

Covington Park
Community Development District
Final Budget Package for Fiscal Year 2006-2007

The following are enclosed in this Budget Package:

1. Budget worksheet for the General Fund.
2. Annual Assessments 2006/2007
3. Budget Analysis describing budget line item variances from current Fiscal Year to Fiscal Year 2006/2007.
4. Budget increase notes.
5. Description of line items for General Fund Budget.

Covington Park
Community Development District
General Fund
Final Budget
Fiscal Year 2006-2007

Chart of Accounts Classification	Annual Budget 2005/2006	Final Budget for 2006/2007	Budget Increase (Decrease)
REVENUES			
Special Assessments			
Tax Roll	647,725	743,645	95,920
Direct Bill	-	-	-
TOTAL REVENUES	647,725	743,645	95,920
EXPENDITURES			
<i>Administrative</i>			
Legislative			
Supervisor Fees	12,000	12,000	-
Financial & Administrative			-
District Management	30,000	31,500	1,500
Admin Services	7,500	8,100	600
District Engineer	5,000	6,000	1,000
Disclosure Report	5,000	6,000	1,000
Trustees Fees	4,500	7,300	2,800
Financial Advisory Services	10,000	10,500	500
Accounting Services	15,000	15,900	900
Auditing Services	10,000	11,000	1,000
Arbitrage Rebate Calculation	2,000	3,150	1,150
Travel Per Diem	400		(400)
Public Officials Liability Insurance	3,000	4,500	1,500
Legal Advertising	960	1,200	240
Bank Fees	250	250	-
Dues, Licenses & Fees	175	175	-
Legal Counsel			-
District Counsel	6,000	6,000	-
<i>Administrative Subtotal</i>	111,785	123,575	11,790
<i>Field Operations</i>			
Electric Utility Services			
Utility Services	28,000	38,000	10,000
Garbage/Solid Waste Control			
Garbage - Recreation Facility	3,500	4,500	1,000
Utility Services	3,240	6,000	2,760
Stormwater Control			
Fountain Service Repairs & Maintenance	1,800	1,800	-
Lake/Pond Bank Maintenance	12,000	40,000	28,000
General Liability Property Casualty Insurance	10,000	16,800	6,800
Fountain Service Repairs & Maintenance	-		-
Entry & Walls Maintenance	14,400	14,500	100
Landscape Maintenance	320,000	365,470	45,470
Landscape Replacement Plants, Shrubs, Trees	-	20,000	20,000
Miscellaneous Expense	35,000	15,000	(20,000)
Street Light/Decorative Light Maintenance	30,000	20,000	(10,000)
Parks & Recreation			
Clubhouse Facility Maintenance	30,000	30,000	-
Law Enforcement			
Off Duty Deputy Services	48,000	48,000	-
<i>Field Operations Subtotal</i>	535,940	620,070	84,130
Contingency for TRIM notice	-		-
TOTAL EXPENDITURES	647,725	743,645	95,920
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-

**Covington Park CDD
Annual Assessments 2006-2007**

Proposed O&M Budget	\$743,645
Collection Costs @	\$64,665
Total O&M Assessment	<u>\$808,310</u>
	8.00%

Lot Size / Lookup	Phase 1		Phase 2		Total # Lots	Per Lot EAU	Total EAUs	% of Total EAUs	O&M Alloc.	Annual Assessments *			Total
	# Lots	# Lots	# Lots	# Lots						2004 DS	O&M	1999 DS	
0	0	0	0	0	0	0.00	0	0.00%	\$0	\$0	\$0	\$0	\$0
35	0	172	172	172	172	1.00	172	11.80%	\$95,373	\$370	\$554	\$0	\$924
40	329	0	329	329	329	1.00	329	22.57%	\$182,429	\$0	\$554	\$370	\$924
50	322	0	322	322	431	1.34	431	29.60%	\$239,254	\$0	\$743	\$497	\$1,240
55	0	101	101	101	135	1.34	135	9.28%	\$75,045	\$495	\$743	\$0	\$1,238
60.1	70	0	70	70	101	1.44	101	6.91%	\$55,893	\$0	\$798	\$534	\$1,332
60.2	0	44	44	44	63	1.44	63	4.35%	\$35,133	\$532	\$798	\$0	\$1,330
70.1	74	0	74	74	123	1.66	123	8.43%	\$68,114	\$0	\$920	\$613	\$1,533
70.2	0	62	62	62	103	1.66	103	7.06%	\$57,069	\$614	\$920	\$0	\$1,534
	<u>795</u>	<u>379</u>	<u>1,174</u>	<u>1,174</u>	<u>1,458</u>		<u>103</u>	<u>100.00%</u>	<u>\$808,310</u>				

* Includes collection costs and discounts

1999	795
2004	379
	1,174

**COVINGTON PARK
COMMUNITY DEVELOPMENT DISTRICT
BUDGET ANALYSIS**

Below is a list the various account categories that are experiencing large fluctuations in the 2006-2007 fiscal year proposed budget from what was budgeted in 2005-2006. Line items remaining the same or with marginal variances are not addressed. These potential increases and decreases are strictly preliminary as proposed and may fluctuate when the budget is finalized.

ADMINISTRATIVE LINE ITEMS:

Administrative Subtotal: Increased by \$11,790 for next fiscal year. There are some variances and short falls in our current fiscal year administrative line items, plus professional fees that are anticipated to increase slightly.

FIELD OPERATIONS:

Utility – Recreational Facilities: Increased \$10,000 for current amenities plus to accommodate the expansion of the Clubhouse expansion

Garbage / Solid Waste Control: Increased by \$1000 to accommodate anticipated usage of new Clubhouse.

Water Utility Services: Increased by \$2,760 to anticipate usage of new Clubhouse.

Aquatic Contract: Increased by \$28,000.00 based on our contract amount of \$3,268 / month. This has gradually increased over the past five years to this monthly amount since development has increased and due to the associated costs for these services.

General Liability, Property & Casualty Insurance: Increased by \$6,800 to accommodate additions to the policy throughout next fiscal year.

Landscape Maintenance: Increased by \$45,470 to cover annual maintenance items including mulching, tree trimming and misc. added common areas.

Landscape Replacement Trees and Shrubs: Increased by \$20,000. Landscaping cannot be insured; therefore this line item was added in the event of storm damage etc. to assist with the cost of replacement.

Field Operations Subtotal: \$620,070.

Total Proposed Budget: Total budget \$743,645.

COVINGTON PARK
Community Development District
Final FY Operations and Maintenance 2006/2007 Budget Notes

At the Public Hearing on the Fiscal Year 2006/2007 Operations and Maintenance Final Budget held on July 19th, 2006, it was determined by the Board of Supervisors that there were a few line items that needed the dollar amount to be increased to better maintain the level of service for the Community.

The Final Budget was adopted at a total of \$743,645.00, when you combined both the Administrative and Field Operations subtotals. This is just a slight increase from the proposed amount and assessments will increase only minimally. The 2006/2007 Assessment chart is included in this Final Budget Package.

Any questions may be directed to the district office at (813) 933-5571.

COVINGTON PARK
COMMUNITY DEVELOPMENT DISTRICT

General Fund Budget Account Category Description
Fiscal Year 2006-2007

REVENUES:

Operations & Maintenance Assessments

The District levies Non-Ad Valorem Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County. The second is for lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Funding Agreement

The District may enter into funding agreements to provide for a source of revenue for certain expenditures.

Developer Contribution

The District may, similar to a funding agreement, receive certain prescribed dollars from the Developer to off-set expenditures of the District.

EXPENDITURES:

ADMINISTRATIVE

Legislative

Supervisor Fees

The District may compensate its supervisors within the appropriate statutory limits of \$200.00 maximum per meeting within an annual cap of \$4,800.00 per supervisor.

Financial and Administrative

District Manager

The District as required by statute, will contract with a firm to provide for management and administration of the District's day to day administrative needs. The cost to maintain the minutes of all Board meetings, preparing various resolutions and all other secretarial duties requested by the District throughout the year is also reflected in this amount.

Administrative Services

The District will incur expenditures for the day to today operation of District matters. These items include but are not limited to mailing and preparation of agenda packages, overnight deliveries, facsimiles and long distance phone calls. Also, each Board Supervisor and the District Staff are entitled to reimbursement for travel expenses per Florida Statutes 190.006(8). Finally, this line item also includes a cost for the storage of all the District's official records, supplies and files.

District Engineer

The District's engineer provides general engineering services to the District. Among these services are attendance at and preparation for monthly board meetings, review of construction invoices and all other engineering services requested by the district throughout the year.

Disclosure Report

The District is required to file quarterly and annual disclosure reports, as required in the District's Trust Indenture, with the specified repositories. This is contracted out to a third party in compliance with the Trust Indenture.

Trustee's Fees

The District will incur annual trustee's fees upon the issuance of bonds for the oversight of the various accounts relating to the bond issues.

Financial Advisory

The District will contract with a firm to maintain the assessment roll and annually levy a Non-Ad Valorem assessment for operating and debt service expenses. Also, additional financial advisory services include, but are not limited to responding to bondholder questions, prepayment analysis, long term pay-offs and true-up analysis. This line item also includes the fees incurred for a Collection Agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on property after the full collection of bond debt levied on particular properties. Finally, the District may contract for the investment of various funds prior to the need to expend, to maximize the potential earnings on those funds.

Accounting Services

The District has contracted for maintenance of accounting records. These services include, but are not limited to accounts payable, accounts receivable and preparation of financial reports for the district.

Auditing Services

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting firm, once it reaches certain revenue and expenditure levels, or has issued bonds and incurred debt.

Arbitrage Rebate Calculation

The District is required to calculate the interest earned from bond proceeds each year pursuant to the Internal Revenue Code of 1986. The Rebate Analyst is required to verify that the District has not received earnings higher than the yield of the bonds.

Public Officials Liability Insurance

The District will incur expenditures for public officials' liability insurance for the Board and Staff.

Legal Advertising

The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to meeting schedules, special meeting notices, and public hearings, bidding etc. for the District based on statutory guidelines

Bank Fees

The District will incur bank service charges during the year.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Community Affairs, along with other items which may require licenses or permits, etc.

Legal Counsel

District Counsel

The District's legal counsel provides general legal services to the District. Among these services are attendance at and preparation for monthly board meetings, review of operating and maintenance contracts and all other legal services requested by the district throughout the year.

FIELD OPERATIONS

Electric Utilities

Electric Utility Services

The District will incur electric utility expenditures for general purposes such as irrigation timers, lift station pumps, fountains, etc.

Garbage/Solid Waste Control

Garbage Collection-Recreation Facility

The District will incur expenditures related to the removal of garbage and solid waste.

Stormwater Control

Fountain Service Repairs & Maintenance

The District may incur expenses related to maintaining the fountains within throughout the Parks & Recreational areas

Lake/Pond Bank Maintenance

The District may incur expenditures to maintain lake banks, etc for the ponds and lakes within the Districts boundaries, along with planting of beneficial aquatic plants, stocking of fish, mowing and landscaping of the banks as the District determines necessary.

Other Physical Environment

General Liability Insurance

The District will incur fees to insure items owned by the District for its general liability needs

Property Casualty Insurance

The District will incur fees to insure items owned by the District for its property needs

Entry and Walls Maintenance

The District will incur expenditures to maintain the entry monuments and the fencing.

Landscape Maintenance

The District will incur expenditures to maintain the rights-of-way, median strips, recreational facilities including pond banks, entryways, and similar planting areas within the District. These services include but are not limited to monthly landscape maintenance, fertilizer, pesticides, annuals, mulch and irrigation repairs.

Miscellaneous Fees

The District may incur miscellaneous expenses that do not readily fit into defined categories in field operations.

Parks & Recreation

Clubhouse Facility Maintenance

The District may incur expenses to maintain its recreation facilities

Law Enforcement

Off Duty Deputy Services

The District may wish to contract with the local police agency to provide security for the District