



Pine Island
Community Development District
Adopted Budget
FY 2012



Pine Island
Community Development District
Proposed Budget
General Fund
Fiscal Year 2012

| Description | FY2011 Annual Budget | Actual thru 6/30/11 | Projected Next 3 Months | Total Thru 9/30/11 | FY2012 Annual Budget |
|-------------|----------------------------|---------------------------|-------------------------------|--------------------------|----------------------------|
|-------------|----------------------------|---------------------------|-------------------------------|--------------------------|----------------------------|

Revenues

| | | | | | |
|-----------------------|-----------|-----------|-----|-----------|-----------|
| Special Assessments | \$179,343 | \$181,710 | \$0 | \$181,710 | \$183,158 |
| Interest | \$0 | \$1 | \$0 | \$1 | \$0 |
| Carry Forward Surplus | \$5,510 | \$5,510 | \$0 | \$5,510 | \$3,742 |

| | | | | | |
|-----------------------|------------------|------------------|------------|------------------|------------------|
| Total Revenues | \$184,853 | \$187,221 | \$0 | \$187,221 | \$186,900 |
|-----------------------|------------------|------------------|------------|------------------|------------------|

Expenditures

Administrative

| | | | | | |
|-------------------------------|----------|----------|----------|----------|----------|
| Supervisor Fees | \$6,000 | \$1,600 | \$2,000 | \$3,600 | \$6,000 |
| FICA Expense | \$459 | \$122 | \$153 | \$275 | \$459 |
| Engineering Fees | \$5,000 | \$477 | \$1,523 | \$2,000 | \$5,000 |
| Attorney Fees | \$13,000 | \$2,381 | \$2,619 | \$5,000 | \$13,000 |
| Trustee Fees | \$6,750 | \$6,391 | \$0 | \$6,391 | \$6,750 |
| Arbitrage | \$1,200 | \$0 | \$1,200 | \$1,200 | \$1,200 |
| Collection Agent | \$5,000 | \$5,000 | \$0 | \$5,000 | \$5,000 |
| Dissemination | \$5,000 | \$5,000 | \$0 | \$5,000 | \$5,000 |
| Annual Audit | \$4,500 | \$0 | \$2,100 | \$2,100 | \$2,150 |
| Management Fees | \$42,984 | \$32,238 | \$10,746 | \$42,984 | \$42,984 |
| Computer Time | \$1,000 | \$750 | \$250 | \$1,000 | \$1,000 |
| Website Administration | \$1,200 | \$900 | \$300 | \$1,200 | \$1,200 |
| Telephone | \$150 | \$11 | \$9 | \$20 | \$150 |
| Postage | \$1,500 | \$463 | \$237 | \$700 | \$1,500 |
| Printing & Binding | \$2,000 | \$1,146 | \$354 | \$1,500 | \$2,000 |
| Insurance | \$7,000 | \$6,500 | \$0 | \$6,500 | \$7,000 |
| Legal Advertising | \$1,000 | \$166 | \$434 | \$600 | \$1,000 |
| Other Current Charges | \$500 | \$0 | \$0 | \$0 | \$500 |
| Office Supplies | \$400 | \$180 | \$70 | \$250 | \$400 |
| Tax Collector Fee | \$0 | \$1,420 | \$2,477 | \$3,897 | \$3,897 |
| Travel Per Diem | \$0 | \$171 | \$86 | \$257 | \$500 |
| Dues, Licenses, Subscriptions | \$175 | \$175 | \$0 | \$175 | \$175 |

| | | | | | |
|--------------------------------|------------------|-----------------|-----------------|-----------------|------------------|
| Administrative Expenses | \$104,818 | \$65,091 | \$24,558 | \$89,649 | \$106,865 |
|--------------------------------|------------------|-----------------|-----------------|-----------------|------------------|

Maintenance

| | | | | | |
|------------------|----------|----------|----------|----------|----------|
| Field Management | \$23,035 | \$17,276 | \$5,759 | \$23,035 | \$23,035 |
| Pond Maintenance | \$57,000 | \$37,696 | \$18,848 | \$56,544 | \$57,000 |

| | | | | | |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Maintenance Expenses | \$80,035 | \$54,972 | \$24,607 | \$79,579 | \$80,035 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|

| | | | | | |
|-----------------------|------------------|------------------|-----------------|------------------|------------------|
| Total Expenses | \$184,853 | \$120,064 | \$49,165 | \$169,228 | \$186,900 |
|-----------------------|------------------|------------------|-----------------|------------------|------------------|

| | | | | | |
|---------------------------------------|------------|-----------------|-------------------|-----------------|------------|
| Excess Revenues (Expenditures) | \$0 | \$67,157 | (\$49,165) | \$17,993 | \$0 |
|---------------------------------------|------------|-----------------|-------------------|-----------------|------------|

| | |
|--------------------------|------------------|
| Net Assessments | \$183,158 |
| Add: Discounts (4%) | \$7,632 |
| Gross Assessments | \$190,790 |

| Product Type | EAU | Units | Total EAU | % of EAU | Total Assessments | Per Unit Gross Assessments |
|----------------------------|------|-------|--------------|-------------|----------------------|-------------------------------|
| Commercial | 1.00 | 96 | 96.00 | 5.65% | \$10,787 | \$112 |
| Single-Family | 2.00 | 801 | 1602.00 | 94.35% | \$180,003 | \$225 |
| Water & Sewer Standby Fees | ---- | 766 | ---- | ---- | \$149,370 | \$195 |
| | | | 1698.00 | 100.00% | \$340,160 | |

Pine Island
Community Development District

Exhibit " A "

Allocation of Operating Reserve

Estimated Funds Available

| | |
|---|-------------------------|
| Beginning Fund Balance - Fiscal Year 2011 | \$176,834 |
| Estimated Excess Revenues - Fiscal Year 2011 | \$17,993 |
| Total Estimated Funds Available - 09/30/11 | <u>\$194,827</u> |

Allocation of Funds Available

| | |
|---|-------------------------|
| Operating Reserve - First Quarter Operating Capital | \$46,725 |
| Renewal and Replacement | \$144,360 |
| Total Reserves | <u>\$191,085</u> |
| Total Undesignated Cash | \$3,742 |

Pine Island
Community Development District
General Fund Budget
Fiscal Year 2012

REVENUES:

Maintenance Assessments

The District will levy a non-ad valorem special assessment on all taxable property within the District to fund all general operating and maintenance expenditures for the Fiscal Year.

Interest Income

The District will invest surplus funds with US Bank.

EXPENDITURES:

Administrative:

Supervisor Fees

The Florida Statutes allows each supervisor to be paid per meeting, for the time devoted to District business and board meetings.

FICA Expense

Represents the Employer's share of Social Security and Medicare taxes withheld from Board of Supervisors checks.

Engineering Fees

The District's engineer will be providing general engineering services to the District, e.g., attendance and preparation for monthly board meetings, reviewing invoices, etc.

Attorney

The District's legal counsel will be providing general legal services to the District, e.g., attendance and preparation for monthly meetings, reviewing operating and maintenance contracts, etc.

Trustee Fees

The District issued Special Assessment Revenue Bonds, which are held with a Trustee at Regions Bank. The amount of the trustee fees is based on the agreement between Regions Bank and the District.

Pine Island
Community Development District
General Fund Budget
Fiscal Year 2012

Arbitrage

The District had contracted with an independent certified public accountant, to annually calculate the District's Arbitrage Rebate Liability on the Series 2004 Special Assessment Bonds. The District hired Grau & Associates to calculate the rebate liability and submit a report to the District.

Collection Agent

These are expenses related to administering the Annual Assessments on the tax roll with the Lake County Tax Collector.

Dissemination

The District is required by the Securities and Exchange Commission to comply with Rule 15(c)(2)-12(b)(5), which relates to additional reporting requirements for un-rated bond issues. The District has contracted with Prager, Sealy & Company, the District's bond underwriter, to provide this service.

Annual Audit

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. The District hired McDirmit, Davis & Company, LLC to audit the financials records.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services – Central Florida, LLC.

Computer Time

The District processes all of its financial activities, e.g., accounts payable, financial statements, etc. on a mainframe computer leased by Governmental Management Services – Central Florida, LLC.

Website Administration

The District costs as they relate to the ongoing maintenance of its own website.

Telephone

Telephone and fax machine.

Postage

Mailing of agenda packages, overnight deliveries, correspondence, etc.

Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, etc.

Pine Island
Community Development District
General Fund Budget
Fiscal Year 2012

Insurance

The District's general liability, public officials liability and property insurance coverages are provide by the Preferred Governmental Insurance Trust.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Other Current Charges

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

Office Supplies

Miscellaneous office supplies.

Tax Collector Fee

The District has contracted with the Lake County Tax Collector to collect the Special Assessments.

Travel & Per Diem

The Board of Supervisors can be reimbursed for travel expenditures related to the conducting of District business.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Florida Department of Community Affairs of \$175. This is the only expense under this category for the District.

MAINTENANCE:

Field Management

The District currently has a contract with Governmental Management Services – Central Florida, LLC. to provide field management services.

Pond Maintenance

Contracted yearly cost to maintain the District's dry ponds.

Pine Island
Community Development District
Proposed Budget
Debt Service
Fiscal Year 2012

| Description | FY2011 Annual Budget | Actual thru 6/30/11 | Projected Next 3 Months | Total Thru 9/30/11 | FY2012 Annual Budget |
|------------------------------------|----------------------------|---------------------------|-------------------------------|--------------------------|----------------------------|
| Revenues | | | | | |
| Special Assessments | \$1,595,906 | \$1,623,237 | \$0 | \$1,655,835 | \$1,629,862 |
| Interest | \$200 | \$223 | \$27 | \$250 | \$200 |
| Carry Forward Surplus ¹ | \$628,575 | \$1,276,577 | \$0 | \$1,276,577 | \$1,294,802 |
| Total Revenue | \$2,224,681 | \$2,900,038 | \$27 | \$2,932,662 | \$2,924,864 |

Expenditures

| | | | | | |
|---------------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| Interest Expense 11/01 | \$607,631 | \$607,631 | \$0 | \$607,631 | \$596,419 |
| Principal Expense 05/01 | \$390,000 | \$390,000 | \$0 | \$390,000 | \$415,000 |
| Interest Expense 05/01 | \$607,631 | \$607,631 | \$0 | \$607,631 | \$596,419 |
| Other Debt Service Cost | \$23,000 | \$12,720 | \$19,877 | \$32,597 | \$32,597 |
| Total Expenses | \$1,628,263 | \$1,617,983 | \$19,877 | \$1,637,860 | \$1,640,435 |
| Excess Revenues (Expenditures) | \$596,419 | \$1,282,055 | (\$19,850) | \$1,294,802 | \$1,284,430 |

Nov 1, 2012 \$584,488

Net Assessments \$1,629,862
Add: Discounts (4%) \$67,911
Gross Assessments \$1,697,773

1. Carry forward surplus is net of Reserves.

| Product Type | EAU | Units | Total EAU | % of EAU | Total Assessments | Per Unit Gross Assessments |
|---------------|------|-------|--------------|-------------|----------------------|-------------------------------|
| Commercial | 1.00 | 96 | 96.00 | 5.65% | \$95,987 | \$1,000 |
| Single-Family | 2.00 | 801 | 1602.00 | 94.35% | \$1,601,786 | \$2,000 |
| | | 897 | 1698.00 | 100.00% | \$1,697,773 | |

Pine Island
Community Development District
 Series 2004 Special Assessment Bonds
 Debt Service Schedule
AMORTIZATION SCHEDULE

| DATE | BALANCE | RATE | PRINCIPAL | INTEREST | TOTAL |
|----------|-----------------|--------|------------------------|------------------------|------------------------|
| 05/01/05 | \$22,780,000.00 | 5.750% | \$0.00 | \$545,770.83 | \$1,200,695.83 |
| 11/01/05 | \$22,780,000.00 | 5.750% | \$0.00 | \$654,925.00 | |
| 05/01/06 | \$22,780,000.00 | 5.750% | \$290,000.00 | \$654,925.00 | \$1,591,512.50 |
| 11/01/06 | \$22,490,000.00 | 5.750% | \$0.00 | \$646,587.50 | |
| 05/01/07 | \$22,490,000.00 | 5.750% | \$310,000.00 | \$646,587.50 | \$1,594,262.50 |
| 11/01/07 | \$22,180,000.00 | 5.750% | \$0.00 | \$637,675.00 | |
| 05/01/08 | \$22,180,000.00 | 5.750% | \$330,000.00 | \$637,675.00 | \$1,595,862.50 |
| 11/01/08 | \$21,850,000.00 | 5.750% | \$0.00 | \$628,187.50 | |
| 05/01/09 | \$21,850,000.00 | 5.750% | \$345,000.00 | \$628,187.50 | \$1,591,456.25 |
| 11/01/09 | \$21,505,000.00 | 5.750% | \$0.00 | \$618,268.75 | |
| 05/01/10 | \$21,505,000.00 | 5.750% | \$370,000.00 | \$618,268.75 | \$1,595,900.00 |
| 11/01/10 | \$21,135,000.00 | 5.750% | \$0.00 | \$607,631.25 | |
| 05/01/11 | \$21,135,000.00 | 5.750% | \$390,000.00 | \$607,631.25 | \$1,594,050.00 |
| 11/01/11 | \$20,745,000.00 | 5.750% | \$0.00 | \$596,418.75 | |
| 05/01/12 | \$20,745,000.00 | 5.750% | \$415,000.00 | \$596,418.75 | \$1,595,906.25 |
| 11/01/12 | \$20,330,000.00 | 5.750% | \$0.00 | \$584,487.50 | |
| 05/01/13 | \$20,330,000.00 | 5.750% | \$435,000.00 | \$584,487.50 | \$1,591,468.75 |
| 11/01/13 | \$19,895,000.00 | 5.750% | \$0.00 | \$571,981.25 | |
| 05/01/14 | \$19,895,000.00 | 5.750% | \$465,000.00 | \$571,981.25 | \$1,595,593.75 |
| 11/01/14 | \$19,430,000.00 | 5.750% | \$0.00 | \$558,612.50 | |
| 05/01/15 | \$19,430,000.00 | 5.750% | \$490,000.00 | \$558,612.50 | \$1,593,137.50 |
| 11/01/15 | \$18,940,000.00 | 5.750% | \$0.00 | \$544,525.00 | |
| 05/01/16 | \$18,940,000.00 | 5.750% | \$520,000.00 | \$544,525.00 | \$1,594,100.00 |
| 11/01/16 | \$18,420,000.00 | 5.750% | \$0.00 | \$529,575.00 | |
| 05/01/17 | \$18,420,000.00 | 5.750% | \$550,000.00 | \$529,575.00 | \$1,593,337.50 |
| 11/01/17 | \$17,870,000.00 | 5.750% | \$0.00 | \$513,762.50 | |
| 05/01/18 | \$17,870,000.00 | 5.750% | \$585,000.00 | \$513,762.50 | \$1,595,706.25 |
| 11/01/18 | \$17,285,000.00 | 5.750% | \$0.00 | \$496,943.75 | |
| 05/01/19 | \$17,285,000.00 | 5.750% | \$615,000.00 | \$496,943.75 | \$1,591,206.25 |
| 11/01/19 | \$16,670,000.00 | 5.750% | \$0.00 | \$479,262.50 | |
| 05/01/20 | \$16,670,000.00 | 5.750% | \$655,000.00 | \$479,262.50 | \$1,594,693.75 |
| 11/01/20 | \$16,015,000.00 | 5.750% | \$0.00 | \$460,431.25 | |
| 05/01/21 | \$16,015,000.00 | 5.750% | \$690,000.00 | \$460,431.25 | \$1,591,025.00 |
| 11/01/21 | \$15,325,000.00 | 5.750% | \$0.00 | \$440,593.75 | |
| 05/01/22 | \$15,325,000.00 | 5.750% | \$735,000.00 | \$440,593.75 | \$1,595,056.25 |
| 11/01/22 | \$14,590,000.00 | 5.750% | \$0.00 | \$419,462.50 | |
| 05/01/23 | \$14,590,000.00 | 5.750% | \$775,000.00 | \$419,462.50 | \$1,591,643.75 |
| 11/01/23 | \$13,815,000.00 | 5.750% | \$0.00 | \$397,181.25 | |
| 05/01/24 | \$13,815,000.00 | 5.750% | \$825,000.00 | \$397,181.25 | \$1,595,643.75 |
| 11/01/24 | \$12,990,000.00 | 5.750% | \$0.00 | \$373,462.50 | |
| 05/01/25 | \$12,990,000.00 | 5.750% | \$870,000.00 | \$373,462.50 | \$1,591,912.50 |
| 11/01/25 | \$12,120,000.00 | 5.750% | \$0.00 | \$348,450.00 | |
| 05/01/26 | \$12,120,000.00 | 5.750% | \$925,000.00 | \$348,450.00 | \$1,595,306.25 |
| 11/01/26 | \$11,195,000.00 | 5.750% | \$0.00 | \$321,856.25 | |
| 05/01/27 | \$11,195,000.00 | 5.750% | \$980,000.00 | \$321,856.25 | \$1,595,537.50 |
| 11/01/27 | \$10,215,000.00 | 5.750% | \$0.00 | \$293,681.25 | |
| 05/01/28 | \$10,215,000.00 | 5.750% | \$1,035,000.00 | \$293,681.25 | \$1,592,606.25 |
| 11/01/28 | \$9,180,000.00 | 5.750% | \$0.00 | \$263,925.00 | |
| 05/01/29 | \$9,180,000.00 | 5.750% | \$1,095,000.00 | \$263,925.00 | \$1,591,368.75 |
| 11/01/29 | \$8,085,000.00 | 5.750% | \$0.00 | \$232,443.75 | |
| 05/01/30 | \$8,085,000.00 | 5.750% | \$1,160,000.00 | \$232,443.75 | \$1,591,537.50 |
| 11/01/30 | \$6,925,000.00 | 5.750% | \$0.00 | \$199,093.75 | |
| 05/01/31 | \$6,925,000.00 | 5.750% | \$1,230,000.00 | \$199,093.75 | \$1,592,825.00 |
| 11/01/31 | \$5,695,000.00 | 5.750% | \$0.00 | \$163,731.25 | |
| 05/01/32 | \$5,695,000.00 | 5.750% | \$1,305,000.00 | \$163,731.25 | \$1,594,943.75 |
| 11/01/32 | \$4,390,000.00 | 5.750% | \$0.00 | \$126,212.50 | |
| 05/01/33 | \$4,390,000.00 | 5.750% | \$1,380,000.00 | \$126,212.50 | \$1,592,750.00 |
| 11/01/33 | \$3,010,000.00 | 5.750% | \$0.00 | \$86,537.50 | |
| 05/01/34 | \$3,010,000.00 | 5.750% | \$1,460,000.00 | \$86,537.50 | \$1,591,100.00 |
| 11/01/34 | \$1,550,000.00 | 5.750% | \$0.00 | \$44,562.50 | |
| 05/01/35 | \$1,550,000.00 | 5.750% | \$1,550,000.00 | \$44,562.50 | \$1,594,562.50 |
| | | | \$22,780,000.00 | \$26,226,708.33 | \$49,006,708.33 |

Pine Island
Community Development District
Proposed Budget
Water & Sewer
Fiscal Year 2012

| Description | FY2011 Annual Budget | Actual thru 6/30/11 | Projected Next 3 Months | Total Thru 9/30/11 | FY2012 Annual Budget |
|--|----------------------------|---------------------------|-------------------------------|--------------------------|----------------------------|
| Revenues | | | | | |
| Water Utility Revenue | | | | | |
| Monthly Potable Water & Irrigation Consumption | \$147,256 | \$110,348 | \$36,908 | \$147,256 | \$147,256 |
| Monthly Wastewater Consumption | \$11,336 | \$12,385 | \$2,615 | \$15,000 | \$15,000 |
| Special Assessments | \$140,774 | \$141,881 | \$0 | \$141,881 | \$143,395 |
| Grinder Pump Revenue | \$0 | \$0 | \$0 | \$0 | \$0 |
| Application Fees | \$0 | \$175 | \$0 | \$175 | \$0 |
| Miscellaneous Revenue | \$5,564 | \$2,311 | \$1,164 | \$3,475 | \$5,564 |
| Meter Fees | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenues | \$304,930 | \$267,100 | \$40,687 | \$307,787 | \$311,215 |

Expenditures

Administrative

| | | | | | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Engineering Fees | \$5,000 | \$2,237 | \$763 | \$3,000 | \$5,000 |
| Legal Fees | \$15,500 | \$8,943 | \$1,907 | \$10,850 | \$15,500 |
| Trustee Fees | \$4,000 | \$0 | \$4,000 | \$4,000 | \$4,000 |
| Arbitrage Rebate | \$1,200 | \$0 | \$1,200 | \$1,200 | \$1,200 |
| Dissemination | \$1,000 | \$1,000 | \$0 | \$1,000 | \$1,000 |
| Annual Audit | \$5,000 | \$0 | \$2,100 | \$2,100 | \$2,150 |
| Management Fees | \$12,281 | \$9,211 | \$3,070 | \$12,281 | \$12,281 |
| Tax Collector Fee | \$0 | \$1,116 | \$1,880 | \$2,996 | \$2,996 |
| Administrative Expenses | \$43,981 | \$22,507 | \$14,920 | \$37,428 | \$44,127 |

Operations

| | | | | | |
|--|----------|----------|----------|----------|----------|
| Electricity | \$35,000 | \$18,297 | \$6,853 | \$25,150 | \$35,000 |
| Telephone | \$3,000 | \$1,905 | \$645 | \$2,550 | \$3,000 |
| Insurance | \$15,500 | \$14,475 | \$0 | \$14,475 | \$15,500 |
| Repairs & Maintenance | \$25,000 | \$18,323 | \$1,577 | \$19,900 | \$25,000 |
| Water Plant Services (General Utilities) | \$34,673 | \$23,338 | \$9,602 | \$32,940 | \$42,407 |
| Wastewater Plant Service (General Utilities) | \$85,000 | \$61,917 | \$19,783 | \$81,700 | \$96,500 |
| Sludge Disposal | \$4,000 | \$0 | \$1,000 | \$1,000 | \$4,000 |
| Chemicals | \$2,053 | \$0 | \$513 | \$513 | \$2,053 |

Pine Island
 Community Development District
 Proposed Budget
 Water & Sewer
 Fiscal Year 2012

| Description | FY2011 Annual Budget | Actual thru 6/30/11 | Projected Next 3 Months | Total Thru 9/30/11 | FY2012 Annual Budget |
|---|----------------------------|---------------------------|-------------------------------|--------------------------|----------------------------|
| Contractual Services (Utility Technicians) | \$10,000 | \$8,981 | \$1,019 | \$10,000 | \$10,000 |
| Fuel Expense | \$5,000 | \$0 | \$1,250 | \$1,250 | \$4,503 |
| Landscape Maintenance | \$12,864 | \$8,936 | \$4,288 | \$13,224 | \$13,500 |
| Capital Outlay | \$3,859 | \$0 | \$0 | \$0 | \$15,625 |
| Capital Reserve | \$25,000 | \$5,670 | \$0 | \$5,670 | \$0 |
| <i>SUBTOTAL OPERATIONS</i> | \$260,949 | \$161,842 | \$46,530 | \$208,372 | \$267,088 |
| <i>TOTAL EXPENDITURES</i> | \$304,930 | \$184,349 | \$61,451 | \$245,799 | \$311,215 |
| OPERATING INCOME | \$0 | \$82,752 | (\$20,764) | \$61,988 | \$0 |
| <u>NON-OPERATING REVENUES EXPENDITURES</u> | | | | | |
| Interest Income | \$0 | \$14 | \$6 | \$20 | \$0 |
| <i>TOTAL NON-OPERATING REVENUES EXPENDITURES</i> | \$0 | \$14 | \$6 | \$20 | \$0 |
| Net Operating Income (Loss) | \$0 | \$82,765 | (\$20,758) | \$62,008 | \$0 |
| RETAINED EARNING- BEGINNING | \$0 | \$304,524 | \$0 | \$304,524 | \$0 |
| RETAINED EARNING- ENDING | \$0 | \$387,289 | (\$20,758) | \$366,532 | \$0 |

| | |
|------------------------------------|------------------|
| NET SPECIAL ASSESSMENTS | \$143,395 |
| ADD: DISCOUNTS (4%) | \$5,975 |
| GROSS SPECIAL ASSESSMENTS | \$149,370 |
| UNDEVELOPED LOTS | 766 |
| PER LOT SPECIAL ASSESSMENTS | \$195 |

Pine Island
Community Development District
Water & Sewer Budget
Fiscal Year 2012

REVENUES:

Monthly Potable Water Consumption

Estimated water and irrigation revenue.

Monthly Wastewater Consumption

Estimated wastewater revenue.

Special Assessments

The District will levy a non-ad valorem special assessment on all taxable property within the District to fund operating and maintenance expenditures for the Fiscal Year.

Grinder Pump Revenue

Estimated revenue is based upon FY2011 figures.

Application Fees

Represents application fees paid by new customers.

Miscellaneous Revenue

Represents any miscellaneous revenues.

Meter Fees

Represents meter installation fees paid by new customers.

EXPENDITURES:

ADMINISTRATIVE:

Engineering Fees

The District's engineer will be providing general engineering services to the District, e.g., attendance and preparation for monthly board meetings, reviewing invoices, etc.

Attorney

The District's legal counsel will be providing general legal services to the District, e.g., attendance and preparation for monthly meetings, reviewing operating and maintenance contracts, etc.

Trustee Fees

The District issued Special Assessment Revenue Bonds, which are held with a Trustee at Regions Bank. The amount of the trustee fees is based on the agreement between Regions Bank and the District.

Pine Island
Community Development District

Water & Sewer Budget
Fiscal Year 2012

Arbitrage

The District had contracted with an independent certified public accountant, to annually calculate the District's Arbitrage Rebate Liability on the Series 2004 Utility System Bonds. The District hired Grau & Associates to calculate the rebate liability and submit a report to the District.

Dissemination Agent

The District is required by the Securities and Exchange Commission to comply with Rule 15(c)(2)-12(b)(5), which relates to additional reporting requirements for un-rated bond issues. The District has contracted with Prager, Sealy & Company, the District's bond underwriter, to provide this service.

Annual Audit

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. The District hired McDirmit, Davis & Company to audit the financials records.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services – Central Florida, LLC.

Tax Collector Fee

The District has contracted with the Lake County Tax Collector to collect the Special Assessments.

OPERATIONS:

Electricity

This item represents utility service costs for electricity.

Telephone

This is for service for the water and wastewater plants phone lines.

Insurance

The District's property insurance coverages are provided by Preferred Governmental Insurance Trust.

Repairs and Maintenance

Any costs related to miscellaneous repairs and maintenance that occur during the fiscal year.

