 448,536
Allowable discounts (4%)	(16,651)				(17,941)
Assessment levy - net	399,631	\$ 215,212	\$ 184,419	\$ 399,631	430,595
Interest and miscellaneous	1,000	14,670	7,500	22,170	1,000
Net inc/dec in fair value of investment	-	58	-	58	-
Total revenues	400,631	229,940	191,919	421,859	431,595
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	321	500	821	1,000
Engineering	5,000	-	2,500	2,500	5,000
Audit	10,108	8,500	1,608	10,108	10,411
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	500	500	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	299	401	700	700
Printing & binding	1,030	515	515	1,030	1,030
Legal advertising	500	109	391	500	500
Office supplies	100	-	-	-	-
Other current charges	390	-	-	-	-
Annual special district fee	175	175	-	175	175
Insurance	6,038	6,549	-	6,549	6,876
Contingencies	2,500	487	500	987	1,000
Website	-	-	-	-	500
Principal (FY 2012 land purch)	75,000	75,000	-	75,000	75,000
Interest (FY 2012 land purch)	13,650	7,262	6,388	13,650	9,658
Principal & interest (effluent project)	72,000	-	-	-	72,000
Total professional & administrative	238,575	121,844	40,060	161,904	233,734

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2015**

	Fiscal Year 2014			Total Revenue and Expenditures	Proposed Budget FY 2015
	Adopted Budget FY 2014	Actual through 3/31/14	Projected through 9/30/2014		
Operation and maintenance					
Street lighting	15,000	6,662	8,338	15,000	15,000
Retention pond mowing/weed control/irr.	87,000	41,560	45,440	87,000	87,000
Irrigation	2,000	440	500	940	1,000
Contingency	15,200	74	15,126	15,200	2,500
Aquatic weed control	17,400	10,125	7,275	17,400	17,400
Dry retention pond refurbishment/planting	20,000	12,368	45,000	57,368	20,000
Water quality testing	1,000	750	1,050	1,800	1,800
Capital outlay (effluent project)	316,000	-	-	-	316,000
Rental and leases - mowers	-	7,165	7,200	14,365	14,040
Total operation and maintenance	<u>473,600</u>	<u>79,144</u>	<u>130,979</u>	<u>210,123</u>	<u>474,740</u>
Other fees and charges					
Property appraiser	150	-	150	150	150
Tax collector	8,326	4,304	4,022	8,326	8,971
Total other fees and charges	<u>8,476</u>	<u>4,304</u>	<u>4,172</u>	<u>8,476</u>	<u>9,121</u>
Total expenditures	<u>720,651</u>	<u>205,292</u>	<u>175,211</u>	<u>380,503</u>	<u>717,595</u>
Excess/(deficiency) of revenues over/(under) expenditures	(320,020)	24,648	16,708	41,356	(286,000)
OTHER FINANCING SOURCES/(USES)					
Loan proceeds	316,000	-	-	-	316,000
Total other sources/(uses)	<u>316,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>316,000</u>
Net increase/(decrease) of fund balance	(4,020)	24,648	16,708	41,356	30,000
Fund balance - beginning (unaudited)	107,821	96,186	120,834	96,186	137,542
Fund balance - ending Committed					
Effluent project loan payments*	-	-	-	-	144,000
Unassigned	107,821	96,186	120,834	96,186	23,542
Fund balance - ending (projected)	<u>\$ 103,801</u>	<u>\$ 120,834</u>	<u>\$ 137,542</u>	<u>\$ 137,542</u>	<u>\$ 167,542</u>

*In addition to committing this money for future "Effluent project loan payments" this money will also be used to cover expenditures from Oct through Dec and will be replenished with assessment collections.

**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 meetings and only two Board Members receiving fees during the fiscal year.</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	1,000
<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>Stroud Engineering Consultants 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	10,411
<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>Wrathell, Hunt and Associates, LLC provides the District with dissemination services. 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.	
Annual special district fee	175
Annual fee paid to the Florida Department of Economic Opportunity.	
Insurance	6,876
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	1,000
Bank charges and other miscellaneous expenses incurred during the year.	
Website	500
Principal (FY 2012 land purch)	75,000
Interest (FY 2012 land purch)	9,658
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	1,000
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	1,800
Provides for quarterly testing and lab analysis of water samples from three ponds for Audubon certification usage.	
Contingency	2,500
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>	
Rental and leases - mowers	14,040
Property appraiser	150
<p>The property appraiser's fee is \$150.</p>	
Tax collector	8,971
<p>The tax collector's fee is 2% of assessments collected.</p>	
Total expenditures	<u>\$ 717,595</u>

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET
FISCAL YEAR 2015**

	Fiscal Year 2014				Proposed Budget FY 2015
	Adopted Budget FY 2014	Actual through 3/31/14	Projected through 9/30/2014	Total Revenue & Expenditures	
REVENUE					
Assessment levy - gross	\$ 220,575				\$ 224,455
Allowable discounts (4%)	(8,823)				(8,978)
Assessment levy - net	211,752	\$ 114,060	\$ 97,692	\$ 211,752	215,477
Interest	-	2	-	2	-
Total revenue	<u>211,752</u>	<u>114,062</u>	<u>97,692</u>	<u>211,754</u>	<u>215,477</u>
EXPENDITURES					
Debt service					
Principal	150,000	-	150,000	150,000	160,000
Interest	57,340	29,307	28,829	58,136	50,988
Total debt service	<u>207,340</u>	<u>29,307</u>	<u>178,829</u>	<u>208,136</u>	<u>210,988</u>
Other fees & charges					
Tax collector	4,412	2,281	1,954	4,235	4,489
Total other fees & charges	<u>4,412</u>	<u>2,281</u>	<u>1,954</u>	<u>4,235</u>	<u>4,489</u>
Total expenditures	<u>211,752</u>	<u>31,588</u>	<u>180,783</u>	<u>212,371</u>	<u>215,477</u>
Net increase/(decrease) in fund balance	-	82,474	(83,091)	(617)	-
Beginning fund balance (unaudited)	83,287	78,354	160,828	78,354	77,737
Ending fund balance (projected)	<u>\$ 83,287</u>	<u>\$ 160,828</u>	<u>\$ 77,737</u>	<u>\$ 77,737</u>	<u>77,737</u>
Use of fund balance:					
Debt service reserve account balance (required)					(20,914)
Interest expense - November 1, 2015					(21,860)
Projected fund balance surplus/(deficit) as of September 30, 2015					<u>\$ 34,963</u>

Heritage Pines

Community Development District

Series 2008

\$1,890,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2013	-	-	29,307.11	29,307.11
05/01/2014	150,000.00	4.700%	28,829.28	178,829.28
11/01/2014	-	-	25,703.78	25,703.78
05/01/2015	160,000.00	4.700%	25,284.69	185,284.69
11/01/2015	-	-	21,860.22	21,860.22
05/01/2016	165,000.00	4.700%	21,622.61	186,622.61
11/01/2016	-	-	17,896.56	17,896.56
05/01/2017	175,000.00	4.700%	17,604.76	192,604.76
11/01/2017	-	-	13,692.67	13,692.67
05/01/2018	180,000.00	4.700%	13,469.42	193,469.42
11/01/2018	-	-	9,368.67	9,368.67
05/01/2019	190,000.00	4.700%	9,215.92	199,215.92
11/01/2019	-	-	4,804.44	4,804.44
05/01/2020	200,000.00	4.700%	4,752.22	204,752.22
Total	\$1,220,000.00	-	\$243,412.35	\$1,463,412.35

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED ASSESSMENTS**

Description	Number of Units	Projected Fiscal Year 2015 Assessments			FY 14 Assessment
		GF	DSF	Total	
All Units Except Pine Ridge	1,311	\$ 324.79	\$ 159.98	\$ 484.77	\$ 457.21
Pine Ridge Village	95	239.29	159.98	399.28	399.28
Total	<u>1,406</u>				