

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2020

Proposed Budget

Meeting 2/12/19 Rev. 1

Prepared by:



WATERCHASE

Community Development District

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Community Development District

Budget Overview

Fiscal Year 2020

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Community Development District

Operating Budget

Fiscal Year 2020

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2020 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET	THRU	JAN-	PROJECTED	BUDGET
			FY 2019	DEC-2018	SEP-2019	FY 2019	FY 2020
REVENUES							
Interest - Investments	\$ 4,268	11,474	\$ 3,500	\$ 3,254	\$ 246	\$ 3,500	\$ 9,000
Interest - Tax Collector	-	22	-	10	-	-	-
Special Assmnts- Tax Collector	337,972	338,092	338,248	302,084	36,161	338,245	338,248
Special Assmnts- Delinquent	-	433	-	-	-	-	-
Special Assmnts- Discounts	(12,203)	(12,293)	(13,530)	(12,097)	(723)	(12,820)	(13,530)
Other Miscellaneous Revenues	1,500	750	-	250	-	250	-
TOTAL REVENUES	331,537	338,478	328,218	293,501	35,684	329,175	333,718
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	10,000	9,800	9,000	3,800	1,000	4,800	9,000
FICA Taxes	765	750	689	291	77	368	689
ProfServ-Arbitrage Rebate	600	600	600	-	600	600	600
ProfServ-Dissemination Agent	-	2,000	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	49,379	23,626	9,000	1,500	7,500	9,000	9,000
ProfServ-Legal Services	9,886	4,956	8,000	7,854	146	8,000	8,000
ProfServ-Mgmt Consulting Serv	56,100	56,100	56,100	14,025	42,075	56,100	57,783
ProfServ-Special Assessment	9,000	9,000	9,000	9,000	-	9,000	9,000
ProfServ-Trustee	4,537	-	4,337	4,337	-	4,337	4,337
ProfServ-Web Site Development	1,000	1,000	1,000	250	750	1,000	1,030
Auditing Services	4,823	4,800	4,823	2,000	2,823	4,823	4,823
Postage and Freight	912	266	900	32	96	128	900
Insurance - General Liability	7,760	7,760	9,390	7,488	-	7,488	8,237
Printing and Binding	173	309	1,500	129	387	516	1,500
Legal Advertising	3,579	3,353	1,500	552	2,914	3,466	3,466
Misc-Bank Charges	9	-	200	-	200	200	200
Misc-Assessmnt Collection Cost	4,447	4,396	6,764	5,800	723	6,523	6,765
Misc-Contingency	306	537	1,000	100	300	400	1,000
Office Supplies	-	-	100	-	100	100	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	162,001	129,428	125,078	57,333	60,690	118,024	127,604
<i>Field</i>							
Contracts-Wetland Mitigation	5,400	5,400	5,400	1,350	4,050	5,400	5,400
Contracts-Lakes	21,012	21,012	21,012	5,253	15,759	21,012	21,012
Contracts-Canal Maint/Cleaning	6,468	6,468	6,468	1,617	4,851	6,468	6,468
Contracts-Aquatic Midge Mgmt	15,015	15,015	12,870	2,145	10,725	12,870	12,870
Contracts-RTR Landscaping	9,070	9,420	9,070	2,267	6,802	9,069	9,070
Electricity - Streetlighting	16,057	21,944	30,000	4,907	14,721	19,628	30,000
R&M-Fountain	1,650	1,069	1,000	-	1,000	1,000	1,000
R&M-Irrigation	-	1,258	3,000	-	3,000	3,000	3,000
R&M-Lake	-	15,935	20,000	-	20,000	20,000	20,000
R&M-Streetlights	11,229	23,628	14,400	4,830	12,599	17,429	17,429
R&M-Landscape Pond Areas	-	300	1,200	-	1,200	1,200	1,200
Misc-Contingency	996	10,241	78,720	2,800	2,819	5,619	78,665
Capital Outlay-Irrigation	-	15,640	-	-	-	-	-
Reserve-Lake Embankm/Drainage	149,394	28,350	-	-	-	-	-
Total Field	246,144	180,680	203,140	25,169	97,525	122,694	206,114
TOTAL EXPENDITURES	408,145	310,108	328,218	82,502	158,215	240,718	333,718

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2020 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET FY 2019	THRU DEC-2018	JAN- SEP-2019	PROJECTED FY 2019	BUDGET FY 2020
Excess (deficiency) of revenues Over (under) expenditures	(76,608)	28,370	-	210,999	(122,533)	88,456	-
Net change in fund balance	(76,608)	28,370	-	210,999	(122,533)	88,456	-
FUND BALANCE, BEGINNING	923,175	846,567	874,937	874,937	-	874,937	963,393
FUND BALANCE, ENDING	\$ 846,567	\$ 874,937	\$ 874,937	\$ 1,085,936	\$ (122,533)	\$ 963,393	\$ 963,393

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2020	\$ 963,393
Net Change in Fund Balance - Fiscal Year 2020	-
Reserves - Fiscal Year 2020 Additions	-
Total Funds Available (Estimated) - 9/30/2020	963,393

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve		\$ 83,429 ⁽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-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	42,260	653,057
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	<u>(90,349)</u>	150,000
	Subtotal	<u>886,486</u>

Total Allocation of Available Funds	886,486
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Total Unassigned (undesignated) Cash	\$ 76,907
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Notes

(1) Represents approximately only 3 months of operating expenditures

Budget Narrative

Fiscal Year 2020

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 2020

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 2020

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.

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.

WATERCHASE

Community Development District

Debt Service Budget

Fiscal Year 2020

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2020 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2018	BUDGET FY 2019	THRU DEC-2018	JAN- Sep-19	PROJECTED FY 2019	BUDGET FY 2020
REVENUES						
Interest - Investments	\$ 645	-	\$ 154	\$ 51	\$ 205	\$ -
Interest - Tax Collector	139	-	-	-	-	-
Special Assmnts- Tax Collector	793,731	737,129	658,319	78,810	737,129	737,129
Special Assmnts - Delinquent	1,016	-	-	-	-	-
Special Assmnts- Discounts	(28,786)	(29,485)	(26,362)	3,152	(29,514)	(29,485)
TOTAL REVENUES	766,745	707,644	632,111	82,014	707,820	707,644
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	10,320	14,743	12,639	1,576	14,215	14,743
Total Administrative	10,320	14,743	12,639	1,576	14,215	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	432,000	446,000	-	446,000	446,000	460,000
Interest Expense Series A	126,000	238,607	119,304	119,304	238,608	224,781
Interest Expense	3,500	-	-	-	-	-
Cost of Issuance	239,856	-	-	-	-	-
Total Debt Service	801,356	684,607	119,304	565,304	684,608	684,781
TOTAL EXPENDITURES	8,968,520	699,350	131,943	566,880	698,823	699,524
Excess (deficiency) of revenues Over (under) expenditures	(8,201,775)	8,294	500,168	(484,866)	8,997	8,120
OTHER FINANCING SOURCES (USES)						
Interfund Transfer - In	348,120	-	-	-	-	-
Proceeds of Refunding Bonds	8,129,000	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	8,294	-	-	-	8,120
TOTAL OTHER SOURCES (USES)	8,477,120	8,294	-	-	-	8,120
Net change in fund balance	275,345	8,294	500,168	(484,866)	8,997	8,120
FUND BALANCE, BEGINNING	-	275,345	275,345	775,513	775,513	784,510
FUND BALANCE, ENDING	\$ 275,345	\$ 283,639	\$ 775,513	\$ 290,647	\$ 784,510	\$ 792,630

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Community Development District

**Debt Amortization
Series 2017**

Date	Rate	Principal	Interest	ADS
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
		\$7,251,000.00	\$1,670,621.00	\$8,921,621.00

Budget Narrative

Fiscal Year 2020

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

Supporting Budget Schedules

Fiscal Year 2020

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Community Development District

Comparison of Assessment Rates Fiscal Year 2020 vs. Fiscal Year 2019

Village	Phase	General Fund 001			Debt Service 2017			Total Assessments per Unit			Platted	Bond	Prepaid
		FY 2020	FY 2019	Percent Change	FY 2020	FY 2019	Percent Change	FY 2020	FY 2019	Percent Change	Units	Units	Units
A-60'	1A	\$442.15	\$442.36	0%	\$766.84	\$766.84	0%	\$1,209.00	\$1,209.20	0%	44	44	0
A-60'	2-4	\$442.15	\$442.36	0%	\$935.41	\$935.41	0%	\$1,377.57	\$1,377.77	0%	63	62	0
B-45'	1A	\$442.15	\$442.36	0%	\$526.03	\$526.03	0%	\$968.18	\$968.39	0%	56	56	0
C-50'	1A	\$442.15	\$442.36	0%	\$606.55	\$606.55	0%	\$1,048.71	\$1,048.91	0%	46	46	0
C-50'	2-4	\$442.15	\$442.36	0%	\$681.05	\$681.05	0%	\$1,123.21	\$1,123.41	0%	55	55	0
D-90'	1A	\$442.15	\$442.36	0%	\$1,417.04	\$1,417.04	0%	\$1,859.20	\$1,859.40	0%	20	20	0
D-90'	2-4	\$442.15	\$442.36	0%	\$1,815.89	\$1,815.89	0%	\$2,258.05	\$2,258.25	0%	71	71	0
E-80'	1A	\$442.15	\$442.36	0%	\$1,191.28	\$1,191.28	0%	\$1,633.43	\$1,633.64	0%	41	41	0
E-80'	1B	\$442.15	\$442.36	0%	\$1,386.94	\$1,386.94	0%	\$1,829.10	\$1,829.30	0%	15	15	0
E-80'	2-4	\$442.15	\$442.36	0%	\$1,582.60	\$1,582.60	0%	\$2,024.76	\$2,024.96	0%	40	40	0
F-70'	2-4	\$442.15	\$442.36	0%	\$1,204.07	\$1,204.07	0%	\$1,646.23	\$1,646.43	0%	68	68	0
G-70'	2-4	\$442.15	\$442.36	0%	\$1,204.07	\$1,204.07	0%	\$1,646.23	\$1,646.43	0%	74	74	0
H-70'	1A	\$442.15	\$442.36	0%	\$958.74	\$958.74	0%	\$1,400.90	\$1,401.10	0%	40	40	0
TH	2-4	\$442.15	\$442.36	0%	\$386.57	\$386.57	0%	\$828.72	\$828.93	0%	132	132	0
											765	764	0

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