

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2015

Version 2 - Approved Tentative Budget
(approved at 5/13/14 meeting)

Prepared by:



WATERCHASE

Community Development District

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Community Development District

Operating Budget

Fiscal Year 2015

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2015 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	BUDGET	THRU	APR-	PROJECTED	BUDGET
		FY 2014	MAR-14	SEP-2014	FY 2014	FY 2015
REVENUES						
Interest - Investments	\$ 3,321	\$ 1,200	\$ 1,361	\$ 1,000	\$ 2,361	\$ 1,200
Special Assmnts- Tax Collector	338,405	338,404	315,303	23,102	338,405	338,405
Special Assmnts- Discounts	(11,975)	(13,536)	(12,261)	-	(12,261)	(13,536)
TOTAL REVENUES	329,751	326,068	304,403	24,102	328,505	326,068

EXPENDITURES

Administrative

P/R-Board of Supervisors	7,600	7,000	2,800	4,000	6,800	7,000
FICA Taxes	581	536	214	306	520	536
ProfServ-Arbitrage Rebate	-	600	-	600	600	600
ProfServ-Dissemination Agent	-	1,000	1,000	-	1,000	1,000
ProfServ-Engineering	8,600	9,000	7,323	7,323	14,646	9,000
ProfServ-Legal Services	3,660	8,000	1,116	1,116	2,232	8,000
ProfServ-Mgmt Consulting Serv	53,430	53,430	26,715	26,715	53,430	53,430
ProfServ-Property Appraiser	6,366	6,768	6,061	707	6,768	6,768
ProfServ-Special Assessment	9,000	9,000	9,000	-	9,000	9,000
ProfServ-Trustee	-	4,000	-	4,000	4,000	4,600
Auditing Services	4,800	4,800	4,800	-	4,800	4,800
Postage and Freight	1,022	500	134	761	895	900
Insurance - General Liability	7,061	8,120	7,467	-	7,467	8,214
Printing and Binding	2,006	2,300	801	1,261	2,062	2,300
Legal Advertising	982	2,500	41	970	1,011	2,500
Misc-Bank Charges	473	550	253	304	557	550
Misc-Assessmnt Collection Cost	4,780	6,768	6,061	707	6,768	6,768
Misc-Contingency	2	1,000	6	8	14	1,000
Office Supplies	5	100	-	5	5	100
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	110,543	126,147	73,967	48,783	122,750	127,240

Field

Contracts-Wetland Mitigation	5,524	5,562	2,700	2,700	5,400	5,562
Contracts-Lakes Consultant	-	15,000	10,846	-	10,846	15,000
Contracts-Lakes	21,966	21,642	10,506	10,506	21,012	21,642
Contracts-Canal Maint/Cleaning	6,338	6,662	3,234	3,234	6,468	6,662
Contracts-RTR Landscaping	4,419	5,092	-	4,010	4,010	8,020
Contracts-RTR Irrigation	-	4,000	-	-	-	-
Electricity - Streetlighting	16,125	18,000	8,423	8,423	16,846	18,000

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2015 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	BUDGET FY 2014	THRU MAR-14	APR- SEP-2014	PROJECTED FY 2014	BUDGET FY 2015
R&M-Lake	40,000	20,000	3,750	3,750	7,500	20,000
R&M-Irrigation	-	-	-	-	-	3,000
R&M-Streetlights	10,645	15,000	113	113	226	14,400
R&M-Landscape Pond Area	-	-	-	-	-	1,200
R&M-RTR Landscaping	1,250	3,000	-	-	-	-
R&M-RTR Irrigation	-	3,000	-	-	-	-
Misc-Contingency	43,013	20,000	13,682	13,682	27,364	22,379
Reserve-Lake Embankm/Drainage	1,050	25,000	-	-	-	25,000
Reserve - Streetlights	-	37,963	45,390	-	45,390	37,963
Total Field	150,330	199,921	98,644	46,418	145,062	198,828
TOTAL EXPENDITURES	260,873	326,068	172,611	95,201	267,812	326,068
Excess (deficiency) of revenues						
Over (under) expenditures	68,878	-	131,792	(71,099)	60,693	-
Net change in fund balance	68,878	-	131,792	(71,099)	60,693	-
FUND BALANCE, BEGINNING	575,284	644,162	644,162	-	644,162	704,855
FUND BALANCE, ENDING	\$ 644,162	\$ 644,162	\$ 775,954	\$ (71,099)	\$ 704,855	\$ 704,855

Budget Narrative

Fiscal Year 2015

REVENUES**Interest – Investments**

The District earns interest on funds held in a checking account with SunTrust and invests funds in money market accounts and certificate of deposits.

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 – Discount

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments. 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 a member of the Board of Supervisors to be compensated for a meeting attendance and to receive \$200 per meeting plus payroll taxes. The amount for the Fiscal Year is based upon all supervisors attending the meetings.

FICA Taxes

Payroll taxes for Supervisors' salaries are calculated at 7.65% of gross payroll.

Professional Services-Engineering Fees

The District's engineer will be providing general engineering services to the District, i.e. attendance and preparation for monthly board meetings, review invoices, etc. Fees are based on prior year activity.

Professional Services-Legal Services

The District's legal counsel will be providing general legal services to the District, i.e. attendance and preparation for monthly meetings, review operating and maintenance contracts, etc. Fees are based on prior year legal expenses.

Professional Services-Mgmt Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental Services, Inc. These services are further outlined in Exhibit "A" of the Management Agreement. The fees are related to the current contracted fees.

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 the 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 FY2015 budget for property appraiser cost was based on 2% of gross assessments.

Budget Narrative

Fiscal Year 2015

Professional Services-Special Assessment

The District has contracted with Severn Trent Management Services, Inc. for the collection of assessments, updating the District's tax roll and levying the annual assessment.

Professional Services-Arbitrage Rebate

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on the Series of Benefit Special Assessment Bonds. The amount is based on standard fees charged for this service.

Professional Services-Dissemination Agent

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b) (5), which relates to additional reporting requirements for unrelated bond issues. The District has contracted for this service and the amount is based on the contracted amount.

Professional Services-Trustee

The District issued Series of Special Assessment Bonds that are deposited with a Trustee to handle all trustee matters. The annual trustee fee is based on standard fees charged plus a projected 15% increase.

Auditing Services

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. Fee is based on existing year's engagement letter.

Postage & Freight

Mailing of agenda packages, overnight deliveries, correspondence, etc

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 amount is based upon similar Community Development Districts and a projected 10% increase.

Printing & Binding

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

Legal Advertising

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

Misc-Bank Charges

This represents SunTrust analysis fees which are paid monthly.

Misc- Assessment Collection Cost

The District reimburses the Tax Collector for her or his necessary administrative costs. Per the 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 FY2015 budget for collection cost was based on a maximum of 2% of the anticipated assessment collections.

Budget Narrative

Fiscal Year 2015

Misc-Contingency

This represents any additional administrative expenditure that may not have been provided for in the budget.

Office Supplies

Miscellaneous office supplies required to prepare agenda packages.

Annual District Filing Fee

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

Field - Operations and Maintenance:**Contracts-Wetland Mitigation**

It is required that the District establishes a surface water quality program, which will consist of sampling and analysis from various points within the District. The District's Consulting Engineer will determine these points.

Contracts-Lakes Consultant

The District will contract an engineering firm to assist in the restoration of lake banks.

Contracts-Lakes

The District will contract to maintain the lakes located within the District. The contract will include aquatic weed control and water chemistry testing required by FEC plant management program.

Contracts-Canal Maint/Cleaning

The District will contract to maintain the canals located within the District.

Contracts-RTR Landscaping

The District has contracted with Greenpoint Property Services to maintain the Racetrack Road median from the bridge.

Electricity-Streetlighting

Expenses related to streetlighting usage for District facilities and assets. Costs based on historical expenses from TECO.

R&M-Lake

The expense of repairs and maintenance to the lakes that are not planned for in the contract.

R&M- Irrigation

Miscellaneous expenses to maintain irrigation.

R&M-Streetlights

Repairs to streetlights provided as needed by D'Andrea Electric Inc.

Misc-Contingency

This represents any additional field expenditure that may not have been provided for in the budget.

Budget Narrative

Fiscal Year 2015

Reserve-Lake Embankment/Drainage

Funds to be set aside for future lake embankment & drainage expenditures as determined by the BOS.

Reserve-Streelights

Funds to be set aside for future streetlight expenditures as determined by the BOS.

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2015	\$ 704,855
Net Change in Fund Balance - Fiscal Year 2015	-
Reserves - Fiscal Year 2015 Additions	62,963
Total Funds Available (Estimated) - 9/30/2015	767,818

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve (1)		65,776 ⁽¹⁾
Reserves - Lake Embankmnt/Drainage	273,200	-
Reserves - Lake Embankmnt/Drainage-FY13	23,950	
Reserves - Lake Embankmnt/Drainage-FY14	25,000	
Reserves - Lake Embankmnt/Drainage-FY15	<u>25,000</u>	347,150
Reserves - Streetlights	145,283	
Reserves - Streetlights-FY13	64,530	
Reserves - Streetlights-FY14	(7,427)	
Reserves - Streetlights-FY15	<u>37,963</u>	240,349
	Subtotal	<u>653,275</u>

Total Allocation of Available Funds	653,275
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Total Unassigned (undesignated) Cash	\$ 114,543
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Notes

(1) Represents approximately 3 months of operating expenditures

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Debt Service Budgets

Fiscal Year 2015

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2015 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2013	ADOPTED BUDGET FY 2014	ACTUAL THRU MAR-14	PROJECTED APR- SEP-2014	TOTAL PROJECTED FY 2014	ANNUAL BUDGET FY 2015
REVENUES						
Interest - Investments	\$ 210	\$ -	\$ 80	\$ 112	\$ 192	\$ -
Special Assmnts- Tax Collector	794,461	794,461	740,226	54,235	794,461	794,461
Special Assmnts- Discounts	(28,113)	(31,778)	(28,785)	-	(28,785)	(31,778)
TOTAL REVENUES	766,558	762,683	711,521	54,347	765,868	762,683
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Arbitrage Rebate	600	-	-	-	-	-
ProfServ-Dissemination Agent	1,000	-	-	-	-	-
ProfServ-Property Appraiser	14,944	15,889	14,229	1,660	15,889	15,889
ProfServ-Trustee	3,770	-	-	-	-	-
Misc-Assessmnt Collection Cost	11,222	15,889	14,229	1,660	15,889	15,889
Total Administrative	31,536	31,778	28,458	3,320	31,778	31,778
<i>Debt Service</i>						
Debt Retirement Series A	315,000	325,000	-	325,000	325,000	340,000
Interest Expense Series A	420,375	408,563	204,281	204,281	408,562	395,563
Total Debt Service	735,375	733,563	204,281	529,281	733,562	735,563
TOTAL EXPENDITURES	766,911	765,341	232,739	532,601	765,340	767,341
Excess (deficiency) of revenues Over (under) expenditures	(353)	(2,658)	478,782	(478,254)	528	(4,658)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(2,658)	-	-	-	(4,658)
TOTAL OTHER SOURCES (USES)	-	(2,658)	-	-	-	(4,658)
Net change in fund balance	(353)	(2,658)	478,782	(478,254)	528	(4,658)
FUND BALANCE, BEGINNING	296,741	296,388	296,388	-	296,388	296,916
FUND BALANCE, ENDING	\$ 296,388	\$ 293,730	\$ 775,170	\$ (478,254)	\$ 296,916	\$ 292,258

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**Debt Amortization
Series 2007**

Date	Principal	Interest	Principal Balance
11/1/2014		\$197,781.25	\$9,025,000.00
5/1/2015	\$340,000.00	\$197,781.25	\$8,685,000.00
11/1/2015		\$190,981.25	\$8,685,000.00
5/1/2016	\$355,000.00	\$190,981.25	\$8,330,000.00
11/1/2016		\$183,881.25	\$8,330,000.00
5/1/2017	\$370,000.00	\$183,881.25	\$7,960,000.00
11/1/2017		\$176,481.25	\$7,960,000.00
5/1/2018	\$385,000.00	\$176,481.25	\$7,575,000.00
11/1/2018		\$168,300.00	\$7,575,000.00
5/1/2019	\$400,000.00	\$168,300.00	\$7,175,000.00
11/1/2019		\$159,800.00	\$7,175,000.00
5/1/2020	\$420,000.00	\$159,800.00	\$6,755,000.00
11/1/2020		\$150,875.00	\$6,755,000.00
5/1/2021	\$435,000.00	\$150,875.00	\$6,320,000.00
11/1/2021		\$141,631.25	\$6,320,000.00
5/1/2022	\$455,000.00	\$141,631.25	\$5,865,000.00
11/1/2022		\$131,962.50	\$5,865,000.00
5/1/2023	\$475,000.00	\$131,962.50	\$5,390,000.00
11/1/2023		\$121,275.00	\$5,390,000.00
5/1/2024	\$495,000.00	\$121,275.00	\$4,895,000.00
11/1/2024		\$110,137.50	\$4,895,000.00
5/1/2025	\$520,000.00	\$110,137.50	\$4,375,000.00
11/1/2025		\$98,437.50	\$4,375,000.00
5/1/2026	\$545,000.00	\$98,437.50	\$3,830,000.00
11/1/2026		\$86,175.00	\$3,830,000.00
5/1/2027	\$570,000.00	\$86,175.00	\$3,260,000.00
11/1/2027		\$73,350.00	\$3,260,000.00
5/1/2028	\$595,000.00	\$73,350.00	\$2,665,000.00
11/1/2028		\$59,962.50	\$2,665,000.00
5/1/2029	\$625,000.00	\$59,962.50	\$2,040,000.00
11/1/2029		\$45,900.00	\$2,040,000.00
5/1/2030	\$650,000.00	\$45,900.00	\$1,390,000.00
11/1/2030		\$31,275.00	\$1,390,000.00
5/1/2031	\$680,000.00	\$31,275.00	\$710,000.00
11/1/2031		\$15,975.00	\$710,000.00
5/1/2032	\$710,000.00	\$15,975.00	\$0.00
	\$9,025,000.00	\$4,288,362.50	

Budget Narrative
Fiscal Year 2015**REVENUES****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 debt service expenditures during the Fiscal Year.

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.

EXPENDITURES**Administrative:****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 the 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 FY2015 budget for property appraiser cost was based on 2% of the anticipated assessment collections.

Misc – Assessment Collection Costs

The District reimburses the Hillsborough County Tax Collector for necessary administrative costs. Per the 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 FY2015 budget for collection cost was based on a maximum of 2% of the anticipated assessment collections.

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Supporting Budget Schedules

Fiscal Year 2015

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Comparison of Assessment Rates Fiscal Year 2015 vs. Fiscal Year 2014

Village	Phase	General Fund 001			Debt Service 2007			Total Assessments per Unit			Platted	Prepaid
		FY 2015	FY 2014	Percent Change	FY 2015	FY 2014	Percent Change	FY 2015	FY 2014	Percent Change	Units	Units
A-60'	1A	\$442.36	\$442.36	0%	\$825.44	\$825.44	0%	\$1,267.80	\$1,267.80	0%	44	0
A-60'	2-4	\$442.36	\$442.36	0%	\$1,006.89	\$1,006.89	0%	\$1,449.25	\$1,449.25	0%	63	0
B-45'	1A	\$442.36	\$442.36	0%	\$566.22	\$566.22	0%	\$1,008.58	\$1,008.58	0%	56	0
C-50'	1A	\$442.36	\$442.36	0%	\$652.90	\$652.90	0%	\$1,095.26	\$1,095.26	0%	46	0
C-50'	2-4	\$442.36	\$442.36	0%	\$733.09	\$733.09	0%	\$1,175.45	\$1,175.45	0%	55	0
D-90'	1A	\$442.36	\$442.36	0%	\$1,525.32	\$1,525.32	0%	\$1,967.68	\$1,967.68	0%	20	0
D-90'	2-4	\$442.36	\$442.36	0%	\$1,954.65	\$1,954.65	0%	\$2,397.01	\$2,397.01	0%	71	0
E-80'	1A	\$442.36	\$442.36	0%	\$1,282.31	\$1,282.31	0%	\$1,724.67	\$1,724.67	0%	41	0
E-80'	1B	\$442.36	\$442.36	0%	\$1,492.92	\$1,492.92	0%	\$1,935.28	\$1,935.28	0%	15	0
E-80'	2-4	\$442.36	\$442.36	0%	\$1,703.53	\$1,703.53	0%	\$2,145.89	\$2,145.89	0%	40	0
F-70'	2-4	\$442.36	\$442.36	0%	\$1,296.08	\$1,296.08	0%	\$1,738.44	\$1,738.44	0%	68	0
G-70'	2-4	\$442.36	\$442.36	0%	\$1,296.08	\$1,296.08	0%	\$1,738.44	\$1,738.44	0%	74	0
H-70'	1A	\$442.36	\$442.36	0%	\$1,032.00	\$1,032.00	0%	\$1,474.36	\$1,474.36	0%	40	0
TH	2-4	\$442.36	\$442.36	0%	\$416.11	\$416.11	0%	\$858.47	\$858.47	0%	132	0
											765	0