

TOWN CENTER AT PALM COAST
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2021

Approved Tentative Budget
(Meeting 5/15/20)

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 2021

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2021 Approved Tentative Budget

ACCOUNT DESCRIPTION	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL		
	ACTUAL	ACTUAL	BUDGET THRU APR-	PROJECTED	BUDGET		
	FY 2018	FY 2019	FY 2020 MAR-2020	SEP 2020	FY 2020	FY 2021	
REVENUES							
Interest - Investments	4,942	11,862	\$ 4,000	\$ 3,746	\$ 3,605	\$ 7,351	\$ 4,000
Interest - Tax Collector	48	355	-	-	-	-	-
Special Assmnts- Tax Collector	1,078,813	1,122,601	1,124,304	1,058,336	65,968	1,124,304	1,283,857
Special Assmnts- CDD Collected	-	-	-	-	-	-	-
Special Assmnts- Discounts	(35,568)	(39,514)	(44,971)	(42,188)	-	(42,188)	(51,354)
Settlements	6,659	-	-	-	-	-	-
TOTAL REVENUES	1,054,894	1,095,304	1,083,333	1,019,894	69,573	1,089,467	1,236,503
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	5,200	5,800	6,000	2,200	3,800	6,000	6,000
FICA Taxes	398	444	459	168	291	458	459
ProfServ-Arbitrage Rebate	600	600	600	-	600	600	600
ProfServ-Dissemination Agent	5,000	5,000	5,000	-	5,000	5,000	5,000
ProfServ-Engineering	150	4,019	3,000	618	2,222	2,840	3,000
ProfServ-Legal Services	10,647	9,921	11,000	494	8,494	8,988	11,000
ProfServ-Mgmt Consulting Serv	49,750	51,250	52,750	26,375	26,375	52,750	54,333
ProfServ-Special Assessment	5,512	5,750	5,925	5,925	-	5,925	5,925
ProfServ-Trustee Fees	13,441	9,426	9,500	7,299	-	7,299	9,600
Auditing Services	3,800	3,800	4,000	3,800	-	3,800	4,000
Postage and Freight	1,099	1,547	1,450	889	589	1,478	1,494

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2021 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2018	ACTUAL FY 2019	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL BUDGET FY 2021
			BUDGET FY 2020	THRU MAR-2020	APR- SEP 2020	PROJECTE D FY 2020	
Insurance - General Liability	14,021	12,780	14,058	12,780	-	12,780	14,058
Printing and Binding	538	705	1,400	262	762	1,024	1,400
Legal Advertising	1,219	1,922	1,800	-	1,571	1,571	1,854
Miscellaneous Services	10	36	500	35	35	70	500
Misc-Assessmnt Collection Cost	16,246	15,982	22,486	20,274	1,319	21,593	25,677
Misc-Contingency	220	2,579	5,000	2,255	2,255	4,510	5,000
Misc-Web Hosting	1,000	1,000	1,000	167	-	167	1,000
Office Supplies	231	231	500	167	167	334	500
Rental - Meeting Room	-	-	400	127	190	317	400
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	129,257	132,967	147,003	84,010	53,670	137,679	151,973
Field							
ProfServ-Administrative	36,000	36,000	36,000	18,000	18,000	36,000	36,000
Contracts-Lake and Wetland	57,600	57,675	59,400	29,250	30,150	59,400	59,400
Contracts-Landscape	440,191	454,778	465,000	201,529	263,471	465,000	465,000
Security Service - Sheriff	-	-	-	-	-	-	150,000
Electricity - General	2,513	2,811	5,000	1,467	1,467	2,934	5,000
Utility - Irrigation	50,980	59,056	60,000	28,406	28,406	56,812	60,000
Utility - Stormwater	1,865	2,489	3,000	2,758	-	2,758	3,000

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2021 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2018	ACTUAL FY 2019	ADOPTED BUDGET FY 2020	ACTUAL	PROJECTED	TOTAL	ANNUAL BUDGET FY 2021
				THRU MAR-2020	APR- SEP 2020	PROJECT ED FY 2020	
R&M-Trail Maintenance	-	241	5,000		2,500	2,500	5,000
Misc-Contingency	10,382	4,683	35,930	30,767	5,000	35,767	34,130
Cap Outlay - Streetlight Impr	266,448	266,448	267,000	133,224	133,224	266,448	267,000
Capital Outlay	-	5,842	-	-	-	-	-
Total Field	865,979	890,023	936,330	445,401	482,218	927,619	1,084,530
TOTAL EXPENDITURES	995,236	1,022,990	1,083,333	529,411	535,888	1,065,298	1,236,503
Excess (deficiency) of revenues Over (under) expenditures	59,658	72,314	-	490,483	(466,315)	24,169	-
Net change in fund balance	59,658	72,314	-	490,483	(466,315)	24,169	-
FUND BALANCE, BEGINNING	561,096	620,754	693,068	693,068	-	693,068	717,237
FUND BALANCE, ENDING	\$ 620,754	\$ 693,068	\$ 693,068	\$ 1,183,551	\$ (466,315)	\$ 717,237	\$ 717,237

TOWN CENTER AT PALM COAST

Community Development District

Exhibit "A" Allocation of Fund Balances

<u>AVAILABLE FUNDS</u>	
	Amount
Beginning Fund Balance - Fiscal Year 2021	\$ 717,237
Net Change in Fund Balance - Fiscal Year 2021	-
Reserves - Fiscal Year 2021 Additions	-
Total Funds Available (Estimated) - FY 2021	717,237
<u>ALLOCATION OF AVAILABLE FUNDS</u>	
<i>Assigned Fund Balance</i>	
Operating Reserve - Operating Capital	308,505 ⁽¹⁾
Reserves - Others	150,000
Subtotal	<u>458,505</u>
Total Allocation of Available Funds	<u>458,505</u>
Total Unassigned (undesignated) Cash	<u><u>\$ 258,733</u></u>

Notes

(1) Represents approximately 3 months of operating expenditures

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Budget Narrative

Fiscal Year 2021

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.

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.

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Budget Narrative

Fiscal Year 2021

Expenditures – Administrative (continued)

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.

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.

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Budget Narrative

Fiscal Year 2021

Expenditures – Administrative (continued)

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.

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.

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Budget Narrative

Fiscal Year 2021

Expenditures – Administrative (continued)

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.

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.

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Budget Narrative

Fiscal Year 2021

Expenditures – Administrative (continued)

Rental – Meeting Room

The District will rent a room to conduct their semi-monthly meetings for a fee.

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.

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.

TOWN CENTER AT PALM COAST

Community Development District *General Fund*

Budget Narrative

Fiscal Year 2021

<u>Expenditures – Field (continued)</u>

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 2021

TOWN CENTER AT PALM COAST

Community Development District *Series 2005 Debt Service Fund*

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2021 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2018	ACTUAL FY 2019	ADOPTED BUDGET FY 2020	ACTUAL	PROJECTED	TOTAL	ANNUAL BUDGET FY 2021
				THRU MAR-2020	APR- SEP 2020	PROJECTED FY 2020	
REVENUES							
Interest - Investments	4,583	11,264	\$ 3,000	\$ 13,095	\$ 3,095	\$ 16,190	\$ 8,000
Special Assmnts- Tax Collector	1,814,786	1,888,449	1,857,770	1,748,766	109,004	1,857,770	1,768,979
Special Assmnts- Prepayment	-	1,219,817	-	-	-	-	-
Special Assmnts- Discounts	(59,832)	(66,472)	(74,311)	(69,711)	-	(69,711)	(70,759)
TOTAL REVENUES	1,759,537	3,053,058	1,786,459	1,692,150	112,099	1,804,249	1,706,220
EXPENDITURES							
<i>Administrative</i>							
Misc-Assessmnt Collection Cost	27,328	26,883	37,155	33,503	2,180	35,683	35,380
Total Administrative	27,328	26,883	37,155	33,503	2,180	35,683	35,380
<i>Debt Service</i>							
Principal Debt Retirement	585,000	620,000	660,000	-	660,000	660,000	700,000
Principal Prepayments	340,000	-	-	1,225,000	-	1,225,000	-
Interest Expense	1,214,100	1,168,800	1,131,600	565,800	510,600	1,076,400	981,600
Total Debt Service	2,139,100	1,788,800	1,791,600	1,790,800	1,170,600	2,961,400	1,681,600
TOTAL EXPENDITURES	2,166,428	1,815,683	1,828,755	1,824,303	1,172,780	2,997,083	1,716,980

TOWN CENTER AT PALM COAST

Community Development District *Series 2005 Debt Service Fund*

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2021 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2018	ACTUAL FY 2019	ADOPTED BUDGET FY 2020	ACTUAL	PROJECTED	TOTAL	ANNUAL BUDGET FY 2021
				THRU MAR-2020	APR- SEP 2020	PROJECTE D FY 2020	
Excess (deficiency) of revenues Over (under) expenditures	(406,891)	1,237,375	(42,296)	(132,153)	(1,060,681)	(1,192,834)	(10,760)
OTHER FINANCING SOURCES (USES)							
Operating Transfers-Out	(114,521)	(339,297)	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	-	(42,296)	-	-	-	(10,760)
TOTAL OTHER SOURCES (USES)	(114,521)	(339,297)	(42,296)	-	-	-	(10,760)
Net change in fund balance	(521,412)	898,078	(42,296)	(132,153)	(1,060,681)	(1,192,834)	(10,760)
FUND BALANCE, BEGINNING	2,561,883	2,040,471	2,938,549	2,938,549	-	2,938,549	1,745,715
FUND BALANCE, ENDING	\$ 2,040,471	\$ 2,938,549	\$ 2,896,253	\$ 2,806,396	\$ (1,060,681)	\$ 1,745,715	\$ 1,734,955

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
11/01/21	16,360,000	6.00%	-	490,800	
05/01/22	16,360,000	6.00%	700,000	490,800	1,681,600
11/01/22	15,660,000	6.00%	-	469,800	
05/01/23	15,660,000	6.00%	745,000	469,800	1,684,600
11/01/23	14,915,000	6.00%	-	447,450	
05/01/24	14,915,000	6.00%	785,000	447,450	1,679,900
11/01/24	14,130,000	6.00%	-	423,900	-
05/01/25	14,130,000	6.00%	835,000	423,900	1,682,800
11/01/25	13,295,000	6.00%		398,850	
05/01/26	13,295,000	6.00%	885,000	398,850	1,682,700
11/01/26	12,410,000	6.00%	-	372,300	
05/01/27	12,410,000	6.00%	940,000	372,300	1,684,600
11/01/27	11,470,000	6.00%	-	344,100	
05/01/28	11,470,000	6.00%	1,000,000	344,100	1,688,200
11/01/28	10,470,000	6.00%	-	314,100	
05/01/29	10,470,000	6.00%	1,060,000	314,100	1,688,200
11/01/29	9,410,000	6.00%	-	282,300	

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
05/01/30	9,410,000	6.00%	1,120,000		282,300	1,684,600
11/01/30	8,290,000	6.00%	-		248,700	
05/01/31	8,290,000	6.00%	1,190,000		248,700	1,687,400
11/01/31	7,100,000	6.00%	-		213,000	
05/01/32	7,100,000	6.00%	1,260,000		213,000	1,686,000
11/01/32	5,840,000	6.00%	-		175,200	
05/01/33	5,840,000	6.00%	1,335,000		175,200	1,685,400
11/01/33	4,505,000	6.00%	-		135,150	
05/01/34	4,505,000	6.00%	1,415,000		135,150	1,685,300
11/01/34	3,090,000	6.00%	-		92,700	
05/01/35	3,090,000	6.00%	1,500,000		92,700	1,685,400
11/01/35	1,590,000	6.00%	-		47,700	
05/01/36	1,590,000	6.00%	1,590,000		47,700	1,685,400
Total			\$ 16,360,000	\$ 1,225,000	\$ 8,912,100	

TOWN CENTER AT PALM COAST

Community Development District *Series 2005 Debt Service Fund*

Budget Narrative Fiscal Year 2021

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.

TOWN CENTER AT PALM COAST

Community Development District *Series 2005 Debt Service Fund*

Budget Narrative

Fiscal Year 2021

<u>Expenditures – Debt Service</u>

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 2021

TOWN CENTER AT PALM COAST

Community Development District *All Funds*

Comparison of Non-Ad Valorem Assessment Rates Fiscal Year 2021 vs. Fiscal Year 2020

Product	General Fund			Debt Service			Total Assessments per Unit		
	FY 2021	FY 2020 Fund	Percent Change	FY 2021 Fund	FY 2020 Fund	Percent Change	FY 2021 Fund	FY 2020 Fund	Percent Change
	Fund			Fund					
Residential	\$242.38	\$212.26	14.2%	\$381.07	\$381.07	0.0%	\$623.46	\$593.33	5.1%
Office	\$151.49	\$132.66	14.2%	\$238.17	\$238.17	0.0%	\$389.66	\$370.83	5.1%
Retail	\$181.79	\$159.19	14.2%	\$285.81	\$285.81	0.0%	\$467.59	\$445.00	5.1%
Assisted Living	\$60.60	\$53.06	14.2%	\$95.27	\$95.27	0.0%	\$155.86	\$148.33	5.1%
Non-Retail Comm	\$121.19	\$106.13	14.2%	\$190.54	\$190.54	0.0%	\$311.73	\$296.67	5.1%

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	2304.461	0.000	0.000	2880.461	576.000	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	6157.777	0.000	0.000	6841.277	683.500		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.