

# Deer Island Community Development District

Severn Trent Management Services  
210 N. University Drive, Suite 702  
Coral Springs, Florida 33071  
Telephone: (954) 753-5841 • Fax: (954) 345-1292

Via Federal Express

May 30, 2013

COUNTY MANAGER'S  
JUN 04 REC'D  
OFFICE

Mr. David Heath  
Lake County Manager  
315 West Main Street, Suite 308  
Tavares, Florida 32778

RE: Proposed Operating Budget for Fiscal Year 2014

Dear Mr. Heath:

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: August 19, 2013  
Time: 6:00 P.M.  
Place: Deer Island Clubhouse  
18000 Eagles Way  
Deer Island, Florida

I am pleased to enclose the District's Proposed Operating Budget for Fiscal Year 2014 as required by statute and request you post it to the County's website under Special Districts. If you have any questions or comments, please feel free to contact me directly at 407-566-1935.

Sincerely,

  
Gary Moyer  
District Manager

GM /er  
Enclosure

cc: District Files

RECEIVED  
JUN - 4 2013  
BOARD SUPPORT

**DEER ISLAND**  
Community Development District

***Annual Operating Budget***  
**Fiscal Year 2014**

Version 1 - Approved Tentative Budget:  
(Approved on 5/6/2013)

Prepared by:



**DEER ISLAND**

Community Development District

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**Deer Island**  
Community Development District

**Operating Budget**  
Fiscal Year 2014

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2014 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2012	ADOPTED BUDGET FY 2013	ACTUAL	PROJECTED	TOTAL	ANNUAL
			THRU MAR-2013	APR - SEP-2013	PROJECTED FY 2013	BUDGET FY 2014
<b>REVENUES</b>						
Interest - Investments	\$ 6,686	\$ 4,500	\$ 2,544	\$ 2,544	\$ 5,088	\$ 3,000
Net Incr (Decr) In FMV-Invest	2,829	-	-	-	-	-
Special Assmnts- Tax Collector	229,545	229,543	167,020	62,523	229,543	229,543
Special Assmnts- Other	36,857	-	-	-	-	-
Special Assmnts- Prepayment	1,377	-	-	-	-	-
Special Assmnts- Discounts	(9,017)	(9,183)	(5,955)	-	(5,955)	(9,182)
Other Miscellaneous Revenues	3,179	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>271,456</b>	<b>224,860</b>	<b>163,609</b>	<b>65,067</b>	<b>228,676</b>	<b>223,361</b>
<b>EXPENDITURES</b>						
<i>Administrative</i>						
P/R-Board of Supervisors	3,600	6,000	2,400	5,000	7,400	6,000
FICA Taxes	275	459	184	383	567	459
ProfServ-Engineering	-	1,000	10,675	5,000	15,675	1,000
ProfServ-Legal Services	13,342	10,000	5,046	5,000	10,046	10,000
ProfServ-Mgmt Consulting Serv	42,245	43,724	21,862	21,862	43,724	43,724
Auditing Services	4,500	5,000	4,500	-	4,500	5,000
Communication - Telephone	18	150	5	25	30	150
Postage and Freight	338	800	198	198	396	800
Insurance - General Liability	6,032	6,937	7,393	-	7,393	8,502
Printing and Binding	1,058	1,100	319	319	638	1,100
Legal Advertising	1,150	1,400	1,257	1,500	2,757	1,400
Misc-Assessmnt Collection Cost	5,148	4,590	2,891	1,250	4,141	4,591
Misc-Contingency	1,079	1,800	637	1,163	1,800	1,800
Office Supplies	229	400	138	138	276	400
Annual District Filing Fee	175	175	175	-	175	175
<b>Total Administrative</b>	<b>79,189</b>	<b>83,535</b>	<b>57,680</b>	<b>41,838</b>	<b>99,518</b>	<b>85,101</b>
<i>Field</i>						
ProfServ-Field Management	5,000	5,000	2,500	2,500	5,000	5,000
Contracts-Landscape	44,364	62,497	19,988	33,500	53,488	61,432
Utility - General	11,947	16,000	6,022	6,500	12,522	14,000
R&M-General	2,605	4,000	473	500	973	4,000
R&M-Gate	2,708	5,000	245	1,000	1,245	5,000
R&M-Gatehouse	-	2,148	1,655	1,700	3,355	2,148
R&M-Lake	19,680	19,680	9,840	9,840	19,680	19,680
R&M-Roads	7,500	11,000	-	1,000	1,000	11,000
Misc-Contingency	658	6,000	758	5,242	6,000	6,000
Capital Outlay	-	75,000	-	-	-	75,000
<b>Total Field</b>	<b>94,462</b>	<b>206,325</b>	<b>41,481</b>	<b>61,782</b>	<b>103,263</b>	<b>203,260</b>

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2014 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2012	ADOPTED BUDGET FY 2013	ACTUAL THRU MAR-2013	PROJECTED APR - SEP-2013	TOTAL PROJECTED FY 2013	ANNUAL BUDGET FY 2014
<i>Reserves</i>						
Reserve - Roadways	-	10,000	-	-	-	10,000
<b>Total Reserves</b>	-	<b>10,000</b>	-	-	-	<b>10,000</b>
<b>TOTAL EXPENDITURES &amp; RESERVES</b>	<b>173,651</b>	<b>299,860</b>	<b>99,161</b>	<b>103,620</b>	<b>202,781</b>	<b>298,361</b>
Excess (deficiency) of revenues						
Over (under) expenditures	97,805	(75,000)	64,448	(38,553)	25,895	(75,000)
<b>OTHER FINANCING SOURCES (USES)</b>						
Contribution to (Use of) Fund Balance	-	(75,000)	-	-	-	(75,000)
<b>TOTAL OTHER SOURCES (USES)</b>	-	<b>(75,000)</b>	-	-	-	<b>(75,000)</b>
Net change in fund balance	97,805	(75,000)	64,448	(38,553)	25,895	(75,000)
<b>FUND BALANCE, BEGINNING</b>	828,485	926,290	926,290	-	926,290	952,185
<b>FUND BALANCE, ENDING</b>	<b>\$ 926,290</b>	<b>\$ 851,290</b>	<b>\$ 990,738</b>	<b>\$ (38,553)</b>	<b>\$ 952,185</b>	<b>\$ 877,185</b>

**Budget Narrative**  
Fiscal Year 2014

**REVENUES**

**Interest Income (Investments)**

The District earns interest income on their checking and investment accounts.

**Special Assessment – 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 Assessment – Discounts**

Per Section 197.3632 and Section 197.162 of the Florida Statutes, discounts are allowed for early payment 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 in which they attend. The budgeted amount for the fiscal year is based on all supervisors attending all the meetings.

**FICA Taxes**

Payroll taxes on Board of Supervisor's compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the total Board of Supervisor's payroll expenditures.

**Professional Services-Engineering**

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

**Professional Services-Legal Services**

The District's legal counsel will provide general legal services to the District, i.e. attendance and preparation of meetings, review of operating and maintenance contracts, and other specifically requested assignments.

**Budget Narrative**  
Fiscal Year 2014

**Expenditures- Administrative (continued)**

**Professional Services- Management Services**

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental Services, Inc. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

<i>Services Provided</i>	<i>Fee</i>
Management Services	\$40,028
Information Technology Services	\$1,061
Rentals & Leases	\$2,635
<b>Total</b>	<b>\$43,724</b>

**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 last year's actuals plus a small amount of contingency.

**Communication – Telephone**

Telephone and fax machine expenses.

**Postage & Freight**

Actual postage and/or freight 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** which specializes in providing insurance coverage to governmental agencies. The budgeted amount for the fiscal year is based on prior year premiums plus an additional 15 percent due to the uncertain factors in the insurance market.

**Printing & Binding**

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 other public hearings in a newspaper of general circulation.

**Budget Narrative**  
Fiscal Year 2014

**Expenditures- Administrative (continued)**

**Misc. – 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 FY 2014 budget for collection costs is based on a maximum of 2% of the anticipated assessment collections.

**Misc. – Contingency**

This category provides funds for administrative expenses that may not have been budgeted anywhere else.

**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 Community Affairs.

**Expenditures- Field**

**Professional Services- Field Management**

The District has a contract with Severn Trent Services, Inc., for services in the administration and operation of the Property and its contractors.

**Contracts-Landscape**

The District currently has a maintenance contract with John Bartolo Rangel (dba Rangel's Landscaping) for Landscaping services that include: General (mowing, edging and maintenance), Mulch, Trees, Scrubs and Plants, Annuals, Chemicals, Irrigation Inspection & Repairs, and Agronomist Services. This category also includes irrigation repairs, grass and plant replacement expenditures.

**Utility- General**

This includes street lighting costs, as well as, electric and telephone service for the entry gate.

**R&M- General**

Any repairs and maintenance expenditures the District may incur during the Fiscal Year.

**Budget Narrative**  
Fiscal Year 2014

**Expenditures- Field (continued)**

**R&M- Gate**

Any repairs and maintenance to the front entry gate.

**R&M- Gatehouse**

This includes flowers, mulch, pressure washing, and other expenses necessary to maintain the gatehouse.

**R&M Lake**

The District has contract for Lake and Mitigation Maintenance services with Southern Weed Control.

**R&M Roads**

Any road repairs throughout the community.

**Misc- Contingency**

This category provides a contingency in the case of field expenditures that may not have been budgeted anywhere else.

**Capital Outlay**

This category provides funds for capital projects expenditures.

**Reserves**

**Reserve- Roadways**

The District established a reserve account to pay for future renewal and replacement costs for resurfacing of the roadways.

**Exhibit "A"**  
Allocation of Fund Balances

**AVAILABLE FUNDS**

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2014	\$ 952,185
Net Change in Fund Balance - Fiscal Year 2014	(75,000)
Reserves - Fiscal Year 2014 Additions	10,000
<b>Total Funds Available (Estimated) - 9/30/2014</b>	<b>887,185</b>

**ALLOCATION OF AVAILABLE FUNDS**

<b><i>Assigned Fund Balance</i></b>	
Operating Reserve	74,590 <sup>(1)</sup>
Reserves - Gate	46,791
Reserves - Roadways	607,600
FY 2014 Reserves - Roadways	10,000
<b>Total Allocation of Available Funds</b>	<b>738,981</b>

<b>Total Unassigned (undesignated) Cash</b>	<b>\$ 148,204</b>
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**Notes**

(1) Represents approximately 3 months of operating expenditures

**Deer Island**

Community Development District

**Supporting Budget Schedules**

Fiscal Year 2014

**DEER ISLAND**

Community Development District

All Funds

**Non-Ad Valorem Assessment Summary  
Fiscal Year 2013-2014**

<b>Allocation</b>	<b>Units</b>	<b>FY 2013 Per Unit*</b>	<b>FY 2014 Per Unit*</b>	<b>Percentage changes</b>	<b>Total Revenues</b>
Assessable Units - Old Methodology	30	\$679.78	\$679.78	0.00%	\$20,393.40
Assessable Units - New Methodology	257	724.81	\$724.81	0.00%	\$186,276.17
Golf Course	1	22,873.14	\$22,873.14	0.00%	\$22,873.14
<b>Total Gross Assessments</b>					<b>\$229,542.71</b>

\* Amounts grossed up 6% for collections & discounts