

2019



THE HEIGHTS

COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2019
PROPOSED ANNUAL OPERATING BUDGET

MAY 22, 2018



THE HEIGHTS

COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2019 PROPOSED ANNUAL OPERATING BUDGET

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MAY 22, 2018

THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT

BUDGET INTRODUCTION

Background Information

The Heights Community Development District is a local special purpose government authorized by Chapter 190, Florida Statutes, as amended. The Community Development District (CDD) is an alternative method for planning, financing, acquiring, operating and maintaining community-wide infrastructure in master planned communities. The CDD also is a mechanism that provides a “solution” to the State’s needs for delivery of capital infrastructure to service projected growth without overburdening other governments and their taxpayers. CDDs represent a major advancement in Florida’s effort to manage its growth effectively and efficiently. This allows the community to set a higher standard for construction along with providing a long-term solution to the operation and maintenance of community facilities.

The following report represents the District budget for Fiscal Year 2019, which begins on October 1, 2018. The District budget is organized by fund to segregate financial resources and ensure that the segregated resources are used for their intended purpose, and the District has established the following funds.

<u>Fund Number</u>	<u>Fund Name</u>	<u>Services Provided</u>
001	General Fund	Operations and Maintenance of Community Facilities
200	Debt Service Fund	Collection of Special Assessments for Debt Service on the Series 2017 Special Assessment and Revenue Bonds

Facilities of the District

The District’s existing facilities include storm-water management (lake and water control structures), wetland preserve areas, street lighting, landscaping, entry signage, entry features, irrigation distribution facilities, recreational center, parks, pool facility, tennis courts and other related public improvements.

Maintenance of the Facilities

In order to maintain the facilities, the District conducts hearings to adopt an operating budget each year. This budget includes a detailed description of the maintenance program along with an estimate of the cost of the program. The funding of the maintenance budget is levied as a non-ad valorem assessment on your property by the District Board of Supervisors.

THE HEIGHTS

COMMUNITY DEVELOPMENT DISTRICT

	Fiscal Year 2018 Final Operating Budget	Current Period Actuals 10/1/17 - 4/30/18	Projected Revenues & Expenditures 5/1/18 to 9/30/18	Total Actuals and Projections Through 9/30/18	Over/(Under) Budget Through 9/30/18
REVENUES					
SPECIAL ASSESSMENTS					
Operations & Maintenance Assmts - Off Roll	48,552.00	0.00	0.00	0.00	(48,552.00)
TOTAL SPECIAL ASSESSMENTS	48,552.00	0.00	0.00	0.00	(48,552.00)
INTEREST EARNINGS					
Interest Earnings	0.00	0.23	0.00	0.23	0.23
TOTAL INTEREST EARNINGS	0.00	0.23	0.00	0.23	0.23
CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES					
Developer Contributions	0.00	17,621.58		17,621.58	17,621.58
TOTAL CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES	0.00	17,621.58	0.00	17,621.58	17,621.58
TOTAL REVENUES	\$48,552.00	\$17,621.81	\$0.00	\$17,621.81	(\$30,930.19)
EXPENDITURES					
LEGISLATIVE					
Supervisor Fees	4,000.00	0.00	0.00	0.00	(4,000.00)
TOTAL LEGISLATIVE	4,000.00	0.00	0.00	0.00	(4,000.00)
ELECTRIC UTILITY SERVICES					
Electric Utility Services	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC UTILITY SERVICES	0.00	0.00	0.00	0.00	0.00
FINANCIAL & ADMINISTRATIVE					
District Management & Accounting Services	32,000.00	7,000.00	5,000.00	12,000.00	(20,000.00)
District Engineer	3,000.00	4,625.00	3,000.00	7,625.00	4,625.00
Postage, Phone, Faxes, Copies	0.00	35.96	40.00	75.96	75.96
Public Officials Insurance	1,577.00	200.40	1,376.60	1,577.00	0.00
Legal Advertising	1,000.00	2,046.47	350.00	2,396.47	1,396.47
Bank Fees	300.00	138.00	138.00	276.00	(24.00)
Dues, Licenses & Fees	175.00	225.00	0.00	225.00	50.00
Office Supplies	0.00	99.61	0.00	99.61	99.61
TOTAL FINANCIAL & ADMINISTRATIVE	38,052.00	14,370.44	9,904.60	24,175.43	(13,876.57)
LEGAL COUNSEL					
District Counsel	4,000.00	6,529.95	6,529.95	13,059.90	9,059.90
TOTAL LEGAL COUNSEL	4,000.00	6,529.95	6,529.95	13,059.90	9,059.90
OTHER PHYSICAL ENVIRONMENT					
Decorative Light Maintenance	0.00	8,528.17	0.00	8,528.17	8,528.17
Property & Liability Insurance	2,500.00	0.00	2,500.00	2,500.00	0.00
Landscape Maintenance	0.00	2,900.00	5,500.00	8,400.00	8,400.00
Miscellaneous Landscape	0.00	1,850.00	1,850.00	3,700.00	3,700.00
Plant Replacement Program	0.00	0.00	0.00	0.00	0.00
Wetland Monitoring & Maintenance	0.00	0.00	0.00	0.00	0.00
Irrigation Maintenance	0.00	0.00	0.00	0.00	0.00
Perimeter Walls	0.00	0.00	0.00	0.00	0.00
Entry Feature Maintenance	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER PHYSICAL ENVIRONMENT	2,500.00	13,278.17	9,850.00	23,128.17	20,628.17
TOTAL EXPENDITURES	\$48,552.00	\$34,178.56	\$26,284.55	\$60,363.50	\$11,811.50
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	\$0.00	(\$16,556.75)	(\$26,284.55)	(\$42,741.69)	(\$42,741.69)

FISCAL YEAR 2018 BUDGET ANALYSIS

THE HEIGHTS

COMMUNITY DEVELOPMENT DISTRICT

	Fiscal Year 2018 Final Operating Budget	Total Actuals and Projections Through 9/30/18	Over/(Under) Budget Through 9/30/18	Fiscal Year 2018 Final Operating Budget	Increase / (Decrease) from FY 2017 to FY 2018
REVENUES					
SPECIAL ASSESSMENTS					
Operations & Maintenance Assmts - Tax Roll	0.00	0.00	0.00		0.00
Operations & Maintenance Assmts - Off Roll	48,552.00	0.00	(48,552.00)		(48,552.00)
TOTAL SPECIAL ASSESSMENTS	48,552.00	0.00	(48,552.00)	0.00	(48,552.00)
INTEREST EARNINGS					
Interest Earnings	0.00	0.23	0.23	0.00	0.00
TOTAL INTEREST EARNINGS	0.00	0.23	0.23	0.00	0.00
CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES					
Developer Contributions	0.00	17,621.58	17,621.58	0.00	0.00
TOTAL CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES	0.00	17,621.58	17,621.58	0.00	0.00
TIF REVENUE					
TIF Revenue	0.00	0.00	0.00		0.00
TOTAL TIF REVENUE	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	\$48,552.00	\$17,621.81	(\$30,930.19)	\$0.00	(\$48,552.00)
EXPENDITURES					
LEGISLATIVE					
Supervisor Fees	4,000.00	0.00	(4,000.00)	4,000.00	0.00
TOTAL LEGISLATIVE	4,000.00	0.00	(4,000.00)	4,000.00	0.00
ELECTRIC UTILITY SERVICES					
Electric Utility Services	0.00	0.00	0.00		0.00
TOTAL ELECTRIC UTILITY SERVICES	0.00	0.00	0.00	0.00	0.00
FINANCIAL & ADMINISTRATIVE					
District Management & Accounting Services	32,000.00	12,000.00	(20,000.00)	32,000.00	0.00
District Engineer	3,000.00	7,625.00	4,625.00	3,000.00	0.00
Postage, Phone, Faxes, Copies	0.00	75.96	75.96	100.00	100.00
Public Officials Insurance	1,577.00	1,577.00	0.00	1,577.00	0.00
Legal Advertising	1,000.00	2,396.47	1,396.47	1,000.00	0.00
Bank Fees	300.00	276.00	(24.00)	300.00	0.00
Dues, Licenses & Fees	175.00	225.00	50.00	175.00	0.00
Office Supplies	0.00	99.61	99.61	100.00	100.00
TOTAL FINANCIAL & ADMINISTRATIVE	38,052.00	24,175.43	(13,876.57)	38,152.00	100.00
LEGAL COUNSEL					
District Counsel	4,000.00	13,059.90	9,059.90	4,000.00	0.00
TOTAL LEGAL COUNSEL	4,000.00	13,059.90	9,059.90	4,000.00	0.00
OTHER PHYSICAL ENVIRONMENT					
Contingency Expense	0.00	0.00	0.00	150,000.00	150,000.00
Decorative Light Maintenance	0.00	8,528.17	8,528.17		0.00
Property & Liability Insurance	2,500.00	2,500.00	0.00	2,500.00	0.00
Landscape Maintenance	0.00	8,400.00	8,400.00		0.00
Miscellaneous Landscape	0.00	3,700.00	3,700.00		0.00
Plant Replacement Program	0.00	0.00	0.00		0.00
Wetland Monitoring & Maintenance	0.00	0.00	0.00		0.00
Irrigation Maintenance	0.00	0.00	0.00		0.00
Perimeter Walls	0.00	0.00	0.00		0.00
Entry Feature Maintenance	0.00	0.00	0.00		0.00
TOTAL OTHER PHYSICAL ENVIRONMENT	2,500.00	23,128.17	20,628.17	152,500.00	150,000.00
TOTAL EXPENDITURES	\$48,552.00	\$60,363.50	\$11,811.50	\$198,652.00	\$150,100.00
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	\$0.00	(\$42,741.69)	(\$42,741.69)	(\$198,652.00)	(\$198,652.00)

FISCAL YEAR 2019
PROPOSED ANNUAL OPERATING BUDGET

THE HEIGHTS

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND 001

Financial & Administrative

District Manager

The District retains the services of a consulting manager, who is responsible for the daily administration of the District's business, including any and all financial work related to the Bond Funds and Operating Funds of the District, and preparation of the minutes of the Board of Supervisors. In addition, the District Manager prepares the Annual Budget(s), implements all policies of the Board of Supervisors,

Recording Secretary

As part of the consulting managers contract, the District retains a Recording Secretary to prepare and record the minutes of the official district records of proceeding.

District Engineer

Consists of attendance at scheduled meetings of the Board of Supervisors, offering advice and consultation on all matters related to the works of the District, such as bids for yearly contracts, operating policy, compliance with regulatory permits, etc.

Disclosure Reporting

On a quarterly and annual basis, disclosure of relevant district information is provided to the Muni Council, as required within the bond indentures.

Trustees Fees

This item relates to the fee assessed for the annual administration of bonds outstanding, as required within the bond indentures.

Auditing Services

The District is required to annually undertake an independent examination of its books, records and accounting procedures. This audit is conducted pursuant to State Law and the Rules of the Auditor

Financial Services

As part of the consulting managers contract, the District retains Financial Services to process invoices, tax-roll preparation and record the District's transactions in compliance with governmental accounting

Travel Per Diem

This applies at the current rate of mileage reimbursement for official District business.

Postage, Phone, Fax, Copies

This item refers to the cost of materials and service to produce agendas and conduct day-to-day business of the District.

Rentals & Leases

This is required of the District to store its official records.

Public Officials Insurance

The District carries Public Officials Liability in the amount of \$1,000,000.

Legal Advertising

This is required to conduct the official business of the District in accordance with the Sunshine Law and other advertisement requirements as indicated by the Florida Statutes.

Bank Fees

The District operates a checking account for expenditures and receipts.

Dues, Licenses & Fees

The District is required to file with the County and State each year.

Miscellaneous Fees

To provide for unbudgeted administrative expenses.

Investment Reporting Fees

This is to provide an investment report to the District on a quarterly basis.

Office Supplies

Cost of daily supplies required by the District to facilitate operations.

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GENERAL FUND 001

Technology Services

This is to upgrade and keep current the operating components to comply with new governmental accounting standards along with basic website maintenance.

Website Administration

This is for maintenance and administration of the District's official website.

Capital Outlay

This is to purchase new equipment as required.

Legal Counsel

District Counsel

Requirements for legal services are estimated at an annual expenditures on an as needed and also cover such items as attendance at scheduled meetings of the Board of Supervisor's, Contract preparation and

Electric Utility Services

Electric Utility Services

This item is for street lights, pool, recreation facility and other common element electricity needs.

Garbage/Solid Waste Control Services

Garbage Collection

This item is for pick up at the recreation facility and parks as needed.

Water-Sewer Combination Services

Water Utility Services

This item is for the potable and non-potable water used for irrigation.

Other Physical Environment

Non-Potable Irrigation Service

This item provides for irrigation service to the District's common area landscape program.

Waterway Management System

This item is for maintaining the multiple waterways that compose the District's waterway management system and aids in controlling nuisance vegetation that may otherwise restrict the flow of water.

Property & Casualty Insurance

The District carries \$1,000,000 in general liability and also has sovereign immunity.

Entry & Walls Maintenance

This item is for maintaining the main entry feature and other common area walls.

Landscape Maintenance

The District contracts with a professional landscape firm to provide service through a public bid process. This fee does not include replacement material or irrigation repairs.

Miscellaneous Landscape

This item is for any unforeseen circumstances that may effect the appearance of the landscape program.

Plant Replacement Program

This item is for landscape items that may need to be replaced during the year.

Property Taxes

This item is for property taxes assessed to lands within the District.

Irrigation Maintenance

Repairs necessary for everyday operation of the irrigation system to ensure its effectiveness.

Road & Street Facilities

Pavement & Drainage Repairs & Maintenance

This item is necessary to contract with a vendor to maintain the road and drainage infrastructure within the District

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DEBT SERVICE FUND SERIES 2017

REVENUES

CDD Debt Service Assessments - CAPI	\$ 1,047,200
TOTAL REVENUES	\$ 1,047,200

EXPENDITURES

Series 2017 January Bond Principal Payment	\$ -
Series 2017 January Bond CAPI Payment	\$ 1,047,200
Series 2017 July Bond Interest Payment	\$ -
TOTAL EXPENDITURES	\$ 1,047,200
EXCESS OF REVENUES OVER EXPENDITURES	\$ -

ANALYSIS OF BONDS OUTSTANDING

Bonds Outstanding - Period Ending 11/1/2018	\$ 21,745,000
Principal Payment Applied Toward Series 2017 Bonds	\$ -
Bonds Outstanding - Period Ending 11/1/2019	\$ 21,745,000

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COMMUNITY DEVELOPMENT DISTRICT

SCHEDULE OF ANNUAL ASSESSMENTS

Lot Size	EAU Value	Unit Count Debt Service	Unit Count O&M	FISCAL YEAR 2019		
				Debt Service Per Unit	O&M Per Unit	Total Assessment
Apartments	1.00	900	900	\$ 600.00		\$ 600
Condominiums	1.25	620	620	\$ 750.00		\$ 750
Retail/Commercial (per 1,000 sq. ft.)	1.25	212	212	\$ 750.00		\$ 750
Office (per 1,000 sq. ft.)	20.00	278	278	\$ 1,200.00		\$ 1,200
Total		2,010	2,010			

Notations:

(1) Annual Assessments are based on the MADS, with administration fees and early payment discounts totaling 6%.

FISCAL YEAR 2019
PROPOSED ANNUAL OPERATING BUDGET