

NAPLES HERITAGE
Community Development District

Annual Operating Budget
Fiscal Year 2020

Version 2 - Approved Tentative Budget
(Approved at the 03/05/19 Meeting)

Prepared by



NAPLES HERITAGE

Community Development District

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NAPLES HERITAGE
Community Development District

Operating Budget
Fiscal Year 2020

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2020 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET	THRU	FEB	PROJECTED	BUDGET
			FY 2019	JAN-2019	SEP-2019	FY 2019	FY 2020
REVENUES							
Interest - Investments	\$ 515	\$ 948	\$ 100	\$ 383	\$ 720	\$ 1,103	\$ 240
Interest - Tax Collector	4	3	-	37	-	37	-
Special Assmnts- Tax Collector	79,900	79,900	99,872	90,907	8,968	99,875	119,851
Special Assmnts- Discounts	(2,788)	(2,624)	(3,995)	(3,534)	(269)	(3,803)	(4,794)
TOTAL REVENUES	77,631	78,227	95,977	87,793	9,419	97,212	115,297
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	5,000	5,000	5,000	2,000	3,000	5,000	5,000
FICA Taxes	381	383	383	153	230	383	383
ProfServ-Engineering	621	6,095	2,000	-	2,000	2,000	2,000
ProfServ-Field Management	750	773	795	-	795	795	819
ProfServ-Legal Services	4,973	4,934	2,000	2,841	950	3,791	3,500
ProfServ-Mgmt Consulting Serv	18,964	21,309	21,948	7,316	14,632	21,948	22,605
ProfServ-Property Appraiser	1,199	1,199	1,498	1,199	-	1,199	1,798
ProfServ-Web Site Maintenance	-	618	636	212	424	636	654
Auditing Services	3,000	2,800	3,000	-	3,000	3,000	3,000
Postage and Freight	513	1,061	1,500	236	500	736	750
Insurance - General Liability	8,101	8,101	8,911	7,747	-	7,747	8,522
Printing and Binding	902	807	650	928	432	1,360	900
Legal Advertising	1,196	2,175	2,500	249	2,000	2,249	2,400
Misc-Bank Charges	623	546	660	182	396	578	660
Misc-Assessmnt Collection Cost	1,054	-	1,997	1,747	179	1,926	2,397
Misc-Contingency	-	-	376	-	376	376	376
Misc-Web Hosting	696	47	501	414	87	501	501
Office Expense	165	198	410	33	132	165	410
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	48,313	56,221	54,940	25,432	29,133	54,565	56,850

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2020 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET	THRU	FEB	PROJECTED	BUDGET
			FY 2019	JAN-2019	SEP-2019	FY 2019	FY 2020
Field							
Contract-Fountain	-	-	700	174	522	696	716
Contract-Aerator Maintenance	-	-	682	140	542	682	1,734
Electricity-Aerator	-	2,006	2,760	791	1,920	2,711	3,360
R&M-Fence	-	-	500	-	480	480	480
Misc-Contingency	1,337	42,519	26,195	-	2,875	2,875	23,477
Total Field	21,678	44,525	30,837	1,105	6,339	7,444	29,767
Reserves							
Reserve - Fountains	-	-	200	-	-	-	200
Reserve - Roads and Lakes	5,580	-	10,000	4,395	44,369	48,764	28,480
Total Reserves	5,580	-	10,200	4,395	44,369	48,764	28,680
TOTAL EXPENDITURES & RESERVES	75,571	100,746	95,977	30,932	79,841	110,773	115,297
Excess (deficiency) of revenues							
Over (under) expenditures	2,060	(22,519)	-	56,861	(70,422)	(13,561)	-
Net change in fund balance	2,060	(22,519)	-	56,861	(70,422)	(13,561)	-
FUND BALANCE, BEGINNING	53,383	55,443	32,924	32,924	-	32,924	19,363
FUND BALANCE, ENDING	\$ 55,443	\$ 32,924	\$ 32,924	\$ 89,785	\$ (70,422)	\$ 19,363	\$ 19,363

Budget Narrative
Fiscal Year 2020**REVENUES****Interest-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 assessment on all the assessable property within the District in order to pay for the operating expenditures during the Fiscal Year.

Special Assessments-Discounts

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**

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance. The amount for the Fiscal Year is based upon all supervisors attending all of the meetings.

Professional Services-Engineering

The District's engineer provides general engineering services to the District, i.e. attendance and preparation for monthly board meetings when requested, review of invoices, and other specifically requested assignments.

Professional Services-Field Management

The District will have Inframark Infrastructure Management Services, Inc. perform an annual inspection of the CDD assets to insure they are being maintained to permit levels.

Professional Services-Legal Services

The District's Attorney provides general legal services to the District, i.e., attendance and preparation for monthly Board meetings, review of contracts, review of agreements and resolutions, and other research as directed or requested by the Board of Supervisors and the District Manager.

Budget Narrative
Fiscal Year 2020

EXPENDITURES

Administrative (continued)**Professional Services-Management Consulting Services**

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services, Inc. Also included are costs for Information Technology charges to process all of the District's financial activities, i.e. accounts payable, financial statements, budgets, etc., on a main frame computer owned by Inframark in accordance with the management contract and the charge for rentals. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

Professional Services-Property Appraiser

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. 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 budgeted amount for property appraiser costs was based on a maximum of 1.5% of the anticipated assessment collections.

Professional Services-Web Site Maintenance

Inframark Infrastructure Management Services maintains the District's email accounts and website as necessary.

Auditing Services

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is based on contracted fees.

Postage and Freight

Actual postage and/or freight used for District mailings including agenda packages, vendor checks and other correspondence.

Insurance-General Liability

The District is obliged to carry General Liability & Public Officials Liability Insurance.

Printing and Binding

This is for copies used in the preparation of agenda packages, required mailings, and other special projects.

Budget Narrative
Fiscal Year 2020

EXPENDITURES

Administrative (continued)**Legal Advertising**

The District is required to advertise various notices for Board meetings and public hearings in a newspaper of general circulation.

Miscellaneous-Bank Charges

This is for bank charges incurred during the year.

Miscellaneous-Assessment Collection Costs

The District reimburses the Tax Collector for her or his 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 budgeted amount for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Miscellaneous-Contingency

This is for unforeseen administrative expenses occurring throughout the year.

Miscellaneous-Web Hosting

This is for the cost of maintaining the District's website domain and email accounts by Inframark Infrastructure Management Services.

Office Expense

This is for supplies used in the preparation and binding of agenda packages, required mailings, and other special projects.

Annual District Filing Fee

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

Budget Narrative
Fiscal Year 2020

EXPENDITURES

Field

Contract - Fountain

This is for the quarterly contract for the fountain cleaning at Site #14.

Contract - Aerator Maintenance

This is for the semi-annual contract for the maintenance of the aeration system Project 1 (\$382 semi-annual) and for semi-annual contract for the maintenance of the aeration system Project 2 (\$485 semi-annual).

Electricity - Aerator

This is for monthly electrical costs of the aeration system in the District.

R&M - Fence

This is for the repair and maintenance of the fence in the District.

Miscellaneous – Contingency

This is for unforeseen field operating expenses occurring throughout the year.

Reserves

Reserve-Fountain

The District will set aside funds to pay for future improvements of the fountain.

Reserve-Roads and Lakes

The District will set aside funds to pay for future improvements of the roads and lakes.

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2020	\$ 19,363
Net Change in Fund Balance - Fiscal Year 2020	-
Reserves - Fiscal Year 2020 Additions	28,680
Total Funds Available (Estimated) - 9/30/19	48,043

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		28,824 ⁽¹⁾
Reserves - Fountain - Current Year - FY 2019	200	
Reserves - Fountain - Budget Year - FY 2020	200	400
Reserves - Roads & Lakes - Current Year - FY 2019	10,000	
Reserves - Roads & Lakes - Current Year Expenses	(48,764)	
Reserves - Roads & Lakes - Budget Year - FY 2020	28,480	(10,284)
	Subtotal	18,940
Total Allocation of Available Funds		18,940

Total Unassigned (undesignated) Cash	\$ 29,103
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Notes

(1) Represents approximately 3 months of operating expenditures

NAPLES HERITAGE
Community Development District

Supporting Budget Schedule
Fiscal Year 2020

**Comparison of Assessment Rates
Fiscal Year 2019 vs Fiscal Year 2020**

O&M Assessment			
Product	FY 2019	FY 2020	Percent Change
All 799 Units	\$ 125.00	\$ 150.00	20.0%