

TOWN CENTER AT PALM COAST

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2019

Adopted Budget

7/20/2018

Prepared by:



TOWN CENTER AT PALM COAST

Community Development District

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TOWN CENTER AT PALM COAST

Community Development District

Operating Budget

Fiscal Year 2019

TOWN CENTER AT PALM COAST

Community Development District

General Fund

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET FY 2018	THRU JUN 2018	JUL- SEP 2018	PROJECTED FY 2018	BUDGET FY 2019
REVENUES							
Interest - Investments	\$ 1,952	3,394	\$ 1,500	\$ 2,937	\$ 979	\$ 3,916	\$ 1,500
Interest - Tax Collector	48	11	-	48	-	48	-
Special Assmnts- Tax Collector	289,010	271,897	1,124,299	1,072,313	27,842	1,100,155	1,124,299
Special Assmnts- CDD Collected	750,899	766,989	-	-	-	-	-
Special Assmnts- Discounts	(10,020)	(9,680)	(44,972)	(31,672)	-	(31,672)	(44,972)
Settlements	-	63,828	-	6,659	-	6,659	-
Other Miscellaneous Revenues	7,091	-	-	-	-	-	-
TOTAL REVENUES	1,038,980	1,096,439	1,080,827	1,050,285	28,821	1,079,106	1,080,827

EXPENDITURES

Administrative

P/R-Board of Supervisors	6,600	6,600	6,000	3,400	2,000	5,400	6,000
FICA Taxes	505	505	459	260	153	413	459
ProfServ-Arbitrage Rebate	-	-	600	-	600	600	600
ProfServ-Dissemination Agent	-	-	5,000	-	5,000	5,000	5,000
ProfServ-Engineering	1,986	-	3,000	-	3,000	3,000	3,000
ProfServ-Legal Services	8,521	16,868	10,000	9,648	352	10,000	10,000
ProfServ-Mgmt Consulting Serv	47,850	47,850	49,750	37,312	12,438	49,750	51,250
ProfServ-Special Assessment	5,300	5,300	5,512	5,512	-	5,512	5,750
ProfServ-Trustee Fees	-	-	9,400	11,380	-	11,380	9,400
Auditing Services	3,600	3,723	3,823	3,800	-	3,800	4,000
Postage and Freight	1,245	1,589	1,300	965	485	1,450	1,450

TOWN CENTER AT PALM COAST

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2019 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET FY 2018	THRU JUN 2018	JUL- SEP 2018	PROJECTED FY 2018	BUDGET FY 2019
Insurance - General Liability	13,183	12,656	13,922	14,021	-	14,021	15,425
Printing and Binding	1,388	1,549	1,400	408	102	510	1,400
Legal Advertising	1,880	1,661	2,000	390	1,310	1,700	1,800
Miscellaneous Services	30	4,871	500	10	103	113	500
Misc-Assessmnt Collection Cost	3,827	4,137	22,486	20,813	557	21,370	22,486
Misc-Contingency	-	35	1,000	165	55	220	1,000
Misc-Web Hosting	750	750	1,000	750	250	1,000	1,000
Office Supplies	220	303	500	193	107	300	500
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	97,060	108,572	137,827	109,202	26,512	135,714	141,195
Field							
ProfServ-Administrative	36,000	36,000	36,000	27,000	9,000	36,000	36,000
Contracts-Lake and Wetland	56,916	56,973	57,000	43,200	14,400	57,600	57,600
Contracts-Landscape	435,447	492,991	465,000	323,310	141,690	465,000	465,000
Electricity - General	8,409	2,653	5,000	1,850	3,681	5,531	5,531
Utility - Irrigation	56,520	69,943	55,000	23,258	31,742	55,000	60,000
Utility - Stormwater	1,964	1,964	3,000	1,865	99	1,964	3,000

TOWN CENTER AT PALM COAST

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2019 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET FY 2018	THRU JUN 2018	JUL- SEP 2018	PROJECTED FY 2018	BUDGET FY 2019
R&M-Trail Maintenance	-	-	5,000	-	1,250	1,250	5,000
Misc-Hurricane Expense	-	-	-	-	-	-	-
Misc-Contingency	41,028	7,742	50,000	-	24,385	24,385	40,501
Cap Outlay - Streetlight Impr	266,448	266,448	267,000	199,836	66,612	266,448	267,000
Total Field	902,732	934,714	943,000	620,319	292,859	913,178	939,632
TOTAL EXPENDITURES	999,792	1,043,286	1,080,827	729,521	319,371	1,048,892	1,080,827
Excess (deficiency) of revenues Over (under) expenditures	39,188	53,153	-	320,764	(290,550)	30,214	-
Net change in fund balance	39,188	53,153	-	320,764	(290,550)	30,214	-
FUND BALANCE, BEGINNING	468,755	\$ 507,943	561,096	561,096	-	561,096	591,310
FUND BALANCE, ENDING	\$ 507,943	\$ 561,096	\$ 561,096	\$ 881,860	\$ (290,550)	\$ 591,310	\$ 591,310

TOWN CENTER AT PALM COAST

Community Development District

Exhibit "A" Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2019	\$ 591,310
Net Change in Fund Balance - Fiscal Year 2019	-
Reserves - Fiscal Year 2019 Additions	-
Total Funds Available (Estimated) - FY 2019	591,310

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - Operating Capital	270,207 ⁽¹⁾
Reserves - Others	150,000
	-
Subtotal	<u>420,207</u>
Total Allocation of Available Funds	420,207

Total Unassigned (undesignated) Cash	<u>\$ 171,104</u>
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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 income on their accounts held at Intracoastal Bank. Interest is earned on their operating and other investments accounts.

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. This is for the portion that will be billed through the Tax Collector.

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 on-roll Non-Ad Valorem assessments collected through the Tax Collector.

EXPENDITURES

Expenditures – Administrative

P/R-Board of Supervisors

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance. The amount for the fiscal year is based upon all supervisors attending all of the meetings.

Budget Narrative
Fiscal Year 2019**Expenditures – Administrative (continued)****FICA Taxes**

Payroll taxes on Board of Supervisors' compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the total payroll expenditure

Professional Services-Arbitrage Rebate

The District has a proposal with a company that specializes in municipal and district arbitrage calculation to calculate the District's Arbitrage Rebate Liability on the Series 2005 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

The District's engineer will provide general engineering services to the District, i.e. attendance and preparation for board meetings, and other specifically requested assignments.

Professional Services-Legal Services

The District's legal counsel will provide general legal services to the District, i.e. attendance and preparation for meetings, review of operating and maintenance contracts, and other specifically requested assignments.

Budget Narrative
Fiscal Year 2019**Expenditures – Administrative (continued)****Professional Services-Management Consulting Services**

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management, with a moderate increase requested this year.

Professional Services-Special Assessment

Administrative fee for Inframark Infrastructure Management Services to prepare the District's Special Assessment Roll and maintain the lien books with a moderate increase requested this year.

Professional Services-Trustee Fees

The District issued this Series 2005 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 any out-of-pocket expenses.

Auditing Services

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is based on current contracted fees.

Postage & Freight

Actual postage and/or freight used for District mailings including agenda packages, vendor checks and other correspondence.

Budget Narrative
Fiscal Year 2019**Expenditures – Administrative (continued)****Insurance-General Liability**

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance Agency. Public Risk Insurance Agency specializes in providing insurance coverage to governmental agencies. The budgeted amount allows for a projected increase in the premium due to market uncertainty.

Printing & Binding

Copies used in the preparation of agenda packages, required mailings, and other special projects.

Legal Advertising

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

Miscellaneous Services

This budget line is for bank charges and any other miscellaneous expenditure that may be incurred during the fiscal year.

Misc.-Assessment Collection Cost

The District reimburses the Flagler County Tax Collector for applicable necessary administrative costs. Per 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 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 fiscal year budget is based on a maximum of 2% of the anticipated assessment collections.

Budget Narrative
Fiscal Year 2019**Expenditures – Administrative (continued)****Misc.-Contingency**

This category provides funds for administrative expenses that may not have been budgeted anywhere else.

Misc-Web Hosting

Per Florida Statutes, the District is required to have and maintain a website. The requested increase reflects additional posting and maintenance requirements imposed by the Legislature effective October 1, 2016.

Office Supplies

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects.

Annual District Filing Fee

The District is required to pay an annual fee of \$175 to the Department of Economic Opportunity.

Expenditures – Field**Professional Services-Administrative**

The District has a contract with Clint Smith Consulting, LLC. for services for the administration of field operations of the District and its contractors. Singhofen & Associates has a small continuing roll in providing field services.

Contracts-Lake and Wetland

The District has a permit obligation to comply with certain conditions for the establishment and maintenance of upland/wetland conservation areas and for maintenance of storm water management areas. The amount is based on current contracts with Aquatic Systems and EMS.

Budget Narrative
Fiscal Year 2019

Expenditures – Field (continued)

Contracts-Landscape

The District currently has a contract with Yellowstone Landscape, Inc. to provide landscape management of the common areas within the District.

Electricity-General

The District pays for electrical usage for District facilities and assets on FPL Company schedule

Utility-Irrigation

Irrigation water usage for District facilities and assets on City of Palm Coast Company schedule.

Utility-Stormwater

This budget line item represents City of Palm Coast stormwater utility fees.

R&M-Trail Maintenance

This budget line item represents sidewalk repairs and one decorative paver installation repair.

Misc.-Contingency

This represents any additional field expenses that may not have been anticipated in the budget.

Capital Outlay-Streetlight Improvements

The District will pay for Streetlight infrastructure. The District pays a premium for 20 years for District streetlights to FPL Company.

TOWN CENTER AT PALM COAST

Community Development District

Debt Service Budgets

Fiscal Year 2019

TOWN CENTER AT PALM COAST

Community Development District

Series 2005 Debt Service Fund

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET FY 2018	THRU JUN 2018	JUL- SEP 2018	PROJECTED FY 2018	BUDGET FY 2019
REVENUES							
Interest - Investments	\$ 1,751	3,129	\$ 1,700	\$ 3,083	\$ 1,028	\$ 4,111	\$ 1,700
Special Assmnts- Tax Collector	439,395	407,859	1,923,171	1,803,853	75,968	1,879,821	1,891,304
Special Assmnts- Prepayment	-	361,704	-	-	-	-	-
Special Assmnts- CDD Collected	1,239,685	1,385,627	-	-	-	-	-
Special Assmnts- Discounts	(15,478)	(14,785)	(76,927)	(53,279)	-	(53,279)	(76,927)
TOTAL REVENUES	1,665,353	2,143,534	1,847,944	1,753,657	76,996	1,830,653	1,816,077
EXPENDITURES							
<i>Administrative</i>							
ProfServ-Arbitrage Rebate	600	600	-	-	-	-	-
ProfServ-Dissemination Agent	5,000	5,000	-	-	-	-	-
ProfServ-Trustee Fees	9,383	9,150	-	-	-	-	-
Misc-Assessmnt Collection Cost	5,911	6,318	38,463	35,012	1,519	36,531	37,826
Total Administrative	20,894	21,068	38,463	35,012	1,519	36,531	37,826
<i>Debt Service</i>							
Principal Debt Retirement	550,000	575,000	600,000	585,000	-	585,000	620,000
Principal Prepayments	15,000	20,000	-	340,000	-	340,000	-
Interest Expense	1,293,450	1,260,000	1,224,300	1,214,100	-	1,214,100	1,168,800
Total Debt Service	1,858,450	1,855,000	1,824,300	2,139,100	-	2,139,100	1,788,800
TOTAL EXPENDITURES	1,879,344	1,876,068	1,862,763	2,174,112	1,519	2,175,631	1,826,626

TOWN CENTER AT PALM COAST

Community Development District

Series 2005 Debt Service Fund

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2019 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ACTUAL FY 2017	ADOPTED BUDGET FY 2018	ACTUAL THRU JUN 2018	PROJECTED JUL- SEP 2018	TOTAL PROJECTED FY 2018	ANNUAL BUDGET FY 2019
Excess (deficiency) of revenues							
Over (under) expenditures	(213,991)	267,466	(14,819)	(420,455)	75,476	(344,979)	(10,549)
OTHER FINANCING SOURCES (USES)							
Operating Transfers-Out	(37,533)	(41,949)	-	(71,387)	-	(71,387)	-
Contribution to (Use of) Fund Balance	-	-	(14,819)	-	-	-	(10,549)
TOTAL OTHER SOURCES (USES)	(37,533)	(41,949)	(14,819)	(71,387)	-	(71,387)	(10,549)
Net change in fund balance	(251,524)	225,517	(14,819)	(491,842)	75,476	(416,366)	(10,549)
FUND BALANCE, BEGINNING	2,587,890	2,336,366	2,561,883	2,561,883	-	2,561,883	2,145,517
FUND BALANCE, ENDING	\$ 2,336,366	\$ 2,561,883	\$ 2,547,064	\$ 2,070,041	\$ 75,476	\$ 2,145,517	\$ 2,134,968

TOWN CENTER AT PALM COAST

Community Development District

Series 2005 Debt Service Fund

AMORTIZATION SCHEDULE
CAPITAL IMPROVEMENT REVENUE BONDS

DATE	BALANCE	RATE	PRINCIPAL	PREPAYMENT	INTEREST	TOTAL
11/01/18	19,480,000	6.00%	-		584,400	
05/01/19	19,480,000	6.00%	620,000		584,400	1,788,800
11/01/19	18,860,000	6.00%	-		565,800	
05/01/20	18,860,000	6.00%	660,000		565,800	1,791,600
11/01/20	18,200,000	6.00%	-		546,000	
05/01/21	18,200,000	6.00%	700,000		546,000	1,792,000
11/01/21	17,500,000	6.00%	-		525,000	
05/01/22	17,500,000	6.00%	745,000		525,000	1,795,000
11/01/22	16,755,000	6.00%	-		502,650	
05/01/23	16,755,000	6.00%	790,000		502,650	1,795,300
11/01/23	15,965,000	6.00%	-		478,950	
05/01/24	15,965,000	6.00%	835,000		478,950	1,792,900
11/01/24	15,130,000	6.00%	-		453,900	-
05/01/25	15,130,000	6.00%	890,000		453,900	1,797,800
11/01/25	14,240,000	6.00%			427,200	
05/01/26	14,240,000	6.00%	945,000		427,200	1,799,400
11/01/26	13,295,000	6.00%	-		398,850	
05/01/27	13,295,000	6.00%	1,005,000		398,850	1,802,700
11/01/27	12,290,000	6.00%	-		368,700	
05/01/28	12,290,000	6.00%	1,065,000		368,700	1,802,400
11/01/28	11,225,000	6.00%	-		336,750	

TOWN CENTER AT PALM COAST

Community Development District

Series 2005 Debt Service Fund

AMORTIZATION SCHEDULE
CAPITAL IMPROVEMENT REVENUE BONDS

DATE	BALANCE	RATE	PRINCIPAL	PREPAYMENT	INTEREST	TOTAL
05/01/29	11,225,000	6.00%	1,130,000		336,750	1,803,500
11/01/29	10,095,000	6.00%	-		302,850	
05/01/30	10,095,000	6.00%	1,200,000		302,850	1,805,700
11/01/30	8,895,000	6.00%	-		266,850	
05/01/31	8,895,000	6.00%	1,270,000		266,850	1,803,700
11/01/31	7,625,000	6.00%	-		228,750	
05/01/32	7,625,000	6.00%	1,350,000		228,750	1,807,500
11/01/32	6,275,000	6.00%	-		188,250	
05/01/33	6,275,000	6.00%	1,435,000		188,250	1,811,500
11/01/33	4,840,000	6.00%	-		145,200	
05/01/34	4,840,000	6.00%	1,520,000		145,200	1,810,400
11/01/34	3,320,000	6.00%	-		99,600	
05/01/35	3,320,000	6.00%	1,610,000		99,600	1,809,200
11/01/35	1,710,000	6.00%	-		51,300	
05/01/36	1,710,000	6.00%	1,710,000		51,300	1,812,600
					-	
Total			\$ 19,480,000	\$ -	\$ 12,942,000	

Budget Narrative
Fiscal Year 2019

REVENUES

Interest-Investments

The District earns interest income on their trust accounts with US Bank.

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. This is for the portion that will be billed through the Tax Collector.

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 on-roll Non-Ad Valorem assessments collected through the Tax Collector.

EXPENDITURES

Expenditures – Administrative

Misc.-Assessment Collection Cost

The District reimburses the Flagler County Tax Collector for applicable necessary administrative costs. Per 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 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 fiscal year budget for all collection costs is based on a maximum of 2% of the anticipated assessment collections.

Budget Narrative

Fiscal Year 2019

Expenditures – Debt Service

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.

TOWN CENTER AT PALM COAST

Community Development District

Supporting Budget Schedules

Fiscal Year 2019

TOWN CENTER AT PALM COAST

Community Development District

All Funds

**Comparison of Non-Ad Valorem Assessment Rates
Fiscal Year 2019 vs. Fiscal Year 2018**

Product	General Fund			Debt Service			Total Assessments per Unit		
	FY 2019 Fund	FY 2018 Fund	Percent Change	FY 2019 Fund	FY 2018 Fund	Percent Change	FY 2019 Fund	FY 2018 Fund	Percent Change
Residential	\$212.26	\$212.26	0.0%	\$381.07	\$381.07	0.0%	\$593.33	\$593.33	0.0%
Office	\$132.66	\$132.66	0.0%	\$238.17	\$238.17	0.0%	\$370.83	\$370.83	0.0%
Retail	\$159.19	\$159.19	0.0%	\$285.81	\$285.81	0.0%	\$445.00	\$445.00	0.0%
Assisted Living	\$53.06	\$53.06	0.0%	\$95.27	\$95.27	0.0%	\$148.33	\$148.33	0.0%
Non-Retail Comm	\$106.13	\$106.13	0.0%	\$190.54	\$190.54	0.0%	\$296.67	\$296.67	0.0%

Product	Tax Collector		Direct Billed		Total	Prepaid	EAU	TOTAL	%
	GF Units	DS Units	GF Units	DS Units	Units	Units	FACTOR	EAU's	TOTAL EAU's
Residential	2880.461	2625.461	0.000	0.000	2880.461	255.000	2.00	5,760.92	54.38%
Office (1)	1278.441	1263.441	0.000	0.000	1278.441	0.000	1.25	1,598.05	15.08%
Retail (1)	1511.654	1419.154	0.000	0.000	1511.654	107.500	1.50	2,267.48	21.40%
Assisted Living	407.000	407.000	0.000	0.000	407.000	0.000	0.50	203.50	1.92%
Non-Retail Comm	763.721	763.721	0.000	0.000	763.721	0.000	1.00	763.72	7.21%
	6841.277	6478.777	0.000	0.000	6841.277	362.500		10,593.68	100.00%

Note (1) - Moved 15 units from Office to Retail product due to conversion of Lots 2,3 and 4 of Phase I.