

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**Dependent Special District**

**Proposed Budget**  
**Fiscal Year 2015 / 2016**

**March 23, 2016**

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**Dependent Special District**

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11554 Starboard Drive, Jacksonville, Florida 32225-1015

March 23, 2015

Director / Council Secretary  
Cheryl Brown  
117 W. Duval Street, Suite 425  
Jacksonville, FL. 32202

Office of the Council Auditor  
Kirk Sherman  
117 West Duval Street, Suite 200  
Jacksonville, FL. 32202

Re: Harbour Waterway Special District Proposed Budget for Fiscal Year July 1,  
2015 to June 30, 2016

Dear Ms. Brown and Mr. Sherman:

In accordance with Ordinance 2010 – 725 E, please find enclosed the District's proposed budget for Fiscal Year 2015 / 2016 for purposes of disclosure and information only. Should you have any questions regarding the enclosed, please contact me at (904) 642-0097.

Sincerely,



Stanley H. Pipes, Jr.  
Supervisor and Secretary/Treasurer

Enclosures

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**FISCAL YEAR 2015 - 2016 BUDGET**  
**CASH FLOW ANALYSIS**

31-Mar-15

DESCRIPTION	ACTUAL FY 2013/14	ACTUAL FY 2014/15 (See Note 3)	PROPOSED FY 2015/16 BUDGET	VARIANCE
<b>OPERATING REVENUES</b>				
Carry Forward Surplus	\$ 344,685	\$ 57,197	\$ 85,258	\$ 28,062
Net Assessments	\$ 199,570	\$ 199,466	\$ 198,500	\$ (966)
<b>Total Revenues</b>	<b>\$ 544,254</b>	<b>\$ 256,662</b>	<b>\$ 283,758</b>	<b>\$ 27,096</b>
<b>EXPENDITURES</b>				
<b>Professional Services</b>				
Legal Services	\$ 6,138	\$ 4,975	\$ 7,500	\$ 2,525
Administrative Services	\$ 1,100	\$ 1,100	\$ 1,200	\$ 100
Accounting & Audit Services	\$ 2,864	\$ 3,125	\$ 3,500	\$ 375
<b>Administrative</b>				
Office Supplies & Postage	\$ 175	\$ 200	\$ 240	\$ 40
Rental - Meeting Room	\$ 900	\$ 900	\$ 1,200	\$ 300
Communication Services - Web Hosting	\$ 300	\$ 240	\$ 300	\$ 60
Legal & Promotional Advertising	\$ 160	\$ 150	\$ 250	\$ 100
Other Administrative Expenses	\$ 126	\$ 50	\$ 180	\$ 130
Insurance - General Liability	\$ 4,271	\$ 8,270	\$ 4,300	\$ (3,970)
Publications and Memberships	\$ 740	\$ 925	\$ 1,200	\$ 275
Interest Expense on Revenue Notes (See Note 2)	\$ 19,515	\$ 15,819	\$ 12,037	\$ (3,782)
Revenue Note Principal Payments	\$ 128,000	\$ 131,000	\$ 135,000	\$ 4,000
<b>Total Expenditures</b>	<b>\$ 164,289</b>	<b>\$ 166,754</b>	<b>\$ 166,907</b>	<b>\$ 153</b>
<b>Canal Maintenance &amp; Dredging Operations</b>				
Dredging / Marine Contractor	\$ 308,431	\$ -	\$ 50,000	\$ 50,000
Marine Surveyor	\$ 5,000	\$ 4,650	\$ 5,000	\$ 350
Marine Engineering Consultant	\$ 1,317	\$ -	\$ 5,000	\$ 5,000
Navigational Aids & Markers	\$ 8,021	\$ -	\$ 1,000	\$ 1,000
<b>Total Canal Maintenance &amp; Dredging Operations</b>	<b>\$ 322,769</b>	<b>\$ 4,650</b>	<b>\$ 61,000</b>	<b>\$ 56,350</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 487,057</b>	<b>\$ 171,404</b>	<b>\$ 227,907</b>	<b>\$ 56,503</b>
<b>EXCESS REVENUES / (EXPENDITURES)</b>	<b>\$ 57,197</b>	<b>\$ 85,258</b>	<b>\$ 55,851</b>	<b>\$ (29,407)</b>

**NOTES:**

	Num	2013 / 2014 Actual	2014 / 2015 Projected	2015 / 2016 Projected
1 Non Ad-Valorem Assessment				
Residential Parcels	105	\$ 210,000	\$ 210,000	\$ 210,000
Marina - (Tax Exempt Organization)	1	\$ -	\$ -	\$ -
Easements	7	\$ 5,000	\$ 5,000	\$ 5,000
<b>TOTAL GROSS ASSESSMENTS</b>	<b>113</b>	<b>\$ 215,000</b>	<b>\$ 215,000</b>	<b>\$ 215,000</b>
Less Early Payment Discount (avg 3.58%)		\$ (7,692)	\$ (7,800)	\$ (7,800)
Less PA and TC Discount (3.5%)		\$ (7,238)	\$ (7,235)	\$ (7,200)
Less Provision for Parcels in Default		\$ (500)	\$ (500)	\$ (1,500)
<b>TOTAL NET NON AD-VALOREM ASSESSMENTS</b>		<b>\$ 199,570</b>	<b>\$ 199,466</b>	<b>\$ 198,500</b>

2 Series 2012 Revenue Note -\$350,000 at 2.80%  
Series 2013 Revenue Note -\$326,000 at 2.98%

3 Actual expenses and revenue thru March 31, 2015, forecast April thru June.

# HARBOUR WATERWAY SPECIAL DISTRICT AMORTIZATION SCHEDULE

Principal Balance	\$ 350,000	COUPON	2.800%	Issue Date:	12-Dec-12
Principal Balance	\$ 326,000	COUPON	2.980%	Issue Date:	15-Feb-13

		PAYMENT DATE	INTEREST	PAID PRINCIPAL	TOTAL LOAN PAYMENTS	OUTSTANDING BALANCE
FISCAL YEAR	1	12-Dec-12	-	-	-	\$ 676,000.00
2012 / 2013	2	01-May-13	(\$5,834.79)	-	(5,834.79)	676,000.00
FISCAL YEAR	3	01-Nov-13	(\$9,757.40)	-	(9,757.40)	676,000.00
2013 / 2014	4	01-May-14	(\$9,757.40)	(\$128,000.00)	(137,757.40)	548,000.00
FISCAL YEAR	5	01-Nov-14	(\$7,909.60)	-	(7,909.60)	548,000.00
2014 / 2015	6	01-May-15	(\$7,909.60)	(\$131,000.00)	(138,909.60)	417,000.00
FISCAL YEAR	12	01-Nov-15	(\$6,018.90)	-	(6,018.90)	417,000.00
2015 / 2016	13	01-May-16	(\$6,018.90)	(\$135,000.00)	(141,018.90)	282,000.00
FISCAL YEAR	16	01-Nov-16	(\$4,070.40)	-	(4,070.40)	282,000.00
2016 / 2017	17	01-May-17	(\$4,070.40)	(\$139,000.00)	(143,070.40)	143,000.00
FISCAL YEAR	20	01-Nov-17	(\$2,064.10)	-	(2,064.10)	143,000.00
2017 / 2018	21	01-May-18	(\$2,064.10)	(\$143,000.00)	(145,064.10)	-
			(65,475.59) \$	(676,000.00) \$	(741,475.59)	



**HARBOUR WATERWAY SPECIAL DISTRICT  
BUDGET SUPPLEMENT  
FISCAL YEAR 2015/2016**

**REVENUES**

**325.200 Special Assessments**

The District will continue to levy a non ad-valorem assessment in the gross amount of \$215,000 on all taxable parcels within the District to fund General Operating Expenditures. From the Gross Amount of the non ad-valorem assessment the following amounts are deducted: (1) Duval County offers an early payment discount which averaged 3.58% for FY 2014 / 2015; (2) The Duval County Tax Collector and Property Assessor charges a fee for services rendered in the amount of 2.0% and 1.5%, respectively; and (3) a provision for non-collectible taxes due to parcels in bankruptcy or default. The parcel designated as the Marina within the District is a tax exempt entity.

**Revenue Notes**

The HWSD issued two Revenue Notes totaling \$676,000, which were purchased by BB&T to assist in funding the 2013 Dredging Project. The total fees and legal expenses associated with issuing the Revenue Notes totaled \$25,500.

**361.100 Interest Income**

Excess Funds will be invested in a non-interest bearing checking account at BB&T, Branch Banking & Trust Company.

**Carry Forward Surplus**

Excess Funds from prior years. The Carry Forward Surplus from FY 2014/2015 is projected to be \$85,258.

**EXPENDITURES**

**PROFESSIONAL:**

**537.311 Legal Services**

The District's legal counsel, Lewis, Longman, & Walker, will provide general legal services to the District, including attendance of monthly meetings, review of agreements, contracts, and resolutions.

**537.312 Administrative Services**

Other Administrative Expenses include fees charged to the HWSD to record, document, and publish all Board of Supervisor meetings and public hearings held by the District.

**537.32 Accounting and Audit Services**

The District is required by Florida Statutes to conduct an independent audit of its financial records by an Independent Certified Public Accounting Firm. The District has contracted with Roy Miller & Associates to conduct the annual financial audit.

## **ADMINISTRATIVE:**

### **537.41 Communication Services**

Communication Services include fees required to host, develop, and maintain the HWSD.org website which provides online access to the District's official documents, including meeting minutes, agendas, reports, resolutions, etc.

### **537.42 Postage & Freight Services**

Postage includes mailing of notices to the District, overnight deliveries, correspondence, etc.

### **537.44 Rentals and Leases**

Rentals are fees associated with renting public meeting rooms to hold public hearings, committee meetings, and general meetings as required by the District.

### **537.45 Insurance – General Liability**

The District's General Liability & Public Officials Errors and Omission Liability Insurance policy is with Florida Municipal Insurance Trust (FMIT) a service provided by the Florida League of Cities, Inc.

### **537.47 Printing and Binding**

Printing and Binding include fees to print and bind the District's official documents, including meeting minutes, agendas, reports, resolutions, contracts, etc.

### **537.48 Promotional & Legal Advertising**

The District is required to advertise monthly Board of Supervisor Meetings, public hearings, and any services required to be advertised for public bidding, i.e. dredging contracts and other advertising that may be required in a newspaper of general circulation.

### **537.49 Other Current Charges**

This item includes any expenses not included in other categories including Bank Fees & Charges

### **537.51 Office Supplies**

This item includes any supplies required during the fiscal year, i.e. paper, file folders, labels, etc.

### **537.54 Publications & Memberships**

Other Expenses include membership fees, dues and registrations for government agencies, i.e. Florida Department of Economic Development.

### **537.72 Debit Service Interest Expense**

Interest charges on the Revenue Notes secured for the HWSD 2013 Dredging Project, for budget purposes the projected maximum outstanding balance for 2015/2016 FY is \$417,000. Semi-annual interest payments equal to a total of \$12,038 for 2015/2016 FY are scheduled. (See Amortization Schedule)

### **203.900 Revenue Notes & Loans Payable**

Principal Payments on the revenue notes are on a (5) five year term with the first annual payment due on May 1, 2014. Refer to the Amortization Schedule for future payment schedule.

## **CANAL MAINTENANCE & DREDGING OPERATIONS:**

### **537.301 Dredging / Marine Contractor**

The HWSD 2013 Dredging Project began on February 1, 2013 and was completed on August 10, 2013. The District has no current plans to perform dredging operations during FY 2015 – 2016. The District has plans to perform maintenance on the existing 2,500 feet breakwater structure at the mouth of the canal system as required.

### **537.302 Marine Surveyor**

The District contracts with marine surveyors to determine the amount of silting occurring in the canal system and approach channels.

### **537.303 Dredging Permits**

In order to perform dredging operations, the District is required to secure permits from the U.S. Army Corp of Engineers and the Florida Department of Environmental Protections.

### **537.304 Spoil Site Fees**

During dredging operations, silt is removed from the channel bottom and pumped to an upland spoil site. Fees to deposit the spoil are included in this item.

### **537.305 Navigational Aids & Markers**

The HWSD maintains channel markers along our approach channel to mark the dredged channel for boaters.

### **537.306 Dredging / Marine Engineering Consultant**

The District utilizes consultants to advise the Board on dredging services, dredging technology, and marine construction for bulkheads and breakwaters.