

HERITAGE SPRINGS
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2023

Version 3 - Final Budget
(Adopted 8/15/22)

Prepared by:



HERITAGE SPRINGS

Community Development District

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Heritage Springs
Community Development District

Operating Budget
Fiscal Year 2023

HERITAGE SPRINGS

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2023 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2021	BUDGET FY 2022	THRU JUL 2022	AUG- SEP 2022	PROJECTED FY 2022	BUDGET FY 2023
REVENUES						
Interest - Investments	\$ 2,724	\$ 4,000	\$ 2,336	\$ 467	\$ 2,803	\$ 2,000
Special Assmnts- Tax Collector	399,864	399,429	399,429	-	399,429	432,860
Special Assmnts- Discounts	(14,991)	(15,977)	(15,053)	-	(15,053)	(17,314)
Other Miscellaneous Revenues	50	-	56	-	56	-
TOTAL REVENUES	387,647	387,452	386,768	467	387,235	417,546
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	8,600	9,000	6,000	1,000	7,000	9,000
FICA Taxes	658	689	459	77	536	689
ProfServ-Dissemination Agent	1,000	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	73,430	55,000	36,060	18,940	55,000	55,000
ProfServ-Legal Services	7,781	5,000	3,993	799	4,792	5,000
ProfServ-Mgmt Consulting Serv	36,950	36,950	30,792	6,158	36,950	38,060
ProfServ-Property Appraiser	150	150	150	-	150	150
ProfServ-Special Assessment	7,500	7,500	7,500	-	7,500	7,500
ProfServ-Trustee	4,771	4,771	4,771	-	4,771	4,771
ProfServ-Web Site Maintenance	179	750	165	585	750	750
Auditing Services	5,600	5,600	5,800	-	5,800	5,800
Postage and Freight	268	400	242	158	400	400
Insurance - General Liability	5,296	5,826	5,420	-	5,420	5,962
Printing and Binding	347	1,000	313	187	500	600
Legal Advertising	1,066	1,800	196	1,304	1,500	1,500
Miscellaneous Services	232	600	-	250	250	500
Misc-Assessmnt Collection Cost	6,306	7,989	7,688	-	7,688	8,657
Office Supplies	450	480	375	225	600	525
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	160,759	144,680	110,099	30,682	140,781	146,040
<i>Field</i>						
Contracts-Lakes	39,348	42,900	35,911	7,150	43,061	43,176
Electricity - Streetlighting	58,109	60,000	40,980	7,570	48,550	62,000
R&M-Aquascaping	4,600	5,000	-	5,000	5,000	5,000
R&M-Ponds	12,686	75,000	38,852	7,770	46,622	106,425
R&M-Stormwater System	26,008	15,000	66,445	-	66,445	15,000
Misc-Contingency	3,788	10,000	1,643	4,357	6,000	6,000
Reserve - Ponds	-	34,872	-	-	-	33,905
Total Field	144,539	242,772	183,831	31,847	215,678	271,506
TOTAL EXPENDITURES	305,298	387,452	293,930	62,530	356,460	417,546

HERITAGE SPRINGS

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2023 Adopted Budget

<u>ACCOUNT DESCRIPTION</u>	<u>ACTUAL FY 2021</u>	<u>ADOPTED BUDGET FY 2022</u>	<u>ACTUAL THRU JUL 2022</u>	<u>PROJECTED AUG- SEP 2022</u>	<u>TOTAL PROJECTED FY 2022</u>	<u>ANNUAL BUDGET FY 2023</u>
Excess (deficiency) of revenues						
Over (under) expenditures	82,349	-	92,838	(62,063)	30,774	-
OTHER FINANCING SOURCES (USES)						
Transfer from DS Fund Balance	5,782	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	5,782	-	-	-	-	-
Net change in fund balance	88,131	-	92,838	(62,063)	30,774	-
FUND BALANCE, BEGINNING	1,216,621	1,304,752	1,304,752	-	1,304,752	1,335,526
FUND BALANCE, ENDING	\$ 1,304,752	\$ 1,304,752	\$ 1,397,590	\$ (62,063)	\$ 1,335,526	\$ 1,335,526

Budget Narrative

Fiscal Year 2023

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.

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. A moderate increase is requested in this budget.

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 2023

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 Special Assessment Bond that is deposited with a Trustee to handle all trustee matters. The annual trustee fee is 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 in this budget.

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 2023

Maintenance:**Contracts-Lakes**

The District has contracted American EcoSystems to perform lake maintenance services within the District. The estimated cost for these services is \$3,598 per month effective 10/1/2021.

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 2023	\$ 1,335,526
Net Change in Fund Balance - Fiscal Year 2023	-
Reserves - Fiscal Year 2023 Additions	33,905
Total Funds Available (Estimated) - 9/30/2023	1,369,431

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve	95,910 ⁽¹⁾
Reserves - Ponds	936,581
Reserves - Ponds (FY22)	34,872
Reserves - Ponds (FY23)	33,905
Subtotal	<u>1,005,358</u>
Total Allocation of Available Funds	1,101,268

Total Unassigned (undesignated) Cash	<u>\$ 268,162</u>
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Notes

(1) Represents approximately 3 months of operating expenditures

Heritage Springs
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Debt Service Budget
Fiscal Year 2023

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2006 Debt Service Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2023 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2021	BUDGET FY 2022	THRU JUL 2022	AUG- SEP 2022	PROJECTED FY 2022	BUDGET FY 2023
REVENUES						
Interest - Investments	\$ 8	\$ -	\$ 7	\$ 3	\$ 10	\$ -
Special Assmnts- Tax Collector	141,027	141,027	141,027	-	141,027	141,027
Special Assmnts- Discounts	(5,297)	(5,641)	(5,315)	-	(5,315)	(5,641)
TOTAL REVENUES	135,738	135,386	135,719	3	135,722	135,386
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	2,271	2,821	2,714	-	2,714	2,821
Total Administrative	2,271	2,821	2,714	-	2,714	2,821
<i>Debt Service</i>						
Debt Retirement Series A	85,000	95,000	95,000	-	95,000	100,000
Prepayments Series A	5,000	-	-	-	-	-
Interest Expense Series A	32,156	27,563	27,563	-	27,563	22,575
Total Debt Service	122,156	122,563	122,563	-	122,563	122,575
TOTAL EXPENDITURES	124,427	125,384	125,277	-	125,276	125,397
Excess (deficiency) of revenues Over (under) expenditures	11,311	10,002	10,442	3	10,445	9,990
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	10,002	-	-	-	9,990
TOTAL OTHER SOURCES (USES)	-	10,002	-	-	-	9,990
Net change in fund balance	11,311	10,002	10,442	3	10,445	9,990
FUND BALANCE, BEGINNING	129,355	140,666	140,666	-	140,666	151,111
FUND BALANCE, ENDING	\$ 140,666	\$ 150,668	\$ 151,108	\$ 3	\$ 151,111	\$ 161,101

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Debt Service Amortization Schedule Series 2006A Capital Improvement Revenue Bonds

Date	Regular Principal	Principal Prepayments	Interest Expense	Outstanding Principal
11/1/2022			\$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
totals	\$430,000.00	\$0.00	\$57,750.00	

Heritage Springs
Community Development District

Supporting Budget Schedule
Fiscal Year 2023

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Comparison of Assessment Rates Fiscal Year 2023 vs. Fiscal Year 2022

Bond Series	General Fund			Debt Service			Total Assessments per Unit			Units	Prepaid Units	GF Total	DS Total
	FY 2023	FY 2022	Percent Change	FY 2023	FY 2022	Percent Change	FY 2023	FY 2022	Percent Change	On-Roll			
2006	\$323.75	\$298.75	8.4%	\$198.63	\$198.63	0.0%	\$522.38	\$497.38	5.0%	739	29	\$239,255	\$141,027
2008	\$323.75	\$298.75	8.4%	\$0.00	\$0.00	n/a	\$323.75	\$298.75	8.4%	598	0	\$193,605	\$0
										1,337	29	\$432,860	\$141,027