

HERITAGE SPRINGS
COMMUNITY DEVELOPMENT DISTRICT

AGENDA PACKAGE

MAY 15, 2017

Heritage Springs Community Development District
Severn Trent Services, Management Services Division
210 North University Drive, Suite 702 • Coral Springs, Florida 33071
Telephone: (954) 753-5841 • Fax: (954) 345-1292

May 8, 2017

Board of Supervisors
Heritage Springs Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Heritage Springs Community Development District will be held Monday, May 15, 2017 at 2:30 P.M. at Heritage Springs Community Clubhouse, 11345 Robert Trent Jones Parkway, New Port Richey, Florida. Following is the advance agenda for the meeting:

- 1. Roll Call**
- 2. Organizational Matters**
 - A. Appointment of Supervisor to Fill Vacancy [11/2018]
 - B. Oath of Office of Newly Elected Supervisors
- 3. Consent Agenda**
 - A. Approval of the Minutes of the April 17, 2017 Meeting
 - B. Approval of the Financial Statements
- 4. Public Comment on Agenda Items**
- 5. Attorney's Report**
- 6. Engineer's Report**
- 7. Manager's Report**
 - A. Distribution of Proposed Budget for FY 2018
 - B. Consideration of Resolution 2017-02 Approving the Budget and Setting the Public Hearing
- 8. Maintenance Items**
- 9. Supervisors' Requests**
- 10. Audience Comments**
- 11. Adjournment**

I look forward to seeing you at the meeting. Please call me if you have any questions.

Sincerely,

Andrew P. Mendenhall, PMP
Secretary
/ms

cc: John Vericker Danny Tyler Kimberlee DeBosier Robert Dvorak

Third Order of Business

3A.

1 **MINUTES OF MEETING**
2 **HERITAGE SPRINGS**
3 **COMMUNITY DEVELOPMENT DISTRICT**
4

5 The regular meeting of the Board of Supervisors of the Heritage Springs
6 Community Development District was held on Monday, April 17, 2017 at 2:30 p.m. at
7 the Heritage Springs Community Clubhouse, 11345 Robert Trent Jones Parkway, New
8 Port Richey, Florida.

9
10 Present and constituting a quorum were:

11
12 Steve Wertovitch Chairman
13 Joe DePompa Vice Chairman
14 George Kachavos Assistant Secretary
15 Ken McEwan Assistant Secretary
16

17 Also present were:

18
19 Andrew Mendenhall District Manager
20 Robert Dvorak District Engineer
21 Residents
22

23 *The following is a summary of the minutes and actions taken at the April 17, 2017*
24 *Heritage Springs Board of Supervisors meeting.*
25

26 **FIRST ORDER OF BUSINESS**

Roll Call

27 Mr. Mendenhall called the meeting to order and Board members and staff
28 identified themselves.
29

30 **SECOND ORDER OF BUSINESS**

Consent Agenda

31 **A. Approval of the Minutes of the March 20, 2017 Meeting**

- 32 • Line 52 – Dvorak misspelled.
33 • Line 49 – remove “to”
34

35 **B. Approval of Financial Statements**
36

37 On MOTION by Mr. Wertovitch seconded by Mr.
38 Kachavos, with all in favor, the consent agenda was
39 approved as amended.
40

41 **THIRD ORDER OF BUSINESS** **Public Comment on Agenda Items**
42 None.

43

44 **FOURTH ORDER OF BUSINESS** **Attorney’s Report**
45 None.

- 46 • Mr. Mendenhall noted Mr. Vericker will attend the May meeting.

47

48 **FIFTH ORDER OF BUSINESS** **Engineer’s Report**

- 49 • Mr. Dvorak reviewed his report and follow-up items.
- 50 • Discussion followed on the Pond 191-F Project – Alternative 1 (Avada Court
51 outfall) modeling results for drawdown analysis.
- 52 ○ Mr. Dvorak noted the issue is the systems they are connecting to have a
53 limited amount of capacity.
- 54 ○ Discussion followed on installing a pump at Walstone Court.
- 55 ○ Duke Energy will not provide an estimate for an electrical connection the
56 CDD first needs to pull a permit from the county.
- 57 ○ The volume of water to be moved is needed for the pump vendors.

58

59 On MOTION by Mr. McEwan seconded by Mr. Kachavos,
60 with all in favor, authorizing the Chairman to pay the
61 permit fee was approved.

62

- 63 • Discussion followed on the flow at weir CS-27/wetland 171-C.
- 64 ○ Grading and riprap.
- 65 ○ HOA interest.
- 66 • Discussion followed on flow diagrams and drainage.

67

68 **SIXTH ORDER OF BUSINESS** **Manager’s Report**

69 **A. Acceptance of the Audit for Fiscal Year 2016**

- 70 • Mr. Mendenhall outlined the audit for fiscal year ended September 30, 2016
71 noting it was a clean audit.

72

73

74 On MOTION by Mr. Wertovitch seconded by Mr.
 75 Kachavos with all in favor; the audit for fiscal year ended
 76 September 30, 2016 was accepted.
 77

78 FY 2018 Budget

- 79 • Mr. Mendenhall reported they will begin the budget process at the next meeting.
- 80 • Discussion followed on expenses and expenditures anticipated.

81
82 **SEVENTH ORDER OF BUSINESS Maintenance Items**

83 **A. Ratification of BioMass Proposal**

84 **i. Pond 161-A Maintenance**

85 **ii. Pond 172-C Erosion Repair**

- 86 • Discussion followed on the proposals to be ratified [1718 - \$13,037.17 and 1724 -
 87 \$14,278.40].
- 88 • Discussion followed on repairs with fabric and rip rap.

89
90 On MOTION by Mr. Wertovitch seconded by Mr. DePompa, with all in favor, the
91 BioMass proposals 1718 and 1724 were ratified.

92
93 On MOTION by Mr. Wertovitch seconded by Mr.
 94 Kachavos with all in favor; the audit for fiscal year ended
 95 September 30, 2015 was accepted.
 96

- 97 • BioMass outstanding invoices were discussed.
- 98 • Mr. DePompa reviewed the CDD 2017 Maintenance Plans.

99
100 **EIGHTH ORDER OF BUSINESS Supervisors' Requests**

- 101 • Mr. Wertovitch addressed a bill from Pampering Plumber to fix a problem the
 102 homeowner believes was caused by BioMass equipment going in and out by his
 103 house.
 - 104 ○ The District will reimburse Mr. Wertovitch the \$247.
- 105 • Mr. Wertovitch addressed the open supervisor seat on the Board noting three
 106 resumes have been submitted.
 - 107 ○ Mr. Mendenhall outlined the appointment process.

- 108 • Mr. Wertovitch addressed an email received regarding Aaron Court in Egret
- 109 Landing. The gutters on the driveway and along the grass are crumbling.
- 110 • Mr. McEwan addressed a build of sand at the back of the community noting a
- 111 question has been raised of whether they can use it to raise the area by Hole 13.
- 112 ○ Mr. McEwan proposed looking at the area to see if there is anything they
- 113 can do. He will let Mr. Dvorak know after speaking with the HOA.
- 114 • Mr. McEwan reported on the planting of Phase 1 noting the plan was well
- 115 received by the Village Reps.
- 116 • Mr. Wertovitch addressed the Triploid Grass Carp at Hole 7 noting there are none
- 117 remaining in the pond or they are not effective.

118

119 **NINTH ORDER OF BUSINESS**

Audience Comments

120 None.

121

122 **TENTH ORDER OF BUSINESS**

Adjournment

123

124 On MOTION by Mr. Kachavos seconded by Mr. McEwan,

125 with all in favor, the meeting was adjourned

126

127

128

129

130

131

Steve Wertovitch
Chairman

3B.

Heritage Springs
Community Development District

Financial Report

April 30, 2017

Prepared by



Table of Contents

FINANCIAL STATEMENTS

Balance Sheet - All Funds	Page 1
Statement of Revenues, Expenditures and Changes in Fund Balances	
General Fund	Page 2
Debt Service Fund(s)	Page 3 - 4

SUPPORTING SCHEDULES

Non-Ad Valorem Special Assessments	Page 5
Investment and Cash Balance Report	Page 6
SunTrust Bank Reconciliation	Page 7
Check Register	Page 8 - 9

Heritage Springs
Community Development District

Financial Statements

(Unaudited)

April 30, 2017

Balance Sheet
April 30, 2017

ACCOUNT DESCRIPTION	GENERAL FUND	SERIES 2006 DEBT SERVICE FUND	SERIES 2008 DEBT SERVICE FUND (REFUNDING)	TOTAL
ASSETS				
Cash - Checking Account	\$ 68,308	\$ -	\$ -	\$ 68,308
Due From Other Funds	-	3,375	2,251	5,626
Investments:				
Certificates of Deposit - 18 Months	405,858	-	-	405,858
Money Market Account	688,964	-	-	688,964
Redemption Fund	-	-	1	1
Reserve Fund	-	64,938	8,888	73,826
Revenue Fund	-	169,690	118,075	287,765
TOTAL ASSETS	\$ 1,163,130	\$ 238,003	\$ 129,215	\$ 1,530,348
LIABILITIES				
Accounts Payable	\$ 12,310	\$ -	\$ -	\$ 12,310
Accrued Expenses	7,774	-	-	7,774
Due To Other Funds	5,626	-	-	5,626
TOTAL LIABILITIES	25,710	-	-	25,710
FUND BALANCES				
Restricted for:				
Debt Service	-	238,003	129,215	367,218
Assigned to:				
Operating Reserves	84,734	-	-	84,734
Reserves - Ponds	751,650	-	-	751,650
Unassigned:	301,036	-	-	301,036
TOTAL FUND BALANCES	\$ 1,137,420	\$ 238,003	\$ 129,215	\$ 1,504,638
TOTAL LIABILITIES & FUND BALANCES	\$ 1,163,130	\$ 238,003	\$ 129,215	\$ 1,530,348

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending April 30, 2017

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	YTD ACTUAL AS A % OF ADOPTED BUD	APR-17 ACTUAL
REVENUES				
Interest - Investments	\$ 1,000	\$ 3,399	339.90%	\$ 881
Special Assmnts- Tax Collector	399,428	396,218	99.20%	9,764
Special Assmnts- Discounts	(15,977)	(14,996)	93.86%	(9)
TOTAL REVENUES	384,451	384,621	100.04%	10,636
EXPENDITURES				
Administration				
P/R-Board of Supervisors	9,000	5,000	55.56%	800
FICA Taxes	689	383	55.59%	61
ProfServ-Dissemination Agent	1,000	-	0.00%	-
ProfServ-Engineering	46,000	40,560	88.17%	9,020
ProfServ-Legal Services	5,000	1,882	37.64%	-
ProfServ-Mgmt Consulting Serv	35,874	20,927	58.33%	2,990
ProfServ-Property Appraiser	150	-	0.00%	-
ProfServ-Special Assessment	7,500	7,500	100.00%	-
ProfServ-Trustee Fees	8,674	4,337	50.00%	-
ProfServ-Web Site Maintenance	750	750	100.00%	-
Auditing Services	5,500	5,500	100.00%	-
Postage and Freight	400	129	32.25%	27
Insurance - General Liability	4,982	4,765	95.64%	-
Printing and Binding	1,250	119	9.52%	15
Legal Advertising	2,100	107	5.10%	-
Miscellaneous Services	600	351	58.50%	48
Misc-Assessmnt Collection Cost	7,989	7,625	95.44%	195
Office Supplies	175	116	66.29%	22
Annual District Filing Fee	175	175	100.00%	-
Total Administration	137,808	100,226	72.73%	13,178
Field				
Contracts-Lakes	40,000	20,300	50.75%	2,900
Electricity - Streetlighting	60,000	34,047	56.75%	4,840
R&M-Aquascaping	5,000	2,044	40.88%	2,044
R&M-Ponds	75,000	81,460	108.61%	80,232
R&M-Stormwater System	15,000	4,500	30.00%	2,500
Misc-Contingency	10,000	247	2.47%	247
Reserve - Ponds	41,643	-	0.00%	-
Total Field	246,643	142,598	57.82%	92,763
TOTAL EXPENDITURES	384,451	242,824	63.16%	105,941
Net change in fund balance	\$ -	\$ 141,797	0.00%	\$ (95,305)
FUND BALANCE, BEGINNING (OCT 1, 2016)	995,623	995,623		
FUND BALANCE, ENDING	\$ 995,623	\$ 1,137,420		

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending April 30, 2017

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>YTD ACTUAL AS A % OF ADOPTED BUD</u>	<u>APR-17 ACTUAL</u>
REVENUES				
Interest - Investments	\$ -	\$ 126	0.00%	\$ 29
Special Assmnts- Tax Collector	141,226	139,894	99.06%	3,447
Special Assmnts- Discounts	(5,649)	(5,295)	93.73%	(3)
TOTAL REVENUES	135,577	134,725	99.37%	3,473
EXPENDITURES				
<u>Administration</u>				
Misc-Assessmnt Collection Cost	2,825	2,692	95.29%	69
Total Administration	2,825	2,692	95.29%	69
<u>Debt Service</u>				
Debt Retirement Series A	80,000	-	0.00%	-
Prepayments Series A	-	5,000	0.00%	-
Interest Expense Series A	51,450	25,725	50.00%	-
Total Debt Service	131,450	30,725	23.37%	-
TOTAL EXPENDITURES	134,275	33,417	24.89%	69
Excess (deficiency) of revenues				
Over (under) expenditures	1,302	101,308	0.00%	3,404
OTHER FINANCING SOURCES (USES)				
Contribution to (Use of) Fund Balance	1,302	-	0.00%	-
TOTAL FINANCING SOURCES (USES)	1,302	-	0.00%	-
Net change in fund balance	\$ 1,302	\$ 101,308	0.00%	\$ 3,404
FUND BALANCE, BEGINNING (OCT 1, 2016)	136,695	136,695		
FUND BALANCE, ENDING	\$ 137,997	\$ 238,003		

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending April 30, 2017

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE ACTUAL	YTD ACTUAL AS A % OF ADOPTED BUD	APR-17 ACTUAL
<u>REVENUES</u>				
Interest - Investments	\$ -	\$ 62	0.00%	\$ 17
Special Assmnts- Tax Collector	94,045	93,289	99.20%	2,299
Special Assmnts- Discounts	(3,762)	(3,531)	93.86%	(2)
TOTAL REVENUES	90,283	89,820	99.49%	2,314
<u>EXPENDITURES</u>				
<u>Administration</u>				
Misc-Assessmnt Collection Cost	1,881	1,795	95.43%	46
Total Administration	1,881	1,795	95.43%	46
<u>Debt Service</u>				
Principal Debt Retirement	70,000	-	0.00%	-
Interest Expense	18,364	9,182	50.00%	-
Total Debt Service	88,364	9,182	10.39%	-
TOTAL EXPENDITURES	90,245	10,977	12.16%	46
Excess (deficiency) of revenues				
Over (under) expenditures	38	78,843	0.00%	2,268
<u>OTHER FINANCING SOURCES (USES)</u>				
Contribution to (Use of) Fund Balance	38	-	0.00%	-
TOTAL FINANCING SOURCES (USES)	38	-	0.00%	-
Net change in fund balance	\$ 38	\$ 78,843	0.00%	\$ 2,268
FUND BALANCE, BEGINNING (OCT 1, 2016)	50,372	50,372		
FUND BALANCE, ENDING	\$ 50,410	\$ 129,215		

Heritage Springs
Community Development District

Supporting Schedules

April 30, 2017

HERITAGE SPRINGS

Community Development District

**Non-Ad Valorem Special Assessments - Pasco County Tax Collector
(Monthly Collection Distributions)
For the Fiscal Year Ending September 30, 2017**

Date Received	Net Amount Received	Discount / (Penalties) Amount	Collection Costs	Gross Amount Received	ALLOCATION BY FUND		
					General Fund	Series 2006 Debt Service	Series 2008 Debt Service
Assessments Levied				\$ 634,500	\$ 399,428	\$ 141,027	\$ 94,045
Allocation %				100%	63%	22%	15%
11/16/16	\$ 14,449	\$ 804	\$ 295	\$ 15,548	\$ 9,788	\$ 3,456	\$ 2,304
11/22/16	130,590	5,552	2,665	138,808	87,382	30,852	20,574
11/30/16	127,288	5,405	2,598	135,291	85,168	30,070	20,053
12/02/16	134,203	5,683	2,739	142,625	89,785	31,701	21,140
12/12/16	98,132	4,166	2,003	104,301	65,659	23,182	15,459
12/20/16	21,780	822	445	23,047	14,508	5,122	3,416
01/06/17	29,985	939	612	31,536	19,852	7,009	4,674
02/09/17	17,151	382	350	17,883	11,258	3,975	2,651
03/03/17	4,704	53	96	4,853	3,055	1,079	719
04/06/17	15,185	15	310	15,510	9,764	3,447	2,299
TOTAL	\$ 593,468	\$ 23,822	\$ 12,112	\$ 629,403	\$ 396,218	\$ 139,894	\$ 93,289
% COLLECTED				99%	99%	99%	99%
TOTAL OUTSTANDING				\$ 5,097	\$ 3,210	\$ 1,133	\$ 756

Series 2006 - Variance between budgeted vs assessed value is due to prepayments received after FY17 budget adoption.

HERITAGE SPRINGS

Community Development District

Cash and Investment Report*April 30, 2017***General Fund**

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Maturity</u>	<u>Yield</u>	<u>Balance</u>
Checking Acct - Operating	SunTrust Bank	Public Funds NOW	n/a	0.36%	\$ 68,308
CD #2007	CenterState	18 mo Fixed Rate CD	ck in transit	0.90%	104,685
CD #5659	BankUnited	18 mo Fixed Rate CD	02/22/18	1.10%	100,391
CD #5663	BankUnited	18 mo Fixed Rate CD	02/22/18	1.10%	100,391
CD #5665	BankUnited	18 mo Fixed Rate CD	02/22/18	1.10%	100,391
CD Subtotal					405,858
Public Funds Money Market	Stonegate	MMA - #5417	n/a	0.40%	280,916
Public Funds Money Market	Bank United	MMA - #0143	n/a	0.77%	408,048
MMA Subtotal					688,964
O&M Total					\$ 1,163,130

Debt Service Funds

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Maturity</u>	<u>Yield</u>	<u>Balance</u>
Series 2006 Reserve Fund	US Bank	US Bank Open-End CP	6/1/2017	0.00%	\$ 64,938
Series 2006 Revenue Fund	US Bank	US Bank Open-End CP	6/1/2017	0.00%	169,690
DS 202 subtotal					234,628
Series 2008A Redemption	US Bank	US Bank Open-End CP	6/1/2017	0.00%	1
Series 2008A Debt Svc Rsrv	US Bank	Government Obligation Fund	n/a	0.00%	8,888
Series 2008A Revenue Fund	US Bank	US Bank Open-End CP	6/1/2017	0.00%	118,075
DS 203 subtotal					126,964
DS Total					\$ 361,592
Total Cash & Investments					\$ 1,524,722

Heritage Springs CDD

Bank Reconciliation

Bank Account No. 1900 SunTrust Bank N.A. - GF
Statement No. 04-17
Statement Date 4/30/2017

G/L Balance (LCY)	68,307.53	Statement Balance	157,923.29
G/L Balance	68,307.53	Outstanding Deposits	0.00
Positive Adjustments	0.00		
	<hr/>	Subtotal	157,923.29
Subtotal	68,307.53	Outstanding Checks	89,615.76
Negative Adjustments	0.00	Differences	0.00
	<hr/>		
Ending G/L Balance	68,307.53	Ending Balance	68,307.53
Difference	0.00		

Posting Date	Document Type	Document No.	Description	Amount	Cleared Amount	Difference
Outstanding Checks						
4/20/2017	Payment	001952	BLUE WATER AQUATICS, INC	2,044.00	0.00	2,044.00
4/25/2017	Payment	001953	BIOMASS TECH	82,731.59	0.00	82,731.59
4/25/2017	Payment	DD107	Payment of Invoice 001527	4,840.17	0.00	4,840.17
Total Outstanding Checks.....				89,615.76		89,615.76

HERITAGE SPRINGS COMMUNITY DEVELOPMENT DISTRICT

Payment Register by Fund
For the Period from 4/1/17 to 4/30/17
(Sorted by Check / ACH No.)

Fund No.	Date	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid	
GENERAL FUND - 001								
CHECK # 001943								
001	04/03/17	FEDEX	5-743-86024	3/13/17 POSTAGE	Postage and Freight	541006-51301	\$11.44	
							Check Total	<u>\$11.44</u>
CHECK # 001944								
001	04/03/17	SEVERN TRENT SERVICES	18470	MARCH MGMT FEE	ProfServ-Mgmt Consulting Serv	531027-51201	\$2,989.50	
001	04/03/17	SEVERN TRENT SERVICES	18470	MARCH MGMT FEE	Postage and Freight	541006-51301	\$2.30	
001	04/03/17	SEVERN TRENT SERVICES	18470	MARCH MGMT FEE	Printing and Binding	547001-51301	\$16.80	
001	04/03/17	SEVERN TRENT SERVICES	18470	MARCH MGMT FEE	Office Supplies	551002-51301	\$22.00	
							Check Total	<u>\$3,030.60</u>
CHECK # 001945								
001	04/03/17	STRALEY ROBIN VERICKER	14267	THRU 3/15/17 GEN COUNSEL	ProfServ-Legal Services	531023-51401	\$643.70	
							Check Total	<u>\$643.70</u>
CHECK # 001946								
001	04/06/17	BLUE WATER AQUATICS, INC	22124	3/6 & 3/24 AQUATIC SVC	Contracts-Lakes	534084-53901	\$2,900.00	
							Check Total	<u>\$2,900.00</u>
CHECK # 001947								
001	04/07/17	FEDEX	5-751-91692	3/22/17 POSTAGE	Postage and Freight	541006-51301	\$10.36	
							Check Total	<u>\$10.36</u>
CHECK # 001952								
001	04/20/17	BLUE WATER AQUATICS, INC	22153	3/31/17 PLANTING	R&M-Aquascaping	546006-53901	\$2,044.00	
							Check Total	<u>\$2,044.00</u>
CHECK # 001953								
001	04/25/17	BIOMASS TECH	1352	INLET 50 REPR 8-17-16	R&M-Stormwater System	546090-53901	\$2,500.00	
001	04/25/17	BIOMASS TECH	1345	WETLAND 152-A MAINT 2-20-17	R&M-Ponds	546073-53901	\$4,975.00	
001	04/25/17	BIOMASS TECH	1342	WEIR CS-40 MAINT 2-5-2016	R&M-Ponds	546073-53901	\$27,426.22	
001	04/25/17	BIOMASS TECH	1343	POND 151-1 E SIDE 2-5-2016	R&M-Ponds	546073-53901	\$47,830.37	
							Check Total	<u>\$82,731.59</u>
CHECK # DD107								
001	04/25/17	DUKE ENERGY	041217-AP	3/14-4/12 #31213 45492	Electricity - Streetlighting	543013-53901	\$4,840.17	
							Check Total	<u>\$4,840.17</u>

HERITAGE SPRINGS COMMUNITY DEVELOPMENT DISTRICT

Payment Register by Fund
 For the Period from 4/1/17 to 4/30/17
 (Sorted by Check / ACH No.)

Fund No.	Date	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
CHECK # 001948							
001	04/18/17	STEVEN WERTOVITCH	PAYROLL	April 18, 2017 Payroll Posting			\$184.70
						Check Total	<u>\$184.70</u>
CHECK # 001949							
001	04/18/17	JOSEPH V. DE POMPA	PAYROLL	April 18, 2017 Payroll Posting			\$184.70
						Check Total	<u>\$184.70</u>
CHECK # 001950							
001	04/18/17	GEORGE KACHAVOS	PAYROLL	April 18, 2017 Payroll Posting			\$184.70
						Check Total	<u>\$184.70</u>
CHECK # 001951							
001	04/18/17	KENNETH MCEWAN	PAYROLL	April 18, 2017 Payroll Posting			\$184.70
						Check Total	<u>\$184.70</u>
						Fund Total	<u>\$96,950.66</u>

Total Checks Paid	\$96,950.66
--------------------------	--------------------

Seventh Order of Business

7A.

HERITAGE SPRINGS
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2018

Version 1 - Proposed Budget
Prepared May 3, 2017

Prepared by:



HERITAGE SPRINGS

Community Development District

Table of Contents

	<u>Page #</u>
<u>OPERATING BUDGET</u>	
General Fund	
Summary of Revenues, Expenditures and Changes in Fund Balances	1
Budget Narrative	2-4
Exhibit A - Allocation of Fund Balances	5
<u>DEBT SERVICE BUDGETS</u>	
Series 2006	
Summary of Revenues, Expenditures and Changes in Fund Balances	6
Amortization Schedule	7
Series 2008	
Summary of Revenues, Expenditures and Changes in Fund Balances	8
Amortization Schedule	9
<u>SUPPORTING BUDGET SCHEDULES</u>	
2017-2018 Non-Ad Valorem Assessment Summary	10

Heritage Springs
Community Development District

Operating Budget
Fiscal Year 2018

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2018 Proposed Budget

ACCOUNT DESCRIPTION	ADOPTED		ACTUAL	PROJECTED	TOTAL	ANNUAL
	ACTUAL	BUDGET	THRU	MAY-	PROJECTED	BUDGET
	FY 2016	FY 2017	APRIL-2017	SEP-2017	FY 2017	FY 2018
REVENUES						
Interest - Investments	\$ 4,600	\$ 1,000	\$ 3,399	\$ 3,460	\$ 6,859	\$ 4,000
Special Assmnts- Tax Collector	399,429	399,428	396,218	3,210	399,428	399,428
Special Assmnts- Discounts	(14,739)	(15,977)	(14,996)	-	(14,996)	(15,977)
TOTAL REVENUES	389,290	384,451	384,621	6,670	391,291	387,450
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	6,000	9,000	5,000	2,000	7,000	9,000
FICA Taxes	459	689	383	153	536	689
ProfServ-Dissemination Agent	1,000	1,000	-	-	-	1,000
ProfServ-Engineering	27,138	46,000	40,560	17,500	58,060	46,000
ProfServ-Legal Services	3,598	5,000	1,882	1,344	3,226	5,000
ProfServ-Mgmt Consulting Serv	35,874	35,874	20,927	14,948	35,875	35,874
ProfServ-Property Appraiser	150	150	-	150	150	150
ProfServ-Special Assessment	7,500	7,500	7,500	-	7,500	7,500
ProfServ-Trustee	8,674	8,674	4,337	4,337	8,674	8,674
ProfServ-Web Site Maintenance	500	750	750	-	750	750
Auditing Services	5,500	5,500	5,500	-	5,500	5,500
Postage and Freight	200	400	129	92	221	400
Insurance - General Liability	4,529	4,982	4,765	-	4,765	5,242
Printing and Binding	866	1,250	119	750	869	1,250
Legal Advertising	2,388	2,100	107	2,281	2,388	2,100
Miscellaneous Services	582	600	351	225	576	600
Misc-Assessmnt Collection Cost	6,805	7,989	7,625	64	7,689	7,989
Office Supplies	110	175	116	44	160	175
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	112,048	137,808	100,226	43,888	144,114	138,067
<i>Field</i>						
Contracts-Lakes	34,800	40,000	20,300	14,500	34,800	40,000
Electricity - Streetlighting	58,751	60,000	34,047	24,372	58,419	60,000
R&M-Aquascaping	420	5,000	2,044	2,500	4,544	5,000
R&M-Ponds	20,043	75,000	81,460	-	81,460	75,000
R&M-Stormwater System	575	15,000	4,500	500	5,000	15,000
Misc-Contingency	2,917	10,000	247	82	329	10,000
Reserve - Ponds	-	41,643	-	-	-	44,383
Total Field	117,506	246,643	142,598	41,954	184,552	249,383
TOTAL EXPENDITURES	229,554	384,451	242,824	85,842	328,666	387,450
Net change in fund balance	159,736	-	141,797	(79,172)	62,625	-
FUND BALANCE, BEGINNING	835,887	995,623	995,623	-	995,623	1,058,248
FUND BALANCE, ENDING	\$ 995,623	\$ 995,623	\$ 1,137,420	\$ (79,172)	\$ 1,058,248	\$ 1,058,248

Budget Narrative

Fiscal Year 2018

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 Severn Trent Management Services, Inc.

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 2018

Profserv - Special Assessment

The District has contracted with Severn Trent Management Services, Inc. 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 Severn Trent.

Auditing Services

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

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 FY18.

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 incurred 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 2018

Maintenance:

Contracts-Lakes

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

Electricity - Street Lighting

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 - Storm Water 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 2018	\$ 1,058,248
Net Change in Fund Balance - Fiscal Year 2018	-
Reserves - Fiscal Year 2018 Additions	44,383
Total Funds Available (Estimated) - 9/30/2018	1,102,631

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve (1)		85,767 ⁽¹⁾
Reserves - Ponds (FY09)	25,000	
Reserves - Ponds (FY10)	51,333	
Reserves - Ponds (FY11)	46,390	
Reserves - Ponds (May 2012 Board Motion)	350,000	
Reserves - Ponds (FY12)	59,293	
Reserves - Ponds (FY13)	59,775	
Reserves - Ponds (FY14)	67,411	
Reserves - Ponds (FY15)	45,515	
Reserves - Ponds (FY16)	46,933	
Reserves - Ponds (FY17-Projected)	41,643	
Reserves - Ponds (FY18-Proposed)	44,383	837,676
	Subtotal	<u>923,443</u>

Total Allocation of Available Funds	923,443
--	----------------

Total Unassigned (undesignated) Cash	\$ <u>179,188</u>
---	--------------------------

Notes

(1) Represents approximately 3 months of operating expenditures

Heritage Springs
Community Development District

Debt Service Budgets
Fiscal Year 2018

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2018 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ADOPTED BUDGET FY 2017	ACTUAL THRU APRIL-2017	PROJECTED MAY- SEP-2017	TOTAL PROJECTED FY 2017	ANNUAL BUDGET FY 2018
REVENUES						
Interest - Investments	\$ 135	\$ -	\$ 126	\$ 90	\$ 216	\$ -
Special Assmnts- Tax Collector	141,027	141,226	139,894	1,332	141,226	141,226
Special Assmnts- Prepayments	-	-	-	-	-	-
Special Assmnts- Discounts	(5,204)	(5,649)	(5,295)	-	(5,295)	(5,649)
TOTAL REVENUES	135,958	135,577	134,725	1,422	136,147	135,577
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	2,403	2,825	2,692	27	2,719	2,825
Total Administrative	2,403	2,825	2,692	27	2,719	2,825
<i>Debt Service</i>						
Debt Retirement Series A	75,000	80,000	-	80,000	80,000	85,000
Prepayments Series A	5,000	-	5,000	-	5,000	-
Interest Expense Series A	55,519	51,450	25,725	25,594	51,319	46,988
Total Debt Service	135,519	131,450	30,725	105,594	136,319	131,988
TOTAL EXPENDITURES	137,922	134,275	33,417	105,620	139,037	134,812
Excess (deficiency) of revenues Over (under) expenditures	(1,964)	1,302	101,308	(104,198)	(2,890)	765
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	1,302	-	-	-	765
TOTAL OTHER SOURCES (USES)	-	1,302	-	-	-	765
Net change in fund balance	(1,964)	1,302	101,308	(104,198)	(2,890)	765
FUND BALANCE, BEGINNING	138,659	136,695	136,695	-	136,695	133,805
FUND BALANCE, ENDING	\$ 136,695	\$ 137,997	\$ 238,003	\$ (104,198)	\$ 133,805	\$ 134,569

HERITAGE SPRINGS

Community Development District

Debt Service Amortization Schedule Series 2006A Capital Improvement Revenue Bonds

Date	Regular Principal	Principal Prepayments	Interest Expense	Outstanding Principal
11/1/2017			\$23,493.75	\$895,000.00
5/1/2018	\$85,000.00		\$23,493.75	\$810,000.00
11/1/2018			\$21,262.50	\$810,000.00
5/1/2019	\$85,000.00		\$21,262.50	\$725,000.00
11/1/2019			\$19,031.25	\$725,000.00
5/1/2020	\$90,000.00		\$19,031.25	\$635,000.00
11/1/2020			\$16,668.75	\$635,000.00
5/1/2021	\$95,000.00		\$16,668.75	\$540,000.00
11/1/2021			\$14,175.00	\$540,000.00
5/1/2022	\$100,000.00		\$14,175.00	\$440,000.00
11/1/2022			\$11,550.00	\$440,000.00
5/1/2023	\$105,000.00		\$11,550.00	\$335,000.00
11/1/2023			\$8,793.75	\$335,000.00
5/1/2024	\$115,000.00		\$8,793.75	\$220,000.00
11/1/2024			\$5,775.00	\$220,000.00
5/1/2025	\$115,000.00		\$5,775.00	\$105,000.00
11/1/2025			\$2,756.25	\$105,000.00
5/1/2026	\$105,000.00		\$2,756.25	\$0.00
totals	\$895,000.00	\$0.00	\$247,012.50	

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2018 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ADOPTED BUDGET FY 2017	ACTUAL THRU APRIL-2017	PROJECTED MAY- SEP-2017	TOTAL PROJECTED FY 2017	ANNUAL BUDGET FY 2018
REVENUES						
Interest - Investments	\$ 52	\$ -	\$ 62	\$ 44	\$ 106	\$ -
Special Assmnts- Tax Collector	94,045	94,045	93,289	756	\$ 94,045	94,045
Special Assmnts- Discounts	(3,480)	(3,762)	(3,531)	-	(3,531)	(3,762)
TOTAL REVENUES	90,617	90,283	89,820	800	90,620	90,284
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	1,592	1,881	1,795	15	1,810	1,881
Total Administrative	1,592	1,881	1,795	15	1,810	1,881
<i>Debt Service</i>						
Principal Debt Retirement	65,000	70,000	-	70,000	70,000	75,000
Interest Expense	21,465	18,364	9,182	9,182	18,364	15,026
Total Debt Service	86,465	88,364	9,182	79,182	88,364	90,026
TOTAL EXPENDITURES	88,057	90,245	10,977	79,197	90,174	91,906
Excess (deficiency) of revenues Over (under) expenditures	2,560	38	78,843	(78,397)	446	(1,623)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	38	-	-	-	(1,623)
TOTAL OTHER SOURCES (USES)	-	38	-	-	-	(1,623)
Net change in fund balance	2,560	38	78,843	(78,397)	446	(1,623)
FUND BALANCE, BEGINNING	47,812	50,372	50,372	-	50,372	50,818
FUND BALANCE, ENDING	\$ 50,372	\$ 50,410	\$ 129,215	\$ (78,397)	\$ 50,818	\$ 49,195

HERITAGE SPRINGS

Community Development District

Debt Service Amortization Schedule Series 2008 Capital Improvement Revenue Refunding Bonds

Date	Regular Principal	Principal Prepayments	Interest Expense	Outstanding Principal
11/1/2017			\$7,512.75	\$315,000.00
5/1/2018	\$75,000.00		\$7,512.75	\$240,000.00
11/1/2018			\$5,724.00	\$240,000.00
5/1/2019	\$75,000.00		\$5,724.00	\$165,000.00
11/1/2019			\$3,935.25	\$165,000.00
5/1/2020	\$80,000.00		\$3,935.25	\$85,000.00
11/1/2020			\$2,027.25	\$85,000.00
5/1/2021	\$85,000.00		\$2,027.25	\$0.00
totals	\$315,000.00	\$0.00	\$38,398.50	

Heritage Springs
Community Development District

Supporting Budget Schedules
Fiscal Year 2018

HERITAGE SPRINGS

Community Development District

Comparison of Assessment Rates Fiscal Year 2018 vs. Fiscal Year 2017

Bond Series	General Fund			Debt Service			Total Assessments per Unit			Units	Prepaid Units	GF Total	DS Total
	FY 2018	FY 2017	Percent Change	FY 2018	FY 2017	Percent Change	FY 2018	FY 2017	Percent Change	On-Roll			
2006	\$298.75	\$298.75	0.0%	\$198.63	\$198.63	0.0%	\$497.38	\$497.38	0.0%	739	28	\$220,776	\$141,226
2008	\$298.75	\$298.75	0.0%	\$168.54	\$168.54	0.0%	\$467.29	\$467.29	0.0%	598	40	\$178,652	\$94,045
										1,337	68	\$399,428	\$235,271

7B.

RESOLUTION 2017-2

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HERITAGE SPRINGS COMMUNITY DEVELOPMENT DISTRICT APPROVING THE BUDGET FOR FISCAL YEAR 2018 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW

WHEREAS, the District Manager has heretofore prepared and submitted to the Board a proposed operating and/or debt service budget for Fiscal Year 2018; a copy of which is attached hereto, and

WHEREAS, the Board of Supervisors has considered said proposed budget and desires to set the required public hearing thereon;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HERITAGE SPRINGS COMMUNITY DEVELOPMENT DISTRICT;

1. The budget proposed by the District Manager for Fiscal Year 2018 is hereby approved as the basis for conducting a public hearing to adopt said budget.

2. A public hearing on said approved budget is hereby declared and set for the following date, hour and place:

Date: August 21, 2017

Hour: 2:30 p.m.

Place: Heritage Springs Community Clubhouse
11345 Robert Trent Jones Parkway
New Port Richey, Florida

3. Notice of this public hearing shall be published in the manner prescribed in Florida Law.

4. In accordance with Section 189.016, Florida Statutes, the District's Secretary is further directed to post this Proposed Budget on the District's website at least two days before the Budget Hearing date, as set forth in Section 2.

Adopted this 15th day of May, 2017.

Steve Wertovitch
Chairman

Andrew P. Mendenhall, PMP
Secretary