

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2019

Version 1 - Approved Tentative Budget

5/17/2018

Prepared by:



WATERCHASE

Community Development District

Budget Overview

Fiscal Year 2019

WATERCHASE

Community Development District

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Community Development District

Operating Budget

Fiscal Year 2019

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2019 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET	THRU	APR-	PROJECTED	BUDGET
			FY 2018	MAR-2018	SEP-2018	FY 2018	FY 2019
REVENUES							
Interest - Investments	\$ 4,468	6,410	\$ 3,500	\$ 3,701	\$ (201)	\$ 3,500	\$ 3,500
Special Assmnts- Tax Collector	338,405	337,972	338,404	323,298	15,107	338,405	338,248
Special Assmnts- Delinquent	-	-	-	433	(433)	-	-
Special Assmnts- Discounts	(12,024)	(12,203)	(13,536)	(12,516)	-	(12,516)	(13,530)
Other Miscellaneous Revenues	1,250	1,500	-	750	-	-	-
TOTAL REVENUES	332,099	333,679	328,368	315,666	14,473	329,389	328,218
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	7,200	10,000	9,000	6,200	3,000	9,200	9,000
FICA Taxes	551	765	689	474	230	704	689
ProfServ-Arbitrage Rebate	600	600	600	-	600	600	600
ProfServ-Dissemination Agent	1,000	-	1,000	1,000	-	1,000	1,000
ProfServ-Engineering	8,719	49,379	9,000	13,237	32,737	45,974	9,000
ProfServ-Legal Services	7,384	9,886	8,000	2,884	5,116	8,000	8,000
ProfServ-Mgmt Consulting Serv	53,430	56,100	56,100	28,050	28,050	56,100	56,100
ProfServ-Special Assessment	9,000	9,000	9,000	9,000	-	9,000	9,000
ProfServ-Trustee	4,337	4,537	4,337	-	4,337	4,337	4,337
ProfServ-Web Site Development	1,000	1,000	1,000	-	1,000	1,000	1,000
Auditing Services	4,800	4,823	4,823	1,000	3,823	4,823	4,823
Postage and Freight	132	912	900	152	752	904	900
Insurance - General Liability	7,670	7,760	8,536	7,760	7,760	8,536	9,390
Printing and Binding	725	173	1,500	185	954	1,139	1,500
Legal Advertising	407	3,579	1,500	1,581	-	1,581	1,500
Misc-Bank Charges	168	9	200	-	-	-	200
Misc-Assessmnt Collection Cost	4,577	4,447	6,768	6,224	302	6,526	6,765
Misc-Contingency	31	306	1,000	172	150	322	1,000
Office Supplies	-	-	100	-	25	25	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	111,906	163,451	124,228	78,094	88,835	159,946	125,078

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2019 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET FY 2018	THRU MAR-2018	APR- SEP-2018	PROJECTED FY 2018	BUDGET FY 2019
<i>Field</i>							
Contracts-Wetland Mitigation	5,400	5,400	5,400	2,700	2,700	5,400	5,400
Contracts-Lakes	21,012	21,012	21,012	10,506	10,506	21,012	21,012
Contracts-Canal Maint/Cleaning	6,468	6,468	6,468	3,234	3,234	6,468	6,468
Contracts-Aquatic Midge Mgmt	-	15,015	12,870	4,290	8,580	12,870	12,870
Contracts-RTR Landscaping	8,220	9,070	9,070	4,535	4,535	9,070	9,070
Electricity	13,891	14,607	15,000	12,341	12,341	24,682	30,000
R&M-Fountain	-	1,650	1,000	335	665	1,000	1,000
R&M-Irrigation	-	-	3,000	818	2,182	3,000	3,000
R&M-Lake	12,080	-	20,000	-	20,000	20,000	20,000
R&M-Streetlights	7,016	11,229	14,400	6,955	7,445	14,400	14,400
R&M-Landscape Pond Areas	250	-	1,200	938	262	1,200	1,200
Misc-Hurricane Expense	-	-	-	5,000	-	-	-
Misc-Contingency	6,153	996	23,110	20,985	2,125	23,110	78,720
Impr-Fountain	43,770	9,675	-	-	-	-	-
Reserve-Lake Embankm/Drainage	-	149,394	70,610	-	-	-	-
Total Field	124,260	244,694	204,140	72,637	74,575	142,212	203,140
TOTAL EXPENDITURES	236,166	408,145	328,368	150,731	163,410	302,158	328,218
Excess (deficiency) of revenues Over (under) expenditures	95,933	(74,466)	-	164,935	(148,937)	27,232	-
Net change in fund balance	95,933	(74,466)	-	164,935	(148,937)	27,232	-
FUND BALANCE, BEGINNING	827,241	923,174	848,708	848,708	-	1,013,643	1,040,875
FUND BALANCE, ENDING	\$ 923,174	\$ 848,708	\$ 848,708	\$ 1,013,643	\$ (148,937)	\$ 1,040,875	\$ 1,040,875

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2019	\$ 1,040,875
Net Change in Fund Balance - Fiscal Year 2019	-
Reserves - Fiscal Year 2019 Additions	-
Total Funds Available (Estimated) - 9/30/2019	1,040,875

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve (1)		\$ 82,054 ⁽¹⁾
Reserves - Fountains-FY19 Proposed		-
Reserves - Lake Embankmnt/Drainage	273,200	
Reserves - Lake Embankmnt/Drainage-FY13	23,950	
Reserves - Lake Embankmnt/Drainage-FY14	25,000	
Reserves - Lake Embankmnt/Drainage-5.12.15 motion	83,713	
Reserves - Lake Embankmnt/Drainage-FY15	25,000	
Reserves - Lake Embankmnt/Drainage-12.08.15 motion	90,349	
Reserves - Lake Embankmnt/Drainage-FY16	47,963	
Reserves - Lake Embankmnt/Drainage-11.09.16 motion	15,000	
Reserves - Lake Embankmnt/Drainage-FY17 motion	26,622	
Reserves - Lake Embankmnt/Drainage-FY18	70,610	
Reserves - Lake Embankmnt/Drainage-FY19	-	681,407
	<hr/>	
Reserves - Streetlights	145,283	
Reserves - Streetlights-FY13	64,530	
Reserves - Streetlights-FY14	(7,427)	
Reserves - Streetlights-FY15	37,963	
Reserves - Streetlights- 12.08.15 motion	(90,349)	150,000
	<hr/>	
	Subtotal	<hr/> 913,461 <hr/>

Total Allocation of Available Funds	913,461
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Total Unassigned (undesignated) Cash	\$ 127,413
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Notes

(1) Represents approximately 3 months of operating expenditures

Budget Narrative

Fiscal Year 2019

REVENUES**Interest – Investments**

The District earns interest on funds held in money market accounts and certificates of deposit.

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 are calculated at 7.65% of gross payroll.

Professional Services-Arbitrage Rebate

The District has contracted with LLS to calculate the District's Arbitrage Rebate Liability on the Series of Benefit Special Assessment Bonds. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Professional Services - Dissemination Agent

The District is required by the Securities and Exchange Commission to comply with Rule 15c2-12(b)-(5), which relates to additional reporting requirements for unrelated bond issues. The budgeted amount for the fiscal year is based on standard fees charged for this service.

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.

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.

Professional Services-Mgmt Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services. These services are further outlined in Exhibit "A" of the Management Agreement.

Professional Services-Special Assessment

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

Budget Narrative

Fiscal Year 2019

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.

Professional Services-Web Site Development

The District contracted with Inframark Infrastructure Management Services to maintain the Districts website & email addresses.

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 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 cost was based on a maximum of 2% of the anticipated assessment collections.

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.

Budget Narrative

Fiscal Year 2019

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

The District is required to establish a surface water quality program which will consist of sampling and analysis from various points within the District as determined by the consulting engineer.

Contracts-Lakes

The District's lake maintenance 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-Aquatic Midge Management

The District contracted with Aquatic Systems to provide midge fly treatments six times a year per established schedule.

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 TECO streetlighting usage for District facilities and assets based on historical costs.

Electricity-Fountain

Expenses related to TECO electricity usage for District's fountains.

R&M-Fountain

The expense of repairs and maintenance to the District's fountains.

R&M- Irrigation

Miscellaneous expenses to maintain irrigation.

R&M-Lake

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

R&M-Streetlights

The expense of repairs and maintenance to streetlights.

R&M-Landscape Pond Areas

Represents expenses to maintain the landscape surrounding the lakes.

Misc-Contingency

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

Reserve-Lake Embankment/Drainage

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

Budget Narrative

Fiscal Year 2019

REVENUES – Debt Service**Interest – Investments**

The District earns interest on funds held in money market accounts and certificates of deposit.

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 - Debt Service**Misc- Assessment Collection Cost**

The District reimburses the 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 cost was based on a maximum of 2% of the anticipated assessment collections.

Principal Debt Retirement

The District pays regular principal payments annually in order to pay down/retire the debt.

Interest Expense

The District pays interest expense on the debt twice during the year.

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Community Development District

Debt Service Budget

Fiscal Year 2019

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2019 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	BUDGET FY 2018	THRU MAR - 2018	APR SEP-2018	PROJECTED FY 2018	BUDGET FY 2019
REVENUES						
Interest - Investments	\$ 745	-	\$ 150	\$ 150	\$ 300	\$ -
Interest - Tax Collector	-	-	139	-	-	-
Special Assmnts- Tax Collector	793,445	794,461	758,032	36,429	794,461	737,129
Special Assmnts - Delinquent	-	-	1,016	-	-	-
Special Assmnts- Discounts	(28,649)	(31,778)	(29,346)	(1,457)	(31,778)	(29,485)
TOTAL REVENUES	765,541	762,683	729,991	35,122	762,983	707,644
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	10,470	15,889	14,594	729	15,323	14,743
Total Administrative	10,470	15,889	14,594	729	15,323	14,743
<i>Non-Operating</i>						
DS Costs-Miscellaneous	-	-	8,156,844	-	-	-
Total Non-Operating	-	-	8,156,844	-	-	-
<i>Debt Service</i>						
Debt Retirement Series A	370,000	385,000	-	432,000	432,000	446,000
Prepayments Series A	5,000	-	-	-	-	-
Interest Expense Series A	367,763	352,738	3,500	126,000	129,499	238,607
Cost of Issuance	-	-	239,856	-	-	-
Total Debt Service	742,763	737,738	243,356	558,000	561,499	684,607
TOTAL EXPENDITURES	753,233	753,627	8,414,794	558,728	576,822	699,350
Excess (deficiency) of revenues Over (under) expenditures	12,308	9,056	(7,684,803)	(523,606)	186,160	8,294
OTHER FINANCING SOURCES (USES)						
Interfund Transfer - In	-	-	348,120	-	-	-
Proceeds of Refunding Bonds	-	-	8,129,000	-	-	-
Contribution to (Use of) Fund Balance	-	9,056	-	-	-	8,294
TOTAL OTHER SOURCES (USES)	-	9,056	8,477,120	-	-	8,294
Net change in fund balance	12,308	9,056	792,317	(523,606)	186,160	8,294
FUND BALANCE, BEGINNING	325,668	337,976	347,032	1,139,349	615,742	801,903
FUND BALANCE, ENDING	\$ 337,976	\$ 347,032	\$ 1,139,349	\$ 615,742	\$ 801,903	\$ 810,197

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Community Development District

**Debt Amortization
Series 2017**

Date	Rate	Principal	Interest	ADS
11/1/2018			\$119,303.50	\$119,303.50
5/1/2019	3.10%	\$446,000.00	\$119,303.50	\$565,303.50
11/1/2019			\$112,390.50	\$112,390.50
5/1/2020	3.10%	\$460,000.00	\$112,390.50	\$572,390.50
11/1/2020			\$105,260.50	\$105,260.50
5/1/2021	3.10%	\$475,000.00	\$105,260.50	\$580,260.50
11/1/2021			\$97,898.00	\$97,898.00
5/1/2022	3.10%	\$489,000.00	\$97,898.00	\$586,898.00
11/1/2022			\$90,318.50	\$90,318.50
5/1/2023	3.10%	\$505,000.00	\$90,318.50	\$595,318.50
11/1/2023			\$82,491.00	\$82,491.00
5/1/2024	3.10%	\$521,000.00	\$82,491.00	\$603,491.00
11/1/2024			\$74,415.50	\$74,415.50
5/1/2025	3.10%	\$537,000.00	\$74,415.50	\$611,415.50
11/1/2025			\$66,092.00	\$66,092.00
5/1/2026	3.10%	\$554,000.00	\$66,092.00	\$620,092.00
11/1/2026			\$57,505.00	\$57,505.00
5/1/2027	3.10%	\$572,000.00	\$57,505.00	\$629,505.00
11/1/2027			\$48,639.00	\$48,639.00
5/1/2028	3.10%	\$589,000.00	\$48,639.00	\$637,639.00
11/1/2028			\$39,509.50	\$39,509.50
5/1/2029	3.10%	\$608,000.00	\$39,509.50	\$647,509.50
11/1/2029			\$30,085.50	\$30,085.50
5/1/2030	3.10%	\$627,000.00	\$30,085.50	\$657,085.50
11/1/2030			\$20,367.00	\$20,367.00
5/1/2031	3.10%	\$647,000.00	\$20,367.00	\$667,367.00
11/1/2031			\$10,338.50	\$10,338.50
5/1/2032	3.10%	\$667,000.00	\$10,338.50	\$677,338.50
		\$7,697,000.00	\$1,909,228.00	\$9,606,228.00

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Community Development District

Supporting Budget Schedules

Fiscal Year 2019

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Community Development District

Comparison of Assessment Rates Fiscal Year 2019 vs. Fiscal Year 2018

Village	Phase	General Fund 001			Debt Service 2017			Total Assessments per Unit			Platted	Bond	Prepaid
		FY 2019	FY 2018	Percent Change	FY 2019	FY 2018	Percent Change	FY 2019	FY 2018	Percent Change	Units	Units	Units
A-60'	1A	\$442.15	\$442.36	0%	\$766.84	\$825.44	-7%	\$1,209.00	\$1,267.80	-5%	44	44	0
A-60'	2-4	\$442.15	\$442.36	0%	\$935.41	\$1,006.89	-7%	\$1,377.57	\$1,449.25	-5%	63	62	0
B-45'	1A	\$442.15	\$442.36	0%	\$526.03	\$566.22	-7%	\$968.18	\$1,008.58	-4%	56	56	0
C-50'	1A	\$442.15	\$442.36	0%	\$606.55	\$652.90	-7%	\$1,048.71	\$1,095.26	-4%	46	46	0
C-50'	2-4	\$442.15	\$442.36	0%	\$681.05	\$733.09	-7%	\$1,123.21	\$1,175.45	-4%	55	55	0
D-90'	1A	\$442.15	\$442.36	0%	\$1,417.04	\$1,525.32	-7%	\$1,859.20	\$1,967.68	-6%	20	20	0
D-90'	2-4	\$442.15	\$442.36	0%	\$1,815.89	\$1,954.65	-7%	\$2,258.05	\$2,397.01	-6%	71	71	0
E-80'	1A	\$442.15	\$442.36	0%	\$1,191.28	\$1,282.31	-7%	\$1,633.43	\$1,724.67	-5%	41	41	0
E-80'	1B	\$442.15	\$442.36	0%	\$1,386.94	\$1,492.92	-7%	\$1,829.10	\$1,935.28	-5%	15	15	0
E-80'	2-4	\$442.15	\$442.36	0%	\$1,582.60	\$1,703.53	-7%	\$2,024.76	\$2,145.89	-6%	40	40	0
F-70'	2-4	\$442.15	\$442.36	0%	\$1,204.07	\$1,296.08	-7%	\$1,646.23	\$1,738.44	-5%	68	68	0
G-70'	2-4	\$442.15	\$442.36	0%	\$1,204.07	\$1,296.08	-7%	\$1,646.23	\$1,738.44	-5%	74	74	0
H-70'	1A	\$442.15	\$442.36	0%	\$958.74	\$1,032.00	-7%	\$1,400.90	\$1,474.36	-5%	40	40	0
TH	2-4	\$442.15	\$442.36	0%	\$386.57	\$416.11	-7%	\$828.72	\$858.47	-3%	132	132	0
											765	764	0

** Allocation of Debt Years 1-10 at Interest Rate of 3.10%