

VASARI

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2021

Adopted Budget
(Adopted at 8/11/20 Meeting)

Prepared by:



Table of Contents

	<u>Page #</u>
<u>OPERATING BUDGET</u>	
General Fund	
Summary of Revenues, Expenditures and Changes in Fund Balances	1-2
Budget Narrative	3-7
Exhibit A - Allocation of Fund Balances	8
<u>DEBT SERVICE BUDGET</u>	
Series 2012	
Summary of Revenues, Expenditures and Changes in Fund Balances	9
Amortization Schedule	10
<u>SUPPORTING BUDGET SCHEDULES</u>	
2020-2021 Non-Ad Valorem Assessment Summary	11

VASARI

Community Development District

Operating Budget

Fiscal Year 2021

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2018	FY 2019	BUDGET FY 2020	THRU FEB-2020	MAR- SEP-2020	PROJECTED FY 2020	BUDGET FY 2021
REVENUES							
Interest - Investments	\$ 5,238	\$ 9,097	\$ 7,500	\$ 4,391	\$ 6,147	\$ 10,538	\$ 7,500
Interest - Tax Collector	599	-	-	918	-	918	750
Special Assmnts- Tax Collector	459,600	459,217	459,221	427,763	31,458	459,221	459,214
Special Assmnts- Discounts	(16,096)	(16,353)	(18,369)	(16,481)	(1,888)	(18,369)	(18,369)
Other Miscellaneous Revenues	435	19,959	-	-	-	-	-
TOTAL REVENUES	449,776	471,920	448,352	416,591	35,717	452,308	449,096
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	10,169	9,800	12,000	5,000	7,000	12,000	12,000
FICA Taxes	780	780	918	383	535	918	918
ProfServ-Arbitrage Rebate	-	600	600	600	-	600	600
ProfServ-Engineering	8,548	9,336	5,000	430	602	1,032	5,000
ProfServ-Legal Services	8,348	22,031	10,000	9,750	5,440	15,190	12,500
ProfServ-Mgmt Consulting Serv	56,363	58,554	59,796	25,696	34,100	59,796	61,590
ProfServ-Property Appraiser	222	222	766	-	766	766	766
ProfServ-Special Assessment	4,817	4,962	5,111	5,111	-	5,111	5,264
ProfServ-Web Site Maintenance	865	843	868	362	507	869	894
Auditing Services	5,250	5,450	5,450	5,450	-	5,450	5,450
Postage and Freight	1,041	1,592	1,500	557	780	1,337	1,500
Insurance - General Liability	8,788	8,041	8,845	7,315	-	7,315	8,845
Printing and Binding	2,962	1,229	1,500	41	1,007	1,048	1,100
Legal Advertising	1,372	1,355	500	-	682	682	700
Misc-Assessmnt Collection Cost	250	262	315	423	-	423	315
Misc-Contingency	606	2,355	1,100	1,047	1,466	2,513	1,000
Misc-Web Hosting	-	230	500	159	223	382	2,500
Office Supplies	363	435	500	281	393	674	1,000
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	110,919	128,252	115,444	62,780	53,499	116,279	122,117
<i>Conservation & Resource Mgmt</i>							
Contracts-Preserve Maintenance	5,682	4,250	4,500	1,875	2,625	4,500	4,500
R&M-Mitigation	-	-	600	-	-	-	600
R&M-Preserves	-	21,848	2,500	-	-	-	2,500
Total Conservation & Resource Mgmt	5,682	26,098	7,600	1,875	2,625	4,500	7,600
<i>Field</i>							
ProfServ-Field Management	13,008	14,617	15,056	7,195	7,861	15,056	18,360
R&M-General	2,148	1,498	2,000	792	1,031	1,823	2,000
R&M-Renewal and Replacement	-	-	1,000	-	-	-	1,000
R&M-Walls and Signage	7,000	7,300	5,000	650	4,350	5,000	5,000
Total Field	22,156	23,415	23,056	8,637	13,242	21,879	26,360

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2018	FY 2019	BUDGET FY 2020	THRU FEB-2020	MAR- SEP-2020	PROJECTED FY 2020	BUDGET FY 2021
Lakes and Ponds							
Contracts-Fountain/Aeration	1,215	5,669	12,200	2,750	9,450	12,200	12,200
Contracts-Water Mgmt Services	33,644	33,644	33,644	14,019	19,625	33,645	33,644
Contracts-Water Quality	5,007	5,294	4,570	1,898	2,672	4,570	4,570
Electricity - Aerator	2,491	3,374	3,400	1,148	1,607	2,755	3,000
Property Insurance	5,140	7,204	6,280	4,486	-	4,486	6,908
R&M-Aquascaping	12,294	17,722	7,500	8,747	6,261	15,008	7,500
R&M - Irrigation	134	9,459	8,500	-	4,797	4,797	8,500
R&M-Lake	25,947	1,729	32,000	4,560	6,384	10,944	32,000
R&M - Stormwater System	12,775	43,679	5,000	1,650	2,310	3,960	5,000
R&M - Aeration & Fountains	45,078	28,462	15,000	5,997	8,396	14,393	15,000
R&M - Bulkhead	-	-	20,440	-	11,923	11,923	18,000
Capital Outlay-Lake	-	-	27,404	-	7,500	7,500	20,382
Total Lakes and Ponds	143,725	156,236	175,938	45,255	80,925	126,181	166,704
Capital Expenditures & Projects							
Capital Outlay - Equipment	7,707	-	-	-	-	-	-
Cap Outlay - Pump Station	15,859	-	-	-	-	-	-
Cap Outlay-Lake	-	68,550	16,560	-	-	-	16,560
Total Capital Expenditures & Projects	23,566	68,550	16,560	-	-	-	16,560
Reserves							
Reserve - Bulkheads	-	-	14,539	-	-	-	14,539
Reserve - Aeration & Fountains	13,908	-	23,395	-	-	-	23,395
Reserve - Irrigation System	-	-	42,473	-	-	-	42,473
Reserve - Lakes	12,541	-	12,062	-	-	-	12,062
Reserves - Perimeter	9,357	7,640	6,861	-	-	-	6,861
Reserve - Stormwater System	-	-	10,424	-	-	-	10,424
Total Reserves	35,806	7,640	109,754	-	-	-	109,754
TOTAL EXPENDITURES	341,854	410,191	448,352	118,547	150,291	268,839	449,096
Excess (deficiency) of revenues Over (under) expenditures	107,922	61,729	-	298,044	(114,574)	183,469	-
Net change in fund balance	107,922	61,729	-	298,044	(114,574)	183,469	-
FUND BALANCE, BEGINNING	116,193	224,115	285,844	285,844	-	285,844	469,313
FUND BALANCE, ENDING	\$ 224,115	\$ 285,844	\$ 285,844	\$ 583,888	\$ (114,574)	\$ 469,313	\$ 469,313

Budget Narrative
Fiscal Year 2021

Revenue

Interest – Investments

The District earns interest on the monthly average collected balance for their Operating 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.

Special Assessment - Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of CDD assessments. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

Expenditures

<i>Expenditures – Administrative</i>

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 each of the twelve scheduled meetings.

FICA Taxes

Payroll taxes for supervisor salaries are calculated as 7.65% payroll.

Professional Services - Arbitrage Rebate

The District has a proposal with a company who specializes 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 - Engineering

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 - Management Consulting Service

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 - 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. Lee County has set the fee at \$1.00 per parcel. The fee is prorated between O&M and Debt Service funds. There are 766 units in Vasari CDD.

Budget Narrative
Fiscal Year 2021Expenditures – Administrative (continued)**Professional Services - Special Assessment**

Administrative costs to put the District's assessments on the Tax Roll are prepared by Inframark - Infrastructure Management Services. The costs were substantially reduced when Inframark - Infrastructure Management Services assumed the responsibility from the former consultant. Services provided include preparation of the annual Assessment Roll for submittal to the County, preparing estoppel letters for sale of properties and responding to resident inquiries.

Professional Service - Web Site Maintenance

Inframark - Infrastructure Management Services oversees the District's email accounts and provides assistance to Campus Suite regarding the website as necessary.

Auditing Services

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

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 through the Florida Municipal Insurance Trust. The amount is based upon actual amount plus a projected 10% increase.

Printing and Binding

Printing and Binding agenda packages for board meetings, 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.

Miscellaneous - Assessment Collection Fees

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 collection cost is based on a unit price of \$1.00 per parcel and further prorated between O&M and Debt Service Funds. There are 766 units in Vasari CDD.

Miscellaneous - Contingency

This represents any additional expenditure that may not have been provided for in the budget. An example would include bank fees, board of supervisor reimbursements, etc.

Miscellaneous - Web Hosting

The District incurs costs to renew the Supervisor email accounts and required website.

Office Supplies

Miscellaneous office supplies required to prepare agenda packages.

Annual District Filing Fee

The District is required to pay a \$175 annual fee to the Department of Economic Opportunity Division of Community Development.

Budget Narrative
Fiscal Year 2021**Expenditures – Conservation and Resource Management****Contracts - Preserve Maintenance Services**

Lake & Wetland Management will provide bi-annual mitigation maintenance for \$600 on the district's preserve / conservation areas.

R&M – Preserves

Unanticipated expenses related to maintenance of the preserves such as for keeping the vegetation from expanding into non-conservation areas.

Expenditures – Field**Professional Services - Field Management**

This represents Field Management services for the District. This includes inspection of all the District's assets to insure that proper maintenance is being conducted. Areas inspected include water management structures, conservation areas, lake bank erosion, perimeter structures and all other assets for which the District is responsible.

R&M – General

This expense represents miscellaneous expenses that may arise during the year relating to the normal operations and maintenance of the District. Examples include any repairs or expenses related to the irrigation system, perimeter wall, landscaping on CDD property and other unforeseen maintenance needs not identified below.

R&M - Renewal and Placement

Includes costs associated with plant replacements throughout the District.

R&M – Walls & Signage

Includes costs associated with maintenance of perimeter walls/fences & signage throughout the District.

Expenditures – Lake & Ponds**Contracts - Fountain/Aeration**

The District has contracted with Florida Fountains & Equipment, LLC for an annual cost of \$12,200/annually for services to inspect and maintain the fountains and aeration throughout the district.

Contracts - Water Management Services

The District has contracted with *Lake and Wetland Management* for monthly water management services including algae & aquatic weed control of the 25 Lakes and littoral shelf maintenance at a cost of \$2,804/mo.

Contracts - Water Quality

Johnson Engineering provides groundwater quality monitoring at three monitor wells and surface water quality monitoring at two surface water sites. The contractual fee for monitoring is \$4,570/annually and subject to an increase.

Electricity – Aerator

This expense represents monthly services provided by FPL for aerators located at 12031 Toscana Way (meter # 7C54634) and 28590 Altessa Way (meter #7C07940).

Budget Narrative
Fiscal Year 2021Expenditures – Lake & Ponds (continued)**Property Insurance**

Billed to the CDD by the Vasari Country Club Master Association for the lake fountains that were conveyed to the CDD in January 2016. Insurance includes coverage on the fences and the walls.

R&M – Aquascaping

The condition of the lakes relies on the littoral plants that make up the littoral shelf for the lake and pond systems. The littoral plantings help to prevent erosion, washouts and improve water quality by absorbing nutrients from runoff.

R&M – Irrigation

Repair and maintenance of the irrigation system which supports the optimal performance of pumps, motors and system components.

R&M – Lakes

Funds are targeted to address the repair and maintenance of the lakes and ponds when washouts or other forms of erosion occur. Various repair methods are used including Geo Filter Tubes, basic restoration, bulkheads and rip rap. The process used is determined by the type and location of erosion or washout being addressed.

R&M – Stormwater Systems

Repair and maintenance of the stormwater system which includes lake interconnects, control structures, road drains and the other component of the drainage system to insure the community doesn't flood. It also includes cleaning of the system.

R&M – Aeration/Fountains

Repair and maintenance of the aeration and fountain equipment throughout the District.

R&M – Bulkheads

The district's bulkheads occasionally require maintenance and/or repairs that are costly but do not qualify as capital improvements.

Reserve - Aeration and Fountains

In regards to the Reserve Study Report, a portion of the fund balance is required to be assigned for future aeration and lake fountain improvements, the use of which will be approved by the board of supervisors.

Expenditures – Capital Expenditures & Planning

A Capital or Beautification Plan was approved in 2009 and was proposed to be a two phase approach. With the completion of the golf course project, the BOS has directed capital funds to correcting erosion issues where restoration is needed. Other capital needs have been addressed and after further consideration the district contracted with *Florida Reserve Study and Appraisal, Inc.* to provide their assessment of the District's immediate and long-term needs by means of a Reserve Study Report. This report explains in detail the schedule of capital improvements and required designated funds for addressing repair and replacement needs within the infrastructure.

Capital Outlay - Lake

Costs for lake improvement.

Budget Narrative
Fiscal Year 2021

<i>Reserves - Planning and Allocation of Fund Balance (Exhibit A)</i>

The Budget maintains a Fund Balance in the General Fund which is a Governmental Fund that encompasses all of the Districts operating funds. It is an accumulation of revenues left over from previous budget years and budgeted reserves to meet future funding obligations. The goal in this is to insure sufficient funding is available for asset replacement or to address maintenance and repair expenditures exceeding the current fiscal year appropriations. Those assets or situations that the CDD has set aside or designated within the Fund Balance are as follows:

Bulkheads – The bulkheads are employed to stabilize ponds banks.

Aeration & Fountains – Vasari CDD has pond fountains and aerators which are in various phases of their lifespans many of which need to be replaced every three years.

Irrigation – The CDD owns the Districts irrigation pumping and distribution system for all of the irrigation systems except the golf course and residential systems on private property.

Lakes – Reserves set aside for the District's lakes

Perimeter – The CDD is responsible for the perimeter of the community which includes the wall, fencing and ultimate responsibility for landscaping within the easement. The Vasari Master Association has an agreement with the CDD for the association to maintain the landscaping in various areas.

Stormwater System – The CDD has ownership and maintenance responsibility for the water management system which includes the lakes and ponds used to retain and control storm water runoff from the community.

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS	Amount
Anticipated Fund Balance - Fiscal Year 2021	\$ 469,313
Net Change in Fund Balance - Fiscal Year 2021	-
Reserves - Fiscal Year 2021 Additions	109,754
Total Funds Available (Estimated) - 9/30/2021	579,067

ALLOCATION OF AVAILABLE FUNDS

Nonspendable Fund Balance

Deposits	380
Subtotal	<u>380</u>

Assigned Fund Balance

Operating Reserve (1)		84,835 ⁽¹⁾
Reserves - Bulkhead Prior Years through 2020	43,617	
Reserves - Bulkhead (FY 2021)	14,539	58,156
Reserve - Aeration & Fountains Prior Years through 2020	69,277	
Reserve - Aeration & Fountains (FY 2021)	23,395	92,672
Reserve - Irrigation System Prior Years through 2020	127,419	
Reserve - Irrigation (FY 2021)	42,473	169,892
Reserve - Lakes Prior Years through 2020	53,645	
Reserve - Lakes (FY 2021)	12,062	65,707
Reserve - Perimeter Prior Years through 2020	12,622	
Reserve - Perimeter (FY 2021)	6,861	19,483
Reserve - Stormwater System Prior Years through 2020	31,272	
Reserve - Stormwater System (FY 2021)	10,424	41,696

Subtotal	<u>532,441</u>
----------	----------------

Total Allocation of Available Funds	532,821
Total Unassigned (undesignated) Cash	\$ 46,246

Notes

(1) Represents approximately 3 months of operating expenditures.

VASARI

Community Development District

Debt Service Budget

Fiscal Year 2021

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2018	FY 2019	BUDGET FY 2020	THRU FEB-2020	MAR- SEP-2020	PROJECTED FY 2020	BUDGET FY 2021
REVENUES							
Interest - Investments	\$ 2,972	\$ 6,854	\$ 5,000	\$ 1,110	\$ 1,554	\$ 2,664	\$ 2,500
Special Assmnts- Tax Collector	748,990	747,903	747,903	696,676	51,227	747,903	747,903
Special Assmnts - Prepayment	8,151	-	-	-	-	-	-
Special Assmnts- Discounts	(26,231)	(26,634)	(29,916)	(26,842)	(3,074)	(29,916)	(29,916)
TOTAL REVENUES	733,882	728,123	722,987	670,944	49,707	720,651	720,487
EXPENDITURES							
<i>Administrative</i>							
ProfServ-Property Appraiser	544	544	544	-	544	544	544
ProfServ-Trustee Fees	3,717	4,089	3,800	-	3,800	3,800	3,800
Misc-Assessmnt Collection Cost	408	427	816	688	128	816	816
Total Administrative	4,669	5,060	5,160	688	4,472	5,160	5,160
<i>Debt Service</i>							
Principal Debt Retirement	540,000	555,000	570,000	-	575,000	575,000	585,000
Principal Prepayment	-	10,000	-	5,000	-	5,000	-
Interest Expense	171,725	156,519	140,895	70,448	70,447	140,895	124,574
Total Debt Service	711,725	721,519	710,895	75,448	645,447	720,895	709,574
TOTAL EXPENDITURES	716,394	726,579	716,055	76,136	649,919	726,055	714,734
Excess (deficiency) of revenues							
Over (under) expenditures	17,488	1,544	6,932	594,808	(600,212)	(5,404)	5,753
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	6,932	-	-	-	5,753
TOTAL OTHER SOURCES (USES)	-	-	6,932	-	-	-	5,753
Net change in fund balance	17,488	1,544	6,932	594,808	(600,212)	(5,404)	5,753
FUND BALANCE, BEGINNING	209,902	227,390	228,934	228,934	-	228,934	223,530
FUND BALANCE, ENDING	\$ 227,390	\$ 228,934	\$ 235,866	\$ 823,742	\$ (600,212)	\$ 223,530	\$ 229,284

Vasari
Community Development District
Refunding Bonds, Debt Amortization
Series 2012

Date	Principal	Extraordinary Redemption	Interest	Principal Balance
11/1/2020			\$62,286.75	\$4,465,000.00
5/1/2021	\$585,000		\$62,286.75	\$3,880,000.00
11/1/2021			\$54,126.00	\$3,880,000.00
5/1/2022	\$605,000		\$54,126.00	\$3,275,000.00
11/1/2022			\$45,686.25	\$3,275,000.00
5/1/2023	\$620,000		\$45,686.25	\$2,655,000.00
11/1/2023			\$37,037.25	\$2,655,000.00
5/1/2024	\$635,000		\$37,037.25	\$2,020,000.00
11/1/2024			\$28,179.00	\$2,020,000.00
5/1/2025	\$655,000		\$28,179.00	\$1,365,000.00
11/1/2025			\$19,041.75	\$1,365,000.00
5/1/2026	\$675,000		\$19,041.75	\$690,000.00
11/1/2026			\$9,625.50	\$690,000.00
5/1/2027	\$690,000		\$9,625.50	\$0.00
	\$4,465,000	\$0	\$511,965	

VASARI

Community Development District

Supporting Budget Schedules

Fiscal Year 2021

2020 - 2021 Summary of Assessments

2012 Series Refinancing Bond Issue

Neighborhoods	Bond Designation	Units	2021 O & M Per Unit	2020 O & M Per Unit	Percent Change	2021 Debt Svc Per Unit	2020 Debt Svc Per Unit	Percent Change	2021 Total Per Unit	2020 Total Per Unit	Percent Change
Arezzo (lots 62-106)	Single Family I	45.00	\$599.50	\$599.50	0.0%	\$1,478.52	\$1,478.52	0.0%	\$2,078.02	\$2,078.02	0.0%
Pienza (lots 1-61)	Villa I	61.00	\$599.50	\$599.50	0.0%	\$1,217.31	\$1,217.31	0.0%	\$1,816.81	\$1,816.81	0.0%
Cercina (lots 142-181)	Villa II	40.00	\$599.50	\$599.50	0.0%	\$1,391.83	\$1,391.83	0.0%	\$1,991.33	\$1,991.33	0.0%
Bellino (lots 182-229)	Villa II	48.00	\$599.50	\$599.50	0.0%	\$1,391.83	\$1,391.83	0.0%	\$1,991.33	\$1,991.33	0.0%
Altessa	Four-plex I	88.00	\$599.50	\$599.50	0.0%	\$1,087.26	\$1,087.26	0.0%	\$1,686.76	\$1,686.76	0.0%
Cassia	Four-plex I	68.00	\$599.50	\$599.50	0.0%	\$1,087.26	\$1,087.26	0.0%	\$1,686.76	\$1,686.76	0.0%
Toscana	Six-plex I	138.00	\$599.50	\$599.50	0.0%	\$783.85	\$783.85	0.0%	\$1,383.35	\$1,383.35	0.0%
Firenze	Six-plex II	42.00	\$599.50	\$599.50	0.0%	\$956.08	\$956.08	0.0%	\$1,555.57	\$1,555.58	0.0%
Trieste	Condo I	108.00	\$599.50	\$599.50	0.0%	\$609.34	\$609.34	0.0%	\$1,208.84	\$1,208.84	0.0%
Materra	Condo II	128.00	\$599.50	\$599.50	0.0%	\$869.38	\$869.38	0.0%	\$1,468.88	\$1,468.88	0.0%
		766.00									