

Golden Lakes
Community Development District

Operating and Debt Service Budget

Fiscal Year 2012

**Version 2- Adopted Budget
(Adopted at 8/9/2011 meeting)**

Prepared by



Golden Lakes

Community Development District

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GENERAL FUND BUDGET

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Community Development District

Adopted Budget - Fiscal Year 2012

| ACCOUNT DESCRIPTION | ADOPTED BUDGET FY 2011 | ACTUAL THRU JUN 2011 | PROJECTED JUL- SEP 2011 | TOTAL PROJECTED FY 2011 | ADOPTED BUDGET FY 2012 |
|--|------------------------------|----------------------------|-------------------------------|-------------------------------|------------------------------|
| REVENUES | | | | | |
| Interest - Investments | \$ 1,000 | \$ 2,790 | \$ 500 | \$ 3,290 | \$ 2,000 |
| Interest - Tax Collector | - | 71 | - | 71 | - |
| Special Assmnts- Tax Collector | 579,799 | 579,853 | - | 579,853 | 579,799 |
| Special Assmnts- Other (Capital Project) | 61,723 | 61,688 | - | 61,688 | 61,957 |
| Special Assmnts- CDD Collected | - | 1,062 | - | 1,062 | - |
| Special Assmnts- Discounts | (23,192) | (15,426) | - | (15,426) | (23,192) |
| Special Assmnts- Discounts (Capital Project) | (2,469) | (1,641) | - | (1,641) | (2,478) |
| TOTAL REVENUES | 616,861 | 628,397 | 500 | 628,897 | 618,085 |

EXPENDITURES

Administrative

| | | | | | |
|--|----------------|---------------|---------------|---------------|----------------|
| P/R-Board of Supervisors | 2,500 | 1,300 | 500 | 1,800 | 2,500 |
| FICA Taxes | 191 | 99 | 38 | 137 | 191 |
| ProfServ-Engineering | 6,000 | 6,655 | 2,218 | 8,873 | 10,000 |
| ProfServ-Legal Services | 12,000 | 8,834 | 2,945 | 11,779 | 12,000 |
| ProfServ-Mgmt Consulting Serv | 32,988 | 24,741 | 8,247 | 32,988 | 32,988 |
| ProfServ-Property Appraiser | 11,596 | 5,798 | - | 5,798 | 11,596 |
| ProfServ-Property Appraiser (Capital Project) | 1,234 | 617 | - | 617 | 1,239 |
| ProfServ-Special Assessment | 11,033 | 11,033 | - | 11,033 | 11,033 |
| Auditing Services | 6,875 | 5,000 | - | 5,000 | 5,500 |
| Communication - Telephone | 300 | 2 | 25 | 27 | 300 |
| Postage and Freight | 600 | 411 | 137 | 548 | 600 |
| Insurance - General Liability | 5,930 | 5,326 | - | 5,326 | 5,859 |
| Printing and Binding | 2,000 | 563 | 188 | 751 | 1,000 |
| Legal Advertising | 1,200 | 104 | 250 | 354 | 1,000 |
| Miscellaneous Services | 5,175 | 261 | 165 | 426 | 1,900 |
| Misc-Assessmnt Collection Cost | 11,596 | 11,288 | - | 11,288 | 11,596 |
| Misc-Assessmnt Collection Cost (Capital Project) | 1,234 | 1,201 | - | 1,201 | 1,239 |
| Office Supplies | 500 | 129 | 60 | 189 | 500 |
| Annual District Filing Fee | 175 | 175 | - | 175 | 175 |
| Total Administrative | 113,127 | 83,537 | 14,773 | 98,310 | 111,216 |

Field

| | | | | | |
|-----------------------------------|---------|--------|--------|---------|---------|
| ProfServ-Field Management | 20,000 | 14,994 | 4,998 | 19,992 | 20,000 |
| Contracts-Police | 2,500 | 232 | - | 232 | - |
| Contracts-Security Services | 120,000 | 89,694 | 29,926 | 119,620 | 121,000 |
| Contracts-Landscape | 75,000 | 58,658 | 20,275 | 78,933 | 79,000 |
| Contracts- Security Roving Patrol | - | - | - | - | 15,600 |
| Communication - Teleph - Field | 1,500 | 984 | 328 | 1,312 | 1,600 |
| Utility - Access Gate | 8,500 | 5,439 | 2,160 | 7,599 | 8,500 |
| Electricity - General | 30,000 | 22,258 | 7,350 | 29,608 | 30,000 |
| Electricity - Streetlighting | 40,000 | 24,121 | 9,000 | 33,121 | 37,000 |

Community Development District

Adopted Budget - Fiscal Year 2012

| ACCOUNT DESCRIPTION | ADOPTED BUDGET FY 2011 | ACTUAL THRU JUN 2011 | PROJECTED JUL- SEP 2011 | TOTAL PROJECTED FY 2011 | ADOPTED BUDGET FY 2012 |
|--|------------------------------|----------------------------|-------------------------------|-------------------------------|------------------------------|
| Utility - Irrigation | 600 | 1,089 | 363 | 1,452 | 1,500 |
| R&M-Renewal and Replacement | 25,000 | 12,823 | 5,000 | 17,823 | 9,865 |
| R&M-Common Area | 5,000 | - | 2,500 | 2,500 | 5,000 |
| R&M-Gate | 5,000 | 2,383 | 794 | 3,177 | 5,000 |
| R&M-Irrigation | 10,000 | 4,912 | 1,637 | 6,549 | 10,000 |
| R&M-Stormwater System | - | - | 5,000 | 5,000 | 10,000 |
| R&M- Ponds | - | - | - | - | 6,500 |
| R&M-Pools | 7,500 | 1,350 | 1,500 | 2,850 | 7,500 |
| R&M-Roads & Alleyways | 1,000 | 1,363 | 454 | 1,817 | 2,500 |
| R&M-Streetlights | 20,449 | 10,719 | 3,573 | 14,292 | 20,449 |
| R&M- Security Cameras | - | - | - | - | 8,000 |
| R&M-Trees and Trimming | 5,000 | - | 2,500 | 2,500 | 5,000 |
| Misc-Contingency | 27,913 | 995 | 500 | 1,495 | 2,064 |
| Bottled Water Delivery | 550 | 269 | 135 | 404 | 550 |
| Op Supplies - Gatehouse | 1,500 | 79 | 26 | 105 | 750 |
| Capital Improvements - General | 17,500 | - | - | - | 20,351 |
| Total Field | 424,512 | 252,362 | 98,020 | 350,382 | 427,729 |
| Debt Service | | | | | |
| Principal Debt Retirement | 48,000 | 37,000 | 11,000 | 48,000 | 172,000 |
| Interest Expense | 9,082 | 7,469 | 1,613 | 9,082 | 0 |
| Total Debt Service | 57,082 | 44,469 | 12,613 | 57,082 | 172,000 |
| Reserves | | | | | |
| R&M-Reserves | 22,140 | 3,570 | - | 3,570 | 22,140 |
| Reserve - Roadways | - | - | - | - | 57,000 |
| Total Reserves | 22,140 | 3,570 | - | 3,570 | 79,140 |
| TOTAL EXPENDITURES & RESERVES | 616,861 | 383,938 | 125,406 | 509,344 | 790,085 |
| Excess (deficiency) of revenues | | | | | |
| Over (under) expenditures | - | 244,459 | (124,906) | 119,553 | (172,000) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Contribution to (Use of) Fund Balance | - | - | - | - | (172,000) |
| TOTAL OTHER SOURCES (USES) | - | - | - | - | (172,000) |
| Net change in fund balance | - | 244,459 | (124,906) | 119,553 | (172,000) |
| FUND BALANCE, BEGINNING | 396,099 | 396,099 | - | 396,099 | 515,652 |
| FUND BALANCE, ENDING | \$ 396,099 | \$ 640,558 | \$ (124,906) | \$ 515,652 | \$ 343,652 |

Community Development District

Exhibit "A"

Allocation of Fund Balance**Estimated Funds Available**

| | |
|--|------------------|
| Beginning Fund Balance - Fiscal Year 2012 | 515,652 |
| Net Change in Fund Balance - Fiscal Year 2012 | (172,000) |
| Reserves - Fiscal Year 2012 Additions | 79,140 |
| Total Estimated Funds Available - 9/30/2012 | \$422,792 |

Allocation of Funds Available

| | |
|---|------------------|
| Operating Reserve - First Quarter Operating Capital | - (1) |
| Reserves- Renewal & Replacement | |
| - Thru FY 2005 | 111,240 |
| - Addition FY 2006 | 22,140 |
| - Addition FY 2007 | 22,140 |
| - Addition FY 2008 | 22,140 |
| - Addition FY 2009 | 22,140 |
| - Addition FY 2010 | 22,140 |
| - Addition FY 2011 | 22,140 |
| - Addition FY 2012 | 22,140 |
| Reserves- Roadways | |
| - Addition FY 2012 | 57,000 |
| Total Allocation of Funds | \$323,220 |

| | |
|--------------------------------|-----------------|
| Total Undesignated Cash | \$99,572 |
|--------------------------------|-----------------|

Notes

(1) The District has not budgeted for a first quarter operating reserve; however, sufficient cash is available in the fund balance to cover the first three months.

Golden Lakes Community Development District

Budget Narrative FY 2012

General Fund

REVENUES

Interest- Investments

The District earns interest on their operating accounts and other investments.

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 – Other (Capital Project)

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District in order to pay for the paving project note with Bank of America.

Special Assessment – Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payments. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

Special Assessment – Discounts (Capital Project)

Per Section 197.162, Florida Statutes, discounts are allowed for early payments. 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 supervisor receiving \$100 per meeting for 5 meetings (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 for meetings, review of operating and maintenance contracts, and other specifically requested assignments.

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 with no anticipated increases.

Golden Lakes
Community Development District

Budget Narrative FY 2012

General Fund

Expenditures- Administrative (continued)

Professional Services- Management Services (continued)

| <i>Service Provided</i> | <i>Fee</i> |
|--------------------------------|-----------------|
| Management Services | \$14,831 |
| Recording Secretary | 3,978 |
| Accounting Services | 10,376 |
| Information Technology Service | 1,060 |
| Records Storage | 107 |
| Rentals & Leases | 2,636 |
| Total | \$32,988 |

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 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 FY2012 budget costs are based on a maximum of 2% of the anticipated assessment collections.

Professional Services-Property Appraiser (Capital Project)

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 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 FY2012 budget costs are based on a maximum of 2% of the anticipated assessment collections.

Professional Services-Special Assessment

Seyern Trent provides assessment services for closing lot sales, assessment roll services with Polk County and financial advisory 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 plus \$500 contingency.

Communication – Telephone

Telephone and fax machine expenditures.

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 The Florida League of Cities, Inc. The Florida League of Cities, Inc. specializes in providing insurance coverage to governmental agencies. The budgeted amount for the fiscal year is based on prior year premiums plus a 10% increase in order to be conservative.

Golden Lakes
Community Development District

Budget Narrative FY 2012

General Fund

Expenditures- Administrative (continued)

Printing & Binding

Cost of 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.

Miscellaneous Services

Bank charges and any other miscellaneous expenses that are incurred during the year.

Misc. – Assessment Collection Cost

The District reimburses the Polk County Tax Collector for applicable necessary administrative costs. Per 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 FY2012 budget for collection costs is based on a maximum of 2% of the anticipated assessment collections.

Misc. – Assessment Collection Cost (Capital Project)

The District reimburses the Polk County Tax Collector for applicable necessary administrative costs. Per 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 FY2012 budget for collection costs is based on a maximum of 2% of the anticipated assessment collections.

Office Supplies

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

Annual district filling fee

The District is required to pay an annual fee of \$175 to the Department of Community Affairs.

Field

Professional Services-Field Management

The District has a contract with L.E. Wilson and Associates for the operation of the District's facilities and its contractors.

Contracts-Security Services

The District currently has a contract with Securitas Security to provide security services for the District.

Contracts-Landscape

The District currently has a contract with Valley Crest Landscape Inc. to provide the landscape maintenance of the common areas, and reimburses Eaglebrooke North Prop Inc. for lake maintenance performed by Applied Aquatics.

Contracts-Security Roving Patrol

Roving patrol to inspect and enforce parking and towing restrictions.

Communication – Telephone Field

Phone expenses in the field.

Golden Lakes
Community Development District

Budget Narrative FY 2012

General Fund

Expenditure – Field (continued)

Utility – Access Gate

The District has utility accounts with Lakeland Electric and Polk County Utilities for electrical usage for the District's Gatehouse.

Electricity-General

The District has utility accounts with Lakeland Electric and Tampa Electric for street lighting leases and usage for the District's facilities and assets. Costs are based on historical expenses.

Electricity – Streetlighting

The District has utility accounts with Lakeland Electric and Tampa Electric for street lighting usage for the District's facilities and assets.

Utility- Irrigation

Irrigation for the Grandview Island.

R&M- Renewal and Replacement

Flowers and plant replacements.

R&M- Common Area

Repairs and maintenance of common areas.

R&M Gate

The repairs and maintenance of the gatehouse.

R&M Irrigation

The repairs and maintenance for irrigation (Sprinkler system).

R&M- Stormwater System

Drainage system inspections.

R&M- Ponds

Maintenance of the pond.

R&M Pools

Pool maintenance from Dolphin Pool Care.

R&M Roads & Alleyways

Repairs and maintenance for the District's roads.

R&M Streetlights

Repair and maintenance for the District's street lights from Deal Electric.

R&M Security Cameras

Repairs and replacement of security cameras.

R&M Trees & Trimming

Landscape maintenance for trimming and removal of trees from B&G Tree Service.

Misc.-Contingency

This category provides funds for field expenditures that may not have been budgeted anywhere else.

Golden Lakes
Community Development District

Budget Narrative FY 2012

General Fund

Expenditure – Field (continued)

Bottled Water Delivery

Zephyrhills water delivery for gatehouse.

OP Supplies – Gatehouse

Cost of supplies for the gatehouse.

Capital Improvements-General

Minor capital improvements the District may need to make during the fiscal year.

DEBT SERVICE

Principal Debt retirement

The District will pay off the principal balance for the Bank of America Loan.

RESERVES

R&M Reserves

These are funds set aside for replacement of items throughout the community.

Reserve- Roadways

These are funds set aside for the roadway project.

Golden Lakes

General Fund

Community Development District

Golden Lakes
Community Development District

Assessment Summary

| Phase | Village | Gen Fund 001 (Common Area Maint) | | Paving Assessment* | | Total Assessments per Unit | | Prepaid Units |
|--------|----------------------|----------------------------------|----------------|--------------------|----------------|----------------------------|----------------|---------------|
| | | FY 2012 | FY 2011 | FY 2012 | FY 2011 | FY 2012 | FY 2011 | |
| | | | Percent Change | | Percent Change | | Percent Change | |
| 1A | Cascades/Island Lake | \$583 | \$583 | \$62 | \$62 | \$646 | \$646 | 0 |
| 1B | Clearpointe | \$557 | \$557 | \$63 | \$63 | \$619 | \$619 | 2 |
| 2A | Osprey Landing | \$1,183 | \$1,183 | \$126 | \$126 | \$1,309 | \$1,309 | 0 |
| 2B | Reflections | \$1,350 | \$1,350 | \$144 | \$144 | \$1,494 | \$1,494 | 0 |
| | Eaglebrooke North | \$1,479 | \$1,479 | \$158 | \$158 | \$1,637 | \$1,637 | 0 |
| 2C | Osprey Landing West | \$1,144 | \$1,144 | \$125 | \$125 | \$1,268 | \$1,268 | 1 |
| 3 | Viewpointe | \$567 | \$567 | \$61 | \$61 | \$628 | \$628 | 0 |
| 5A | Eaglebrooke | \$531 | \$531 | \$57 | \$57 | \$588 | \$588 | 0 |
| | Villages | \$378 | \$378 | \$43 | \$43 | \$421 | \$421 | 2 |
| | Vista Hills | \$1,255 | \$1,255 | \$134 | \$134 | \$1,389 | \$1,389 | 0 |
| | Vista Hills II | \$1,255 | \$1,255 | \$134 | \$134 | \$1,389 | \$1,389 | 0 |
| | Whisper Woods | \$1,160 | \$1,160 | \$124 | \$124 | \$1,284 | \$1,284 | 0 |
| | Grandview | \$566 | \$566 | \$60 | \$60 | \$626 | \$626 | 0 |
| | Golf Course* | \$24,699 | \$24,699 | \$2,639 | \$2,639 | \$27,339 | \$27,339 | 0 |
| | | | | | | | | 5 |
| direct | Eaglebrooke North | \$1,479 | \$1,479 | \$158 | \$158 | \$1,637 | \$1,637 | 0 |

* The Paving Assessment continues through FY 2014.