

**HERITAGE SPRINGS**  
Community Development District

***Annual Operating and Debt Service Budget***

Fiscal Year 2021

Version 2 - Final Budget  
(Adopted 8/17/20)

Prepared by:



# HERITAGE SPRINGS

Community Development District

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**Heritage Springs**  
Community Development District

**Operating Budget**  
Fiscal Year 2021

# HERITAGE SPRINGS

Community Development District

General Fund

## Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2021 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2019	BUDGET FY 2020	THRU JUL-2020	AUG THRU SEP-2020	PROJECTED FY 2020	BUDGET FY 2021
<b>REVENUES</b>						
Interest - Investments	\$ 21,978	\$ 4,000	\$ 12,139	\$ 500	\$ 12,639	\$ 4,000
Special Assmnts- Tax Collector	399,429	399,429	399,429	-	399,429	399,429
Special Assmnts- Discounts	(14,947)	(15,977)	(14,881)	-	(14,881)	(15,977)
<b>TOTAL REVENUES</b>	<b>406,460</b>	<b>387,452</b>	<b>396,687</b>	<b>500</b>	<b>397,187</b>	<b>387,452</b>
<b>EXPENDITURES</b>						
<i>Administrative</i>						
P/R-Board of Supervisors	6,000	9,000	4,800	1,000	5,800	9,000
FICA Taxes	459	689	367	77	444	689
ProfServ-Dissemination Agent	1,000	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	14,388	55,000	11,923	43,077	55,000	55,000
ProfServ-Legal Services	3,121	5,000	2,281	2,555	4,836	5,000
ProfServ-Mgmt Consulting Serv	35,874	36,950	30,792	6,159	36,950	36,950
ProfServ-Property Appraiser	150	150	150	-	150	150
ProfServ-Special Assessment	7,500	7,500	7,500	-	7,500	7,500
ProfServ-Trustee	9,108	9,108	9,541	-	9,541	9,108
ProfServ-Web Site Maintenance	750	750	138	612	750	750
Auditing Services	5,500	5,500	5,500	-	5,500	5,500
Postage and Freight	186	400	195	205	400	400
Insurance - General Liability	5,310	5,841	5,708	-	5,708	6,279
Printing and Binding	386	1,000	184	131	315	1,000
Legal Advertising	809	1,800	429	1,071	1,500	1,800
Miscellaneous Services	571	600	486	120	606	600
Misc-Assessmnt Collection Cost	7,114	7,989	7,759	-	7,759	7,989
Office Supplies	411	175	266	154	420	480
Annual District Filing Fee	175	175	175	-	175	175
<b>Total Administrative</b>	<b>98,812</b>	<b>148,627</b>	<b>88,194</b>	<b>56,161</b>	<b>144,354</b>	<b>149,370</b>
<i>Field</i>						
Contracts-Lakes	34,800	40,000	29,000	5,800	34,800	40,000
Electricity - Streetlighting	58,486	60,000	48,450	9,748	58,198	60,000
R&M-Aquascaping	-	3,892	-	3,892	3,892	3,892
R&M-Ponds	16,649	75,000	165,566	-	165,566	75,000
R&M-Stormwater System	29,665	15,000	52,187	-	52,187	15,000
Misc-Contingency	751	10,000	227	8,000	8,227	10,000
Reserve - Ponds	-	34,933	-	-	-	34,190
<b>Total Field</b>	<b>140,351</b>	<b>238,825</b>	<b>295,430</b>	<b>27,440</b>	<b>322,870</b>	<b>238,082</b>
<b>TOTAL EXPENDITURES</b>	<b>239,163</b>	<b>387,452</b>	<b>383,624</b>	<b>83,601</b>	<b>467,224</b>	<b>387,452</b>
Net change in fund balance	167,297	-	13,063	(83,101)	(70,037)	-
<b>FUND BALANCE, BEGINNING</b>	1,055,479	1,222,776	1,222,776	-	1,222,776	1,152,739
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,222,776</b>	<b>\$ 1,222,776</b>	<b>\$ 1,235,839</b>	<b>\$ (83,101)</b>	<b>\$ 1,152,739</b>	<b>\$ 1,152,739</b>

**Budget Narrative**  
Fiscal Year 2021

**REVENUES:**

**Interest Income - Investments**

The District earns interest on the monthly average collected balance for their operating accounts.

**Special Assessments –Tax Collector**

The District will levy a non-ad valorem special assessment on all platted lots within Heritage Springs Community Development District in order to pay operating and maintenance expenses 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.

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**EXPENDITURES:**

**Administrative:**

**P/R- Board of Supervisors & FICA Taxes**

Chapter 190 of the Florida Statutes allows for a member of the Board of Supervisors to be compensated \$200 per meeting, not to exceed \$4,800 per year per supervisor.

**Profserv-Dissemination Agent**

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b) (5), which relates to additional reporting requirements for unrelated bond issues. The District has contracted for this service and the amount is based on the contracted amount.

**Profserv - Engineering**

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.

**Profserv – 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 & maintenance contracts, etc.

**Profserv - Management Consulting Services**

The District receives management, accounting and administrative services as part of a Management Agreement with Inframark.

**Profserv - Property Appraiser**

The District contracts with the Pasco County Property Appraiser for the purpose of placing the District's non-ad valorem tax assessments on the Notice of Proposed Property Taxes, thereby allowing the Tax Collector to collect such assessments. The District will fund the Property Appraiser's general budget in the amount of \$150 for the annual inclusion of Notice of Proposed Property Taxes.

**Budget Narrative**

Fiscal Year 2021

**Profserv - Special Assessment**

The District has contracted with Inframark to prepare the assessment roll for the District. This includes collection of prepaid assessments, maintaining the assessment roll and annually levying a non- ad valorem assessment for operating and debt service expenses.

**Profserv - Trustee**

The District issued Series 2006 & 2008 of Special Assessment Bonds that are deposited with a Trustee to handle all trustee matters. The annual trustee fees are based on standard fees charged plus any out of pockets expenses.

**Profserv – Web Site Maintenance**

The cost of web hosting services and regular maintenance of the District’s website performed by Inframark.

**Auditing Services**

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. The budget is based on the current engagement fee with Grau & Associates CPA.

**Postage & Freight**

Represents the cost of mailing agenda packages, overnight deliveries, correspondence, etc.

**Insurance – General Liability**

The District's General Liability & Public Officials Liability Insurance policy is with The Florida League of Cities, Inc. The Florida League of Cities, Inc. specializes in providing insurance coverage to governmental agencies. A 10% increase is projected for FY21.

**Printing & Binding**

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

**Legal Advertising**

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

**Miscellaneous Services**

Bank charges and any other miscellaneous expenses that arise during the year.

**Misc. Assessment Collection Fee**

The District reimburses the Pasco County Tax Collector for 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**

Miscellaneous office supplies required for the preparation of agendas.

**Annual District Filing Fee**

The District is required to pay an annual fee of \$175 to the Department of Economic Opportunity Division of Community Development.

**Budget Narrative**  
Fiscal Year 2021

**Maintenance:**

**Contracts-Lakes**

The District has contracted Blue Water Aquatics, Inc. to perform lake maintenance services within the District. The estimated cost for these services is \$2,900 per month. The remainder is to be used for other incurred costs that fall within this category.

**Electricity – Streetlighting**

The District incurs electrical expenses which are paid to Duke Energy.

**R&M - Aquascaping**

Installation and maintenance of Aquatic Plants.

**R&M - Ponds**

Costs associated with the maintenance and repair of ponds throughout the district.

**R&M – Stormwater System**

Costs associated with the maintenance and repair of storm water system throughout the district.

**Misc. - Contingency**

This category is for any unexpected expenditures that the District may incur during the Fiscal Year.

**Reserve - Ponds**

The District will restrict a portion of the fund balance for future repairs & maintenance deemed necessary and approved by the board.

**Exhibit "A"**  
Allocation of Fund Balances

**AVAILABLE FUNDS**

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2021	\$ 1,152,739
Net Change in Fund Balance - Fiscal Year 2021	-
Reserves - Fiscal Year 2021 Additions	34,190
<b>Total Funds Available (Estimated) - 9/30/2021</b>	<b>1,186,928</b>

**ALLOCATION OF AVAILABLE FUNDS**

***Assigned Fund Balance***

Operating Reserve		88,315 <sup>(1)</sup>
Reserves - Ponds	867,458	
Reserves - Ponds (FY20)	34,933	
Reserves - Ponds (FY21-Proposed)	34,190	936,581
	Subtotal	<u>1,024,896</u>
<b>Total Allocation of Available Funds</b>		<b>1,024,896</b>

**Total Unassigned (undesignated) Cash** \$ 162,032

**Notes**

(1) Represents approximately 3 months of operating expenditures



**Heritage Springs**  
Community Development District

**Debt Service Budgets**  
Fiscal Year 2021

# HERITAGE SPRINGS

Community Development District

2006 Debt Service Fund

## Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2021 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2019	ADOPTED BUDGET FY 2020	ACTUAL THRU JUL-2020	PROJECTED AUG THRU SEP-2020	TOTAL PROJECTED FY 2020	ANNUAL BUDGET FY 2021
<b>REVENUES</b>						
Interest - Investments	\$ 577	\$ -	\$ 930	\$ -	\$ 930	\$ -
Special Assmnts- Tax Collector	141,027	141,027	141,027	0	141,027	141,027
Special Assmnts- Discounts	(5,277)	(5,641)	(5,254)	-	(5,254)	(5,641)
<b>TOTAL REVENUES</b>	<b>136,327</b>	<b>135,386</b>	<b>136,703</b>	<b>0</b>	<b>136,703</b>	<b>135,386</b>
<b>EXPENDITURES</b>						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	2,512	2,821	2,739	0	2,739	2,821
<b>Total Administrative</b>	<b>2,512</b>	<b>2,821</b>	<b>2,739</b>	<b>0</b>	<b>2,739</b>	<b>2,821</b>
<i>Debt Service</i>						
Debt Retirement Series A	85,000	90,000	90,000	-	90,000	90,000
Prepayments Series A	10,000	-	10,000	-	10,000	-
Interest Expense Series A	42,394	37,538	37,406	-	37,406	32,288
<b>Total Debt Service</b>	<b>137,394</b>	<b>127,538</b>	<b>137,406</b>	<b>-</b>	<b>137,406</b>	<b>122,288</b>
<b>TOTAL EXPENDITURES</b>	<b>139,906</b>	<b>130,359</b>	<b>140,145</b>	<b>0</b>	<b>140,144</b>	<b>125,109</b>
Excess (deficiency) of revenues Over (under) expenditures	(3,579)	5,027	(3,442)	0	(3,442)	10,277
<b>OTHER FINANCING SOURCES (USES)</b>						
Contribution to (Use of) Fund Balance	-	5,027	-	-	-	10,277
<b>TOTAL OTHER SOURCES (USES)</b>	<b>-</b>	<b>5,027</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,277</b>
Net change in fund balance	(3,579)	5,027	(3,442)	0	(3,442)	10,277
<b>FUND BALANCE, BEGINNING</b>	<b>135,800</b>	<b>132,222</b>	<b>132,222</b>	<b>-</b>	<b>132,222</b>	<b>128,780</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 132,222</b>	<b>\$ 137,249</b>	<b>\$ 128,780</b>	<b>\$ 0</b>	<b>\$ 128,780</b>	<b>\$ 139,057</b>

# HERITAGE SPRINGS

Community Development District

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## Debt Service Amortization Schedule Series 2006A Capital Improvement Revenue Bonds

Date	Regular Principal	Principal Prepayments	Interest Expense	Outstanding Principal
11/1/2020			\$16,143.75	\$615,000.00
5/1/2021	\$90,000.00		\$16,143.75	\$525,000.00
11/1/2021			\$13,781.25	\$525,000.00
5/1/2022	\$95,000.00		\$13,781.25	\$430,000.00
11/1/2022			\$11,287.50	\$430,000.00
5/1/2023	\$100,000.00		\$11,287.50	\$330,000.00
11/1/2023			\$8,662.50	\$330,000.00
5/1/2024	\$105,000.00		\$8,662.50	\$225,000.00
11/1/2024			\$5,906.25	\$225,000.00
5/1/2025	\$110,000.00		\$5,906.25	\$115,000.00
11/1/2025			\$3,018.75	\$115,000.00
5/1/2026	\$115,000.00		\$3,018.75	\$0.00
<b>totals</b>	<b>\$615,000.00</b>	<b>\$0.00</b>	<b>\$117,600.00</b>	

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2021 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2019	ADOPTED BUDGET FY 2020	ACTUAL THRU JUL-2020	PROJECTED AUG THRU SEP-2020	TOTAL PROJECTED FY 2020	ANNUAL BUDGET FY 2021
<b>REVENUES</b>						
Interest - Investments	\$ 381	\$ -	\$ 449	\$ -	\$ 449	\$ -
Special Assmnts- Tax Collector	94,045	94,045	94,045	0	94,045	43,000
Special Assmnts- Discounts	(3,519)	(3,762)	(3,504)	-	(3,504)	(1,720)
<b>TOTAL REVENUES</b>	<b>90,907</b>	<b>90,283</b>	<b>90,990</b>	<b>0</b>	<b>90,990</b>	<b>41,279</b>
<b>EXPENDITURES</b>						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	1,675	1,881	1,827	0	1,827	860
<b>Total Administrative</b>	<b>1,675</b>	<b>1,881</b>	<b>1,827</b>	<b>0</b>	<b>1,827</b>	<b>860</b>
<i>Debt Service</i>						
Principal Debt Retirement	75,000	80,000	80,000	-	80,000	85,000
Interest Expense	11,448	7,871	7,871	-	7,871	4,055
<b>Total Debt Service</b>	<b>86,448</b>	<b>87,871</b>	<b>87,871</b>	<b>-</b>	<b>87,871</b>	<b>89,055</b>
<b>TOTAL EXPENDITURES</b>	<b>88,123</b>	<b>89,752</b>	<b>89,698</b>	<b>0</b>	<b>89,698</b>	<b>89,916</b>
Excess (deficiency) of revenues Over (under) expenditures	2,784	531	1,292	0	1,292	(48,636)
<b>OTHER FINANCING SOURCES (USES)</b>						
Contribution to (Use of) Fund Balance	-	531	-	-	-	(48,636)
<b>TOTAL OTHER SOURCES (USES)</b>	<b>-</b>	<b>531</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(48,636)</b>
Net change in fund balance	2,784	531	1,292	0	1,292	(48,636)
<b>FUND BALANCE, BEGINNING</b>	<b>50,256</b>	<b>53,040</b>	<b>53,040</b>	<b>-</b>	<b>53,040</b>	<b>54,332</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 53,040</b>	<b>\$ 53,571</b>	<b>\$ 54,332</b>	<b>\$ 0</b>	<b>\$ 54,332</b>	<b>\$ 5,697</b>

# HERITAGE SPRINGS

Community Development District

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## Debt Service Amortization Schedule Series 2008 Capital Improvement Revenue Refunding Bonds

Date	Regular Principal	Principal Prepayments	Interest Expense	Outstanding Principal
11/1/2020			\$2,027.25	\$85,000.00
5/1/2021	\$85,000.00		\$2,027.25	\$0.00
<b>totals</b>	<b>\$85,000.00</b>	<b>\$0.00</b>	<b>\$4,054.50</b>	

**Heritage Springs**  
Community Development District

**Supporting Budget Schedules**  
Fiscal Year 2021

# HERITAGE SPRINGS

Community Development District

## Comparison of Assessment Rates Fiscal Year 2021 vs. Fiscal Year 2020

Bond Series	General Fund			Debt Service			Total Assessments per Unit			Units	Prepaid Units	GF Total	DS Total
	FY 2021	FY 2020	Percent Change	FY 2021	FY 2020	Percent Change	FY 2021	FY 2020	Percent Change	On-Roll			
2006	\$298.75	\$298.75	0.0%	\$198.63	\$198.63	0.0%	\$497.38	\$497.38	0.0%	739	29	\$220,776	\$141,027
2008	\$298.75	\$298.75	0.0%	\$77.06	\$168.54	-54.3%	\$375.81	\$467.29	-19.6%	598	40	\$178,653	\$43,000
										<b>1,337</b>	<b>69</b>	<b>\$399,429</b>	<b>\$184,027</b>