

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
ADOPTED BUDGET
FISCAL YEAR 2016
PREPARED JULY 14, 2015**

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
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**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2016**

	Fiscal Year 2015			Total Revenue and Expenditures	Proposed Budget FY 2016
	Adopted Budget FY 2015	Actual through 3/31/15	Projected through 9/30/2015		
REVENUES					
Assessment levy - gross	\$ 448,536				\$ 448,536
Allowable discounts (4%)	(17,941)				(17,941)
Assessment levy - net	430,595	\$ 403,777	\$ 26,818	\$ 430,595	430,595
Interest and miscellaneous	1,000	130	7,500	7,630	1,000
Total revenues	431,595	403,907	34,318	438,225	431,595
EXPENDITURES					
Professional & administrative					
Supervisors	3,014	1,322	1,692	3,014	3,014
Management/recording	32,450	16,225	16,225	32,450	32,450
Legal	1,000	145	855	1,000	1,000
Engineering	5,000	1,100	3,900	5,000	5,000
Audit	10,411	8,500	1,000	9,500	9,785
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	359	341	700	700
Printing & binding	1,030	515	515	1,030	1,030
Legal advertising	500	106	394	500	500
Annual special district fee	175	175	-	175	175
Insurance	6,876	6,568	-	6,568	6,896
Contingencies	1,000	778	222	1,000	1,000
Website	500	-	500	500	500
Principal (FY 2012 land purch)	75,000	75,000	-	75,000	75,000
Interest (FY 2012 land purch)	9,658	5,261	4,397	9,658	5,677
Principal & interest (effluent project)	72,000	-	-	-	72,000
Total professional & administrative	233,734	121,164	39,351	160,515	229,147

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2016**

	Fiscal Year 2015			Total Revenue and Expenditures	Proposed Budget FY 2016
	Adopted Budget FY 2015	Actual through 3/31/15	Projected through 9/30/2015		
Operation and maintenance					
Street lighting	15,000	6,895	8,105	15,000	15,000
Retention pond mowing/weed control/irr.	87,000	28,458	58,542	87,000	87,000
Irrigation	1,000	-	1,000	1,000	1,000
Contingency	2,500	995	1,000	1,995	2,500
Aquatic weed control	17,400	7,625	9,775	17,400	17,400
Dry retention pond refurbishment/planting	20,000	-	1,000	1,000	20,000
Water quality testing	1,800	750	-	750	-
Capital outlay (effluent project)	316,000	-	-	-	316,000
Rental and leases - mowers	14,040	9,096	4,944	14,040	14,040
Total operation and maintenance	<u>474,740</u>	<u>53,819</u>	<u>84,366</u>	<u>138,185</u>	<u>472,940</u>
Other fees and charges					
Property appraiser	150	-	150	150	150
Tax collector	8,971	8,076	895	8,971	8,971
Total other fees and charges	<u>9,121</u>	<u>8,076</u>	<u>1,045</u>	<u>9,121</u>	<u>9,121</u>
Total expenditures	<u>717,595</u>	<u>183,059</u>	<u>124,762</u>	<u>307,821</u>	<u>711,208</u>
Excess/(deficiency) of revenues over/(under) expenditures	(286,000)	220,848	(90,444)	130,404	(279,613)
OTHER FINANCING SOURCES/(USES)					
Loan proceeds	316,000	-	316,000	316,000	-
Total other sources/(uses)	<u>316,000</u>	<u>-</u>	<u>316,000</u>	<u>316,000</u>	<u>-</u>
Net increase/(decrease) of fund balance	30,000	220,848	225,556	446,404	(279,613)
Fund balance - beginning (unaudited)	137,542	154,832	375,680	154,832	601,236
Fund balance - ending					
Committed					
Effluent project loan payments*	144,000	-	-	-	216,000
Unassigned	26,182	154,832	375,680	154,832	105,623
Fund balance - ending (projected)	<u>\$ 167,542</u>	<u>\$ 375,680</u>	<u>\$ 601,236</u>	<u>\$ 601,236</u>	<u>\$ 321,623</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	9,785
<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	6,896
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)	5,677
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 an agreement with the Association, to provide dry retention pond mowing, weed control and irrigation repair services. The agreement includes the CDD providing the mowing equipment.	
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.	
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>\$ 711,208</u>

**HERITAGE PINES
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND BUDGET
FISCAL YEAR 2016**

	Fiscal Year 2015				Proposed Budget FY 2016
	Adopted Budget FY 2015	Actual through 3/31/15	Projected through 9/30/2015	Total Revenue & Expenditures	
REVENUE					
Assessment levy - gross	\$ 224,455				\$ 221,791
Allowable discounts (4%)	(8,978)				(8,872)
Assessment levy - net	215,477	\$ 202,040	\$ 13,437	\$ 215,477	212,919
Interest	-	2	-	2	-
Total revenue	215,477	202,042	13,437	215,479	212,919
EXPENDITURES					
Debt service					
Principal	160,000	-	160,000	160,000	165,000
Interest	50,988	25,704	25,285	50,989	43,483
Total debt service	210,988	25,704	185,285	210,989	208,483
Other fees & charges					
Tax collector	4,489	4,041	269	4,310	4,436
Total other fees & charges	4,489	4,041	269	4,310	4,436
Total expenditures	215,477	29,745	185,553	215,298	212,919
Net increase/(decrease) in fund balance	-	172,297	(172,116)	181	-
Beginning fund balance (unaudited)	77,737	79,340	251,637	79,340	79,521
Ending fund balance (projected)	\$ 77,737	\$ 251,637	\$ 79,521	\$ 79,521	79,521
Use of fund balance:					
Debt service reserve account balance (required)					(20,914)
Interest expense - November 1, 2016					(17,897)
Projected fund balance surplus/(deficit) as of September 30, 2016					\$ 40,710

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 2016 Assessments			FY 15 Assessment
		GF	DSF	Total	
All Units Except Pine Ridge	1,311	\$ 324.79	\$ 158.08	\$ 482.87	\$ 484.77
Pine Ridge	95	239.29	158.08	397.37	399.28
Total	<u>1,406</u>				