

2019



# SOUTHERN HILLS PLANTATION II

COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2019  
PROPOSED ANNUAL OPERATING BUDGET

MAY 31, 2018



# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

## FISCAL YEAR 2019 PROPOSED ANNUAL OPERATING BUDGET

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MAY 31, 2018

# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT BUDGET INTRODUCTION

## **Background Information**

The Southern Hills Plantations II 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.

<b><u>Fund Number</u></b>	<b><u>Fund Name</u></b>	<b><u>Services Provided</u></b>
001	General Fund	Operations and Maintenance of Community Facilities Financed by Non-Ad Valorem Assessments
200	Debt Service Fund	Collection of Special Assessments for Debt Service on the Series 2004 Capital Improvement 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.

# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

	Final Fiscal Year 2018 Operating Budget	Current Period Actuals 10/1/17 - 3/31/18	Projected Revenues & Expenditures 4/1/18 to 9/30/18	Total Actuals and Projections Through 9/30/18	Over/(Under) Budget Through 9/30/18
<b>REVENUES</b>					
<b>INTEREST EARNINGS</b>					
Interest Earnings	0.00	1.15	0.00	1.15	1.15
<b>TOTAL INTEREST EARNINGS</b>	<b>\$0.00</b>	<b>\$1.15</b>	<b>\$0.00</b>	<b>\$1.15</b>	<b>\$1.15</b>
<b>SPECIAL ASSESSMENTS</b>					
Operations & Maintenance Assmts-Tax Roll	17,596.00	9,042.30	74,852.70	83,895.00	66,299.00
Operations & Maintenance Assmts-Off Roll	66,299.00	27,781.54	0.00	27,781.54	(38,517.46)
<b>TOTAL SPECIAL ASSESSMENTS</b>	<b>\$83,895.00</b>	<b>\$36,823.84</b>	<b>\$74,852.70</b>	<b>\$111,676.54</b>	<b>\$27,781.54</b>
<b>CONTRIBUTIONS FROM PRIVATE SOURCES</b>					
Developer Contribution	0.00	7,442.55	8,134.61	15,577.16	15,577.16
<b>TOTAL CONTRIBUTIONS FROM PRIVATE SOURCES</b>	<b>\$0.00</b>	<b>\$7,442.55</b>	<b>\$8,134.61</b>	<b>\$15,577.16</b>	<b>\$15,577.16</b>
<b>TOTAL REVENUES</b>	<b>\$83,895.00</b>	<b>\$44,267.54</b>	<b>\$82,987.31</b>	<b>\$127,254.85</b>	<b>\$43,359.85</b>
<b>EXPENDITURES</b>					
<b>LEGISLATIVE</b>					
Supervisor Fees	1,600.00	0.00	0.00	0.00	(1,600.00)
<b>TOTAL LEGISLATIVE</b>	<b>\$1,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$1,600.00)</b>
<b>FINANCIAL &amp; ADMINISTRATIVE</b>					
District Management	12,000.00	6,000.00	6,000.00	12,000.00	0.00
District Engineer	2,500.00	0.00	1,875.00	1,875.00	(625.00)
Disclosure Report	5,000.00	0.00	5,000.00	5,000.00	0.00
Trustees Fees	3,500.00	0.00	0.00	0.00	(3,500.00)
Auditing Services	3,400.00	12,000.00	12,000.00	24,000.00	20,600.00
Arbitrage Rebate Calculation	650.00	0.00	0.00	0.00	(650.00)
Postage, Phone, Faxes, Copies	0.00	24.90	24.90	49.80	49.80
Public Officials Liability Insurance	3,774.00	1,570.66	1,458.34	3,029.00	(745.00)
Legal Advertising	500.00	68.60	431.40	500.00	0.00
Bank Fees	310.00	164.77	145.23	310.00	0.00
Dues, Licenses & Fees	175.00	1,368.20	0.00	1,368.20	1,193.20
Office Supplies	0.00	99.61	0.00	99.61	99.61
<b>TOTAL FINANCIAL &amp; ADMINISTRATIVE</b>	<b>\$31,809.00</b>	<b>\$21,296.74</b>	<b>\$26,934.87</b>	<b>\$48,231.61</b>	<b>\$16,422.61</b>
<b>LEGAL COUNSEL</b>					
District Counsel	4,000.00	20,406.24	6,000.00	26,406.24	22,406.24
<b>TOTAL LEGAL COUNSEL</b>	<b>\$4,000.00</b>	<b>\$20,406.24</b>	<b>\$6,000.00</b>	<b>\$26,406.24</b>	<b>\$22,406.24</b>
<b>ELECTRIC UTILITY SERVICES</b>					
Utility Services	0.00	171.27	0.00	171.27	171.27
Street Lights	16,525.00	4,941.31	4,941.31	9,882.62	(6,642.38)
<b>TOTAL ELECTRIC UTILITY SERVICES</b>	<b>\$16,525.00</b>	<b>\$5,112.58</b>	<b>\$4,941.31</b>	<b>\$10,053.89</b>	<b>(\$6,471.11)</b>
<b>STORMWATER CONTROL</b>					
Aquatic Contract	904.00	2,604.71	990.00	3,594.71	2,690.71
<b>TOTAL STORMWATER CONTROL</b>	<b>\$904.00</b>	<b>\$2,604.71</b>	<b>\$990.00</b>	<b>\$3,594.71</b>	<b>\$2,690.71</b>
<b>OTHER PHYSICAL ENVIRONMENT</b>					
General Liability Insurance	549.00	718.54	718.54	1,437.08	888.08
Entry & Walls Maintenance	600.00	0.00	0.00	0.00	(600.00)
Landscape Maintenance	16,908.00	14,217.89	15,828.00	30,045.89	13,137.89
Irrigation Repairs & Maintenance	3,500.00	1,164.90	835.10	2,000.00	(1,500.00)
Landscape Replacement Plants, Trees, Mulch	5,000.00	5,485.43	0.00	5,485.43	485.43
Inter Local Agreement	0.00	0.00	0.00	0.00	0.00
<b>TOTAL OTHER PHYSICAL ENVIRONMENT</b>	<b>\$26,557.00</b>	<b>\$21,586.76</b>	<b>\$17,381.64</b>	<b>\$38,968.40</b>	<b>\$12,411.40</b>
<b>CONTINGENCY</b>					
Miscellaneous Contingency	2,500.00	0.00	0.00	0.00	(2,500.00)
<b>TOTAL CONTINGENCY</b>	<b>\$2,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$2,500.00)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$83,895.00</b>	<b>\$71,007.03</b>	<b>\$56,247.82</b>	<b>\$127,254.85</b>	<b>\$43,359.85</b>
<b>EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$0.00</b>	<b>(\$26,739.49)</b>	<b>\$26,739.49</b>	<b>\$0.00</b>	<b>\$0.00</b>

## FISCAL YEAR 2018 BUDGET ANALYSIS

# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

	Final Fiscal Year 2018 Operating Budget	Total Actuals and Projections Through 9/30/18	Over/(Under) Budget Through 9/30/18	Final Fiscal Year 2018 Operating Budget	Increase / (Decrease) from FY 2017 to FY 2018
<b>REVENUES</b>					
<b>INTEREST EARNINGS</b>					
Interest Earnings	0.00	1.15	1.15	0.00	0.00
<b>TOTAL INTEREST EARNINGS</b>	<b>\$0.00</b>	<b>\$1.15</b>	<b>\$1.15</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>SPECIAL ASSESSMENTS</b>					
Operations & Maintenance Assmts-Tax Roll	17,596.00	83,895.00	66,299.00	87,832.03	70,236.03
Operations & Maintenance Assmts-Off Roll	66,299.00	27,781.54	(38,517.46)	132,062.97	65,763.97
<b>TOTAL SPECIAL ASSESSMENTS</b>	<b>\$83,895.00</b>	<b>\$111,676.54</b>	<b>\$27,781.54</b>	<b>\$219,895.00</b>	<b>\$136,000.00</b>
<b>CONTRIBUTIONS FROM PRIVATE SOURCES</b>					
Developer Contribution	0.00	15,577.16	15,577.16	0.00	0.00
<b>TOTAL CONTRIBUTIONS FROM PRIVATE SOURCES</b>	<b>\$0.00</b>	<b>\$15,577.16</b>	<b>\$15,577.16</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL REVENUES</b>	<b>\$83,895.00</b>	<b>\$127,254.85</b>	<b>\$43,359.85</b>	<b>\$219,895.00</b>	<b>\$136,000.00</b>
<b>EXPENDITURES</b>					
<b>LEGISLATIVE</b>					
Supervisor Fees	1,600.00	0.00	(1,600.00)	1,600.00	0.00
<b>TOTAL LEGISLATIVE</b>	<b>\$1,600.00</b>	<b>\$0.00</b>	<b>(\$1,600.00)</b>	<b>\$1,600.00</b>	<b>\$0.00</b>
<b>FINANCIAL &amp; ADMINISTRATIVE</b>					
District Management	12,000.00	12,000.00	0.00	12,000.00	0.00
District Engineer	2,500.00	1,875.00	(625.00)	2,500.00	0.00
Disclosure Report	5,000.00	5,000.00	0.00	5,000.00	0.00
Trustees Fees	3,500.00	0.00	(3,500.00)	3,500.00	0.00
Auditing Services	3,400.00	24,000.00	20,600.00	3,400.00	0.00
Arbitrage Rebate Calculation	650.00	0.00	(650.00)	650.00	0.00
Postage, Phone, Faxes, Copies	0.00	49.80	49.80	0.00	0.00
Public Officials Liability Insurance	3,774.00	3,029.00	(745.00)	3,774.00	0.00
Legal Advertising	500.00	500.00	0.00	500.00	0.00
Bank Fees	310.00	310.00	0.00	310.00	0.00
Dues, Licenses & Fees	175.00	1,368.20	1,193.20	175.00	0.00
Office Supplies	0.00	99.61	99.61	0.00	0.00
<b>TOTAL FINANCIAL &amp; ADMINISTRATIVE</b>	<b>\$31,809.00</b>	<b>\$48,231.61</b>	<b>\$16,422.61</b>	<b>\$31,809.00</b>	<b>\$0.00</b>
<b>LEGAL COUNSEL</b>					
District Counsel - Foreclosure	0.00	0.00	0.00	125,000.00	125,000.00
District Counsel	4,000.00	26,406.24	22,406.24	15,000.00	11,000.00
<b>TOTAL LEGAL COUNSEL</b>	<b>\$4,000.00</b>	<b>\$26,406.24</b>	<b>\$22,406.24</b>	<b>\$140,000.00</b>	<b>\$136,000.00</b>
<b>ELECTRIC UTILITY SERVICES</b>					
Utility Services	0.00	171.27	171.27	0.00	0.00
Street Lights	16,525.00	9,882.62	(6,642.38)	16,525.00	0.00
<b>TOTAL ELECTRIC UTILITY SERVICES</b>	<b>\$16,525.00</b>	<b>\$10,053.89</b>	<b>(\$6,471.11)</b>	<b>\$16,525.00</b>	<b>\$0.00</b>
<b>STORMWATER CONTROL</b>					
Aquatic Contract	904.00	3,594.71	2,690.71	904.00	0.00
<b>TOTAL STORMWATER CONTROL</b>	<b>\$904.00</b>	<b>\$3,594.71</b>	<b>\$2,690.71</b>	<b>\$904.00</b>	<b>\$0.00</b>
<b>OTHER PHYSICAL ENVIRONMENT</b>					
General Liability Insurance	549.00	1,437.08	888.08	549.00	0.00
Entry & Walls Maintenance	600.00	0.00	(600.00)	600.00	0.00
Landscape Maintenance	16,908.00	30,045.89	13,137.89	16,908.00	0.00
Irrigation Repairs & Maintenance	3,500.00	2,000.00	(1,500.00)	3,500.00	0.00
Landscape Replacement Plants, Trees, Mulch	5,000.00	5,485.43	485.43	5,000.00	0.00
Inter Local Agreement	0.00	0.00	0.00	0.00	0.00
<b>TOTAL OTHER PHYSICAL ENVIRONMENT</b>	<b>\$26,557.00</b>	<b>\$38,968.40</b>	<b>\$12,411.40</b>	<b>\$26,557.00</b>	<b>\$0.00</b>
<b>CONTINGENCY</b>					
Miscellaneous Contingency	2,500.00	0.00	(2,500.00)	2,500.00	0.00
<b>TOTAL CONTINGENCY</b>	<b>\$2,500.00</b>	<b>\$0.00</b>	<b>(\$2,500.00)</b>	<b>\$2,500.00</b>	<b>\$0.00</b>
<b>TOTAL EXPENDITURES</b>	<b>\$83,895.00</b>	<b>\$127,254.85</b>	<b>\$43,359.85</b>	<b>\$219,895.00</b>	<b>\$136,000.00</b>
<b>EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**FISCAL YEAR 2019**  
PROPOSED ANNUAL OPERATING BUDGET

# SOUTHERN HILLS PLANTATION II 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, and attends all meetings of the Board of Supervisors.

#### **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 General.

#### **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.

# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

## GENERAL FUND 001

### **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 review, etc.

### **Electric Utility Services**

#### **Electric Utility Services**

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

### **Stormwater Control**

#### **Aquatic Maintenance**

This item is for maintenance of stormwater facilities within the District.

### **Other Physical Environment**

#### **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.

#### **Irrigation Maintenance**

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

# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT DEBT SERVICE FUND

## REVENUES

CDD Debt Service Assessments	\$	281,003
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>281,003</b>

## EXPENDITURES

Series 2004 May Bond Principal Payment	\$	90,000
Series 2004 May Bond Interest Payment	\$	95,501
Series 2004 November Bond Interest Payment	\$	95,501
<b>TOTAL EXPENDITURES</b>	<b>\$</b>	<b>281,003</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$</b>	<b>-</b>

## ANALYSIS OF BONDS OUTSTANDING

Bonds Outstanding - Period Ending 11/1/2018	\$	3,265,000
Principal Payment Applied Toward Series 2004 Bonds	\$	90,000
<b>Bonds Outstanding - Period Ending 11/1/2019</b>	<b>\$</b>	<b>3,175,000</b>

**FISCAL YEAR 2019**  
PROPOSED ANNUAL OPERATING BUDGET



# SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

## SCHEDULE OF ANNUAL ASSESSMENTS

Unit Count - Debt Service	Unit Count - O&M	FISCAL YEAR 2018			FISCAL YEAR 2019			Increase / (Decrease) from FY 2018 to FY 2019
		O&M Per Unit	Debt Service Per Unit	TOTAL Annual CDD	O&M Per Unit	Debt Service Per Unit	TOTAL Annual CDD <sup>(1)</sup>	
899	925	\$98.58	\$303.51	\$402.09	\$98.58	\$303.51	\$402.09	\$0.00

INCLUDED BY ACREAGE:

Parcel ID	Acreage	FISCAL YEAR 2019		
		O&M Per Unit	Debt Service Per Unit <sup>(2)</sup>	TOTAL Annual CDD <sup>(1)</sup>
00381287	203.7	\$44,157.06	\$0.00	\$44,157.06
01563007	11.5	\$2,492.91	\$0.00	\$2,492.91
00382749	22.8	\$4,942.47	\$0.00	\$4,942.47

<sup>(1)</sup> Amounts shown include costs associated with collection on the Hernando County Tax Roll and discounts offered for early payment.

<sup>(2)</sup> Subject to Accelerated Principal.

**FISCAL YEAR 2019**  
PROPOSED ANNUAL OPERATING BUDGET