

Naples Heritage 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

Via Federal Express

March 3, 2016

Mr. Leo E. Ochs, Jr.
County Manager
County Manager's Office
3299 Tamiami Trail East, Suite 202
Administrative Building
Naples, Florida 34112-5746

RECEIVED
Office of the County Manager

MAR 07 2016

Action _____

RE: Proposed Operating Budget for Fiscal Year 2017

To Whom It May Concern:

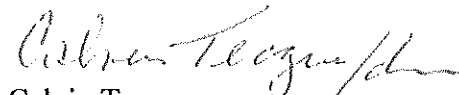
In accordance with Chapter 190.008(2)(b) of the Florida Statutes, the District is required to submit to the local governing authorities having jurisdiction over the area included in the District, for purposes of disclosure and information only, the proposed annual budget for the ensuing fiscal year at least sixty (60) days prior to the public hearing.

The District's public hearing is scheduled as follows:

Date: May 3, 2016
Time: 9:00 a.m.
Place: Naples Heritage Golf and Country Clubhouse
8150 Heritage Club Way
Naples, Florida

I am pleased to enclose the District's Proposed Operating Budget for Fiscal Year 2017 as required by statute. If you have any questions or comments, please feel free to contact me directly at 239-245-7118 ext. 301.

Sincerely,


Calvin Teague
District Manager

dmm
enclosure
cc: District Files (agency)
w/att.

NAPLES HERITAGE

Community Development District

Annual Operating Budget

Fiscal Year 2017

Version 1 - Approved Tentative Budget
(Approved at the March 1, 2016 Meeting)

Prepared by:



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Naples Heritage
Community Development District

Operating Budget
Fiscal Year 2017

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2014	FY 2015	BUDGET	THRU	FEB	PROJECTED	BUDGET
			FY 2016	JAN-2016	SEP-2016	FY 2016	FY 2017
REVENUES							
Interest - Investments	\$ 275	\$ 87	\$ 100	\$ 50	\$ 80	\$ 130	\$ 100
Interlocal Agreement	810,000	-	-	-	-	-	-
Interest - Tax Collector	-	-	-	2	-	2	-
Special Assmnts- Tax Collector	59,925	79,900	79,897	69,775	10,125	79,900	79,897
Special Assmnts- Discounts	(2,137)	(2,840)	(3,196)	(2,748)	(203)	(2,951)	(3,196)
Other Miscellaneous Revenues	-	3	-	-	-	-	-
TOTAL REVENUES	868,063	77,150	76,801	67,079	10,003	77,082	76,801
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	4,800	4,800	5,000	2,000	3,000	5,000	5,000
FICA Taxes	367	367	383	153	230	383	383
ProfServ-Engineering	950	-	1,000	-	600	600	1,000
ProfServ-Field Management	-	-	700	-	700	700	750
ProfServ-Legal Services	2,736	1,795	2,000	81	1,700	1,781	2,000
ProfServ-Mgmt Consulting Serv	19,500	19,500	20,085	6,695	13,390	20,085	20,688
ProfServ-Property Appraiser	899	899	1,199	1,199	-	1,199	1,199
Auditing Services	3,000	3,000	3,000	-	3,000	3,000	3,000
Postage and Freight	1,142	504	1,500	185	1,020	1,205	1,500
Insurance - General Liability	7,129	7,239	8,325	8,399	-	8,399	9,239
Printing and Binding	455	373	650	141	432	573	650
Legal Advertising	3,136	702	2,500	410	1,000	1,410	2,500
Misc-Bank Charges	536	550	620	204	408	612	620
Misc-Assessmnt Collection Cost	730	943	1,598	1,341	203	1,544	1,598
Misc-Contingency	9,993	1,411	376	215	161	376	376
Misc-Web Hosting	-	-	-	-	-	-	600
Office Expense	193	389	410	61	122	183	410
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	55,741	42,647	49,521	21,259	25,965	47,224	51,688

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2014	FY 2015	BUDGET	THRU	FEB	PROJECTED	BUDGET
			FY 2016	JAN-2016	SEP-2016	FY 2016	FY 2017
<i>Field</i>							
R&M-Fence	-	995	-	-	-	-	-
Misc-Contingency	-	-	17,280	-	-	-	15,113
Misc-Stormwater System Review	9,750	-	-	-	-	-	-
Impr - Irrigation	8,900	-	-	-	-	-	-
Cap Outlay - Road Improvements	809,686	-	-	-	-	-	-
Cap Outlay - Fence	14,620	-	-	-	-	-	-
Total Field	842,956	995	17,280	-	-	-	15,113
<i>Reserves</i>							
Reserve - Roads and Lakes	-	25,066	10,000	-	12,078	12,078	10,000
Total Reserves	-	25,066	10,000	-	12,078	12,078	10,000
TOTAL EXPENDITURES & RESERVES	898,697	68,708	76,801	21,259	38,043	59,302	76,801
Excess (deficiency) of revenues							
Over (under) expenditures	(30,634)	8,442	-	45,820	(28,041)	17,780	-
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	-	-
Net change in fund balance	(30,634)	8,442	-	45,820	(28,041)	17,780	-
FUND BALANCE, BEGINNING	63,526	32,892	41,424	41,424	-	41,424	59,204
FUND BALANCE, ENDING	\$ 32,892	\$ 41,424	\$ 41,424	\$ 87,244	\$ (28,041)	\$ 59,204	\$ 59,204

Budget Narrative
Fiscal Year 2017

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 Severn Trent Environmental 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 2017

EXPENDITURES

Administrative (continued)

Professional Services-Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental 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 Severn Trent 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.

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.

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.

Budget Narrative
Fiscal Year 2017

EXPENDITURES

Administrative (continued)

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

The district is mandated to post on the internet the approved and adopted budgets, minutes and audits per State requirements.

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.

Field

Miscellaneous – Contingency

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

Reserves

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 2017	\$ 59,204
Net Change in Fund Balance - Fiscal Year 2017	-
Reserves - Fiscal Year 2017 Additions	10,000
Total Funds Available (Estimated) - 9/30/17	69,204

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		19,200 ⁽¹⁾
Reserves - Roads & Lakes - Prior Years	10,000	-
Reserves - Roads & Lakes - Current Year	10,000	
Reserves - Roads & Lakes - Current Year Expenses	(12,078)	
Reserves - Roads & Lakes - Budget Year	10,000	17,922
	<u>Subtotal</u>	<u>37,122</u>
Total Allocation of Available Funds		37,122

Total Unassigned (undesignated) Cash	\$ 32,082
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Notes

(1) Represents approximately 3 months of operating expenditures

Naples Heritage
Community Development District

Supporting Budget Schedule
Fiscal Year 2017

NAPLES HERITAGE

Community Development District

**Comparison of Assessment Rates
Fiscal Year 2016 vs Fiscal Year 2017**

O&M Assessment			
Product	FY 2016	FY 2017	Percent Change
All Units	\$ 100.00	\$ 100.00	0.0%