

HERITAGE BAY

Community Development District

Annual Operating and Debt service Budget

Fiscal Year 2025

Adopted Budget

Meeting on 09/05/2024

Prepared by:



HERITAGE BAY

Community Development District

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HERITAGE BAY

Community Development District

Operating Budget

Fiscal Year 2025

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2025 Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2022	FY 2023	BUDGET	THRU	August-	PROJECTED	BUDGET
			FY 2024	7/31/2024	9/30/2024	FY 2024	FY 2025
REVENUES							
Interest - Investments	\$ 3,228	\$ 46,371	\$ 51,001	\$ 65,412	\$ 7,500	\$ 72,912	\$ 46,863
Interest - Tax Collector	148	1,360	-	2,399	450	2,849	-
Special Assmnts- Tax Collector	355,190	355,189	505,604	505,604	-	505,604	553,754
Special Assmnts- Lakes 30A & 30B	60,923	60,923	-	-	-	-	-
Special Assmnts- Reserves	31,250	31,250	31,250	31,250	-	31,250	31,250
Special Assmnts- Discounts	(16,667)	(16,073)	(21,474)	(19,640)	-	(19,640)	(23,400)
Other Miscellaneous Revenue	111,125	29,750	-	32,023	-	32,023	-
TOTAL REVENUES	545,197	508,770	566,382	617,048	7,950	624,998	608,466
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	7,000	5,000	9,000	4,400	4,600	9,000	9,181
FICA Taxes	536	383	689	337	352	689	689
ProfServ-Arbitrage Rebate	-	-	600	-	600	600	600
ProfServ-Dissemination Agent	1,500	1,500	1,500	875	625	1,500	1,500
ProfServ-Engineering	21,635	4,692	12,000	2,527	9,473	12,000	12,000
ProfServ-Legal Services	18,078	5,008	11,500	2,718	8,782	11,500	11,500
ProfServ-Mgmt Consulting Serv	49,613	50,561	52,078	43,398	8,680	52,078	53,640
ProfServ-Property Appraiser	29	4,591	8,053	8,271	-	8,271	8,053
ProfServ-Special Assessment	7,002	7,212	7,428	7,212	216	7,428	7,651
ProfServ-Trustee Fees	6,468	4,880	8,468	2,846	5,622	8,468	8,468
ProfServ-Web Site Maintenance	1,167	1,202	1,238	1,035	203	1,238	1,275
Auditing Services	4,900	5,000	5,000	4,200	800	5,000	5,000
Website Compliance	1,553	1,553	1,553	1,164	389	1,553	1,553
Postage and Freight	815	450	1,000	1,836	-	1,836	1,000
Insurance - General Liability	7,749	7,849	9,419	8,936	483	9,419	9,419
Printing and Binding	1,754	2,335	1,800	1,766	34	1,800	1,800
Legal Advertising	1,351	4,610	2,000	688	1,312	2,000	2,000
Misc-Bank Charges	88	31	100	-	100	100	100
Misc-Assessmnt Collection Cost	5,395	3,963	10,737	10,344	393	10,737	11,700
Misc-Web Hosting	103	2,499	1,500	-	1,500	1,500	1,500
Office Supplies	450	-	100	60	40	100	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	137,361	113,494	145,938	102,788	44,204	146,992	148,904
<i>Field</i>							
ProfServ-Field Management	13,968	14,019	14,440	1,203	13,237	14,440	4,958
R&M-Contingency	-	-	100	-	100	100	100
Total Field	13,968	14,019	14,540	1,203	13,337	14,540	5,058

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2025 Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2022	FY 2023	BUDGET	THRU	August-	PROJECTED	BUDGET
			FY 2024	7/31/2024	9/30/2024	FY 2024	FY 2025
Lakes and Ponds							
Contracts-Lakes and Wetland	-	97,200	71,200	56,000	15,200	71,200	71,200
Contracts-Water Analysis	-	-	9,861	-	9,861	9,861	9,861
Contracts-Water Quality Monitoring	25,380	24,509	20,905	12,843	8,062	20,905	20,905
Contracts-Lakes 30A & 30B	24,000	24,000	24,000	20,000	4,000	24,000	24,000
Contracts-Sediment Testing	-	-	5,483	-	5,483	5,483	5,483
Contracts-Lakes 1-29	67,200	-	-	-	-	-	-
R&M-Aquascaping	2,470	3,766	4,175	-	4,175	4,175	4,175
R&M - Stormwater System	-	-	4,000	-	4,000	4,000	4,000
R&M-Lake Erosion	199,495	135,158	100,000	97,356	2,644	100,000	131,250
R&M-Contingency	57,180	5,000	7,825	-	7,825	7,825	8,175
Reserve - Lakes	109,400	-	140,000	-	140,000	140,000	157,000
Reserve - Stormwater System	-	-	18,455	-	18,455	18,455	18,455
Total Lakes and Ponds	485,125	289,633	405,904	186,199	219,705	405,904	454,504
TOTAL EXPENDITURES	636,454	417,146	566,382	290,190	277,246	567,436	608,466
Excess (deficiency) of revenues							
Over (under) expenditures	(91,257)	91,624	-	326,858	(269,296)	57,562	-
Net change in fund balance	(91,257)	91,624	-	326,858	(269,296)	57,562	-
FUND BALANCE, BEGINNING	681,769	\$ 590,512	855,190	855,190	-	855,190	912,752
FUND BALANCE, ENDING	\$ 590,512	\$ 682,139	\$ 855,190	\$ 1,182,048	\$ (269,296)	\$ 912,752	\$ 912,752

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2025	\$ 912,752
Net Change in Fund Balance - Fiscal Year 2025	-
Reserves - Fiscal Year 2025 Additions	175,455
Total Funds Available (Estimated) - 9/30/2025	1,088,207

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		108,253 ⁽¹⁾
Reserves - Erosion Control (Prior years)		14,687 ⁽²⁾
Reserves - Lakes (Prior Years)	190,475 ⁽²⁾	
Reserves - Lakes FY 2024	140,000	
Reserves - Lakes FY 2025	<u>157,000</u>	487,475
Reserves - Stormwater System (Prior Years)	58,675 ⁽²⁾	
Reserves - Stormwater System FY 2024	18,455	
Reserves - Stormwater System FY 2025	<u>18,455</u>	95,585

Total Allocation of Available Funds	706,000
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Total Unassigned (undesignated) Cash	<u>\$ 382,207</u>
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Notes

- (1) Represents approximately 3 months of operating expenditures.
- (2) Ties to motion to assign fund balance as of 9/30/2023.

Budget Narrative
Fiscal Year 2025

REVENUES

Interest-Investments

The District earns interest on the monthly average collected balance for their money market accounts.

Special Assessments-Tax Collector

The District will levy a Non-Ad Valorem assessment on all sold and platted parcels (using the uniform method) within the District in order to pay for the operating expenditures during the Fiscal Year.

Special Assessments-Reserves

The District will levy a Non-Ad Valorem assessment on all sold and platted parcels (using the uniform method) within the District in order re-establish reserves which were depleted due to the District having to address numerous lake bank erosion issues.

Special Assessments-Discounts

Per Section 197.162 and Section 197.3632 of the Florida Statutes, discounts are allowed for early payments of assessments collected by the Tax Collector and only when the Tax Collector is using the uniform methodology. 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 meetings. FICA Taxes are calculated at 7.65% of gross payroll.

Professional Services-Arbitrage Rebate

The District contracted with an independent professional firm to annually calculate the District's Arbitrage Rebate Liability on its bonds

Professional Services-Dissemination Agent

This line item is to cover dissemination services as required. Services are provided by Inframark.

Professional Services-Engineering

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

Professional Services-Legal Services

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

Budget Narrative
Fiscal Year 2025

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. Inframark manages all of the District's financial activities such as accounts payable, financial statements, auditing and budgeting in accordance with the management contract in effect.

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 which is based upon 1.5% of the anticipated Non-Ad Valorem assessment collections.

Professional Services-Special Assessment

This is the Administrative fees to prepare the District's special assessment roll.

Professional Services-Trustee Fees

The District pays US Bank an annual fee for trustee services on the Series 2018 Special Assessment Bond. The budgeted amount for the fiscal year is based on standard fees charged plus any out-of-pocket expenses.

Professional Services-Web Site Maintenance

The cost of web hosting and regular maintenance of the District's website by Inframark Infrastructure Management Services.

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 from an existing engagement letter.

Website Compliance

Inframark Infrastructure Management Services oversees the District's email accounts and provides assistance to Campus Suite regarding the website as necessary.

Postage and Freight

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

Insurance-General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance Agency, Inc. They specialize in providing governmental insurance coverage. The budgeted amount projects a 10% increase in the premium.

Printing and Binding

Copies used in the preparation of agenda packages, required mailings, and other special projects.

Budget Narrative
Fiscal Year 2025

EXPENDITURES (continued)

Administrative (continued)

Legal Advertising

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

Miscellaneous-Bank Charges

In the rare event of bank service charges from operating or money market accounts, the cost will be assigned here.

Miscellaneous-Assessment Collection Costs

The District reimburses the Collier 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 assessment collection cost is based on a maximum of 2% of the anticipated assessment collections.

Miscellaneous-Web Hosting

The District incurs the cost of owning the Heritage Bay CDD web domain.

Office Supplies

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 of \$175 to the Department of Economic Opportunity Division of Community Development.

Field

Professional Services-Field Management

Field Management Services for the District is performed by Inframark Infrastructure Management Services. This includes the regular inspection of all District assets and contractor performance monitoring. A monthly report is provided for the Board's review to allow for their consideration of issues and action to consider.

R&M-Contingency

All other field expenses that do not fall into the category described above will be expensed to contingency.

Lakes & Ponds

Contracts-Water Analysis

A contract was negotiated with CPH for bathymetric to be performed on Lakes.

Contracts-Water Quality

A contract was negotiated with CPH for testing of the lakes and water quality monitoring.

Budget Narrative
Fiscal Year 2025

EXPENDITURES (continued)

Lakes & Ponds (continued)

Contracts-Lakes and Wetland

A contract was negotiated with Solitude Lake Management LLC for monthly lake maintenance of the district's lakes and littoral shelf maintenance which includes approximately 14.52 acres. Fluoridone Treatment was added May 2015.

Contracts-Lakes 30A & 30B

A contract was negotiated with Solitude Lake Management LLC for monthly maintenance of lakes 30A & 30B.

Contracts-Sediment Testing

Contract with CPH to do sediment testing in the district lakes.

R&M-Aquascaping

This is for any repair and maintenance expenses pertaining to the District's lakes that are not covered in the contract.

R&M-Stormwater System

This is for any repair and maintenance expenses pertaining to the stormwater system.

R&M-Lake Erosion

This is for any repair and maintenance expenses pertaining to erosion control that are not covered in the contract.

R&M-Contingency

All other lake expenses that do not fall into the previous repair and maintenance categories will be expensed to contingency.

Reserve-Lakes

Lake improvement expenses that are projected to occur in the future are appropriated with this account.

Reserve-Stormwater System

Stormwater system/drainage expenses that are projected to occur in the future are appropriated with this account.

HERITAGE BAY

Community Development District

Debt Service Budget

Fiscal Year 2025

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2025 Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2022	FY 2023	BUDGET	THRU	August-	PROJECTED	BUDGET
			FY 2024	Jul-24	9/30/2024	FY 2024	FY 2025
REVENUES							
Interest - Investments	\$ 3,016	\$ 47,860	\$ 1,000	\$ 54,696	\$ 10,939	\$ 65,635	\$ -
Special Assmnts- Tax Collector	1,689,156	1,689,155	1,689,155	1,689,155	-	1,689,155	1,689,155
Special Assmnts- Discounts	(62,932)	(60,692)	(67,566)	(61,795)	-	(61,795)	(67,566)
TOTAL REVENUES	1,629,240	1,676,323	1,622,589	1,682,056	10,939	1,692,995	1,621,589
EXPENDITURES							
<i>Administrative</i>							
ProfServ-Property Appraiser	-	-	25,337	-	-	-	25,337
Misc-Assessmnt Collection Cost	20,372	14,965	33,783	32,209	-	32,209	33,783
Total Administrative	20,372	14,965	59,120	32,209	-	32,209	59,120
<i>Debt Service</i>							
Principal Debt Retirement	1,055,000	1,085,000	1,115,000	-	-	-	1,140,000
Principal Prepayments	10,000	15,000	-	10,000	-	10,000	-
Interest Expense	511,356	484,706	456,150	227,934	-	227,934	426,444
Total Debt Service	1,576,356	1,584,706	1,571,150	237,934	-	237,934	1,566,444
TOTAL EXPENDITURES	1,596,728	1,599,671	1,630,270	270,143	-	270,143	1,625,564
Excess (deficiency) of revenues							
Over (under) expenditures	32,512	76,652	(7,681)	1,411,913	10,939	1,422,852	(3,975)
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	(7,681)	-	-	-	(3,975)
TOTAL OTHER SOURCES (USES)	-	-	(7,681)	-	-	-	(3,975)
Net change in fund balance	32,512	76,652	(7,681)	1,411,913	10,939	1,422,852	(3,975)
FUND BALANCE, BEGINNING	925,093	957,604	1,034,256	1,034,256	-	1,034,256	2,457,108
FUND BALANCE, ENDING	\$ 957,605	\$ 1,034,256	\$ 1,026,575	\$ 2,446,169	\$ 10,939	\$ 2,457,108	\$ 2,453,132

**Heritage Bay Community Development District
Capital Improvement Revenue Refunding Bonds, Series 2018A**

Debt Service Schedule (After 05/01/2023 Payment Date)

Date	Outstanding Par	Principal	Rate	Interest	Total
11/1/2024	\$ 13,535,000		2.63%	\$ 213,222	\$ 213,221.88
5/1/2025	\$ 13,535,000	\$ 1,140,000		\$ 213,222	\$ 1,353,221.88
11/1/2025	\$ 12,395,000		2.75%	\$ 197,547	\$ 197,546.88
5/1/2026	\$ 12,395,000	\$ 1,175,000		\$ 197,547	\$ 1,372,546.88
11/1/2026	\$ 11,220,000		3.00%	\$ 179,922	\$ 179,921.88
5/1/2027	\$ 11,220,000	\$ 1,210,000		\$ 179,922	\$ 1,389,921.88
11/1/2027	\$ 10,010,000		3.00%	\$ 161,772	\$ 161,771.88
5/1/2028	\$ 10,010,000	\$ 1,245,000		\$ 161,772	\$ 1,406,771.88
11/1/2028	\$ 8,765,000		3.00%	\$ 143,097	\$ 143,096.88
5/1/2029	\$ 8,765,000	\$ 1,285,000		\$ 143,097	\$ 1,428,096.88
11/1/2029	\$ 7,480,000		3.00%	\$ 123,822	\$ 123,821.88
5/1/2030	\$ 7,480,000	\$ 965,000		\$ 123,822	\$ 1,088,821.88
11/1/2030	\$ 6,515,000		3.13%	\$ 108,744	\$ 108,743.75
5/1/2031	\$ 6,515,000	\$ 1,000,000		\$ 108,744	\$ 1,108,743.75
11/1/2031	\$ 5,515,000		3.25%	\$ 92,494	\$ 92,493.75
5/1/2032	\$ 5,515,000	\$ 1,030,000		\$ 92,494	\$ 1,122,493.75
11/1/2032	\$ 4,485,000		3.25%	\$ 75,756	\$ 75,756.25
5/1/2033	\$ 4,485,000	\$ 1,065,000		\$ 75,756	\$ 1,140,756.25
11/1/2033	\$ 3,420,000		3.25%	\$ 58,450	\$ 58,450.00
5/1/2034	\$ 3,420,000	\$ 1,100,000		\$ 58,450	\$ 1,158,450.00
11/1/2034	\$ 2,320,000		3.38%	\$ 39,888	\$ 39,887.50
5/1/2035	\$ 2,320,000	\$ 1,140,000		\$ 39,888	\$ 1,179,887.50
11/1/2035	\$ 1,180,000		3.38%	\$ 20,650	\$ 20,650.00
5/1/2036	\$ 1,180,000	\$ 1,180,000		\$ 20,650	\$ 1,200,650.00
		\$ 13,535,000		\$ 2,830,725	\$ 16,365,725

Budget Narrative
Fiscal Year 2025

REVENUES

Interest-Investments

The District earns interest on the monthly average collected balance for their trust accounts.

Special Assessments-Tax Collector

The District will levy a Non-Ad Valorem assessment on all sold and platted parcels (using the uniform method) within the District in order to pay for the operating expenditures during the Fiscal Year.

Special Assessments-Discounts

Per Section 197.162 and Section 197.3632 of the Florida Statutes, discounts are allowed for early payments of assessments collected by the Tax Collector and only when the Tax Collector is using the uniform methodology. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

Administrative

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. The property appraiser cost is based upon 1.5% of the anticipated Non-Ad Valorem assessment collections.

Miscellaneous-Assessment Collection Costs

The District reimburses the Collier 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 assessment collection cost is based on a maximum of 2% of the anticipated assessment collections.

Debt Service

Principal Debt Retirement

The District pays regular principal payments annually in order to pay down/retire the debt.

Interest Expense

The District makes semi-annual interest payments on the outstanding debt.

HERITAGE BAY

Community Development District

Supporting Budget Schedules

Fiscal Year 2025

**Comparison of Assessment Rates
Fiscal Year 2025 vs. Fiscal Year 2024**

Product	General Fund			Series 2018 Debt Service			Total Assessments per Unit				Units
	FY 2025	FY 2024	Percent Change	FY 2025	FY 2024	Percent Change	FY 2025	FY 2024	Dollar Change	Percent Change	
Executive	\$468.00	\$429.48	8.97%	\$1,928.85	\$1,928.85	0%	\$2,396.85	\$2,358.33	\$38.52	2%	139
Classics	\$468.00	\$429.48	8.97%	\$3,050.09	\$3,050.09	0%	\$3,518.09	\$3,479.57	\$38.52	1%	95
Classics II	\$468.00	\$429.48	8.97%	\$3,294.57	\$3,294.57	0%	\$3,762.57	\$3,724.05	\$38.52	1%	18
Coach	\$468.00	\$429.48	8.97%	\$1,361.54	\$1,361.54	0%	\$1,829.54	\$1,791.02	\$38.52	2%	184
2 Story	\$468.00	\$429.48	8.97%	\$1,134.62	\$1,134.62	0%	\$1,602.62	\$1,564.10	\$38.52	2%	364
4 Story	\$468.00	\$429.48	8.97%	\$907.69	\$907.69	0%	\$1,375.70	\$1,337.18	\$38.52	3%	450
											1250

ASSESSMENT TREND ANALYSIS - GENERAL FUND				
FY2025	FY2024	FY2023	FY2022	FY2021
\$468.00	\$429.48	\$357.89	\$357.89	\$357.89
\$468.00	\$429.48	\$357.89	\$357.89	\$357.89
\$468.00	\$429.48	\$357.89	\$357.89	\$357.89
\$468.00	\$429.48	\$357.89	\$357.89	\$357.89
\$468.00	\$429.48	\$357.89	\$357.89	\$357.89
\$468.00	\$429.48	\$357.89	\$357.89	\$357.89