

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2020

Adopted Budget

(Meeting 8/13/19)

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 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET FY 2019	THRU JUN-2019	JUL- SEP-2019	PROJECTED FY 2019	BUDGET FY 2020
REVENUES							
Interest - Investments	\$ 4,268	11,474	\$ 3,500	\$ 8,210	\$ 2,737	\$ 10,947	\$ 8,779
Interest - Tax Collector	-	22	-	263	-	263	-
Special Assmnts- Tax Collector	337,972	338,092	338,248	338,247	-	338,247	338,248
Special Assmnts- Delinquent	-	433	-	-	-	-	-
Special Assmnts- Discounts	(12,203)	(12,293)	(13,530)	(12,451)	-	(12,451)	(13,530)
Other Miscellaneous Revenues	1,500	750	-	750	-	750	-
TOTAL REVENUES	331,537	338,478	328,218	335,019	2,737	337,756	333,497
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	10,000	9,800	9,000	13,800	3,000	16,800	24,000
FICA Taxes	765	750	689	1,056	230	1,286	1,836
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	9,444	3,148	12,592	25,000
ProfServ-Legal Services	9,886	4,956	8,000	3,998	1,333	5,331	8,000
ProfServ-Mgmt Consulting Serv	56,100	56,100	56,100	42,075	14,025	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	750	416	1,166	1,030
Auditing Services	4,823	4,800	4,823	4,800	-	4,800	4,823
Postage and Freight	912	266	900	109	57	166	900
Insurance - General Liability	7,760	7,760	9,390	7,488	-	7,488	8,237
Printing and Binding	173	309	1,500	355	164	519	500
Legal Advertising	3,579	3,353	1,500	1,134	378	1,512	3,466
Misc-Bank Charges	9	-	200	1	82	82	200
Misc-Assessmnt Collection Cost	4,447	4,396	6,764	6,516	-	6,516	6,765
Misc-Contingency	306	537	1,000	469	156	625	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	105,507	24,688	128,595	158,751
<i>Field</i>							
Contracts-Wetland Mitigation	5,400	5,400	5,400	12,950	2,250	15,200	10,465
Contracts-Lakes	21,012	21,012	21,012	10,026	3,449	13,475	21,012
Contracts-Canal Maint/Cleaning	6,468	6,468	6,468	3,234	1,617	4,851	6,468
Contracts-Aquatic Midge Mgmt	15,015	15,015	12,870	9,960	2,605	12,565	12,870
Contracts-RTR Landscaping	9,070	9,420	9,070	6,994	3,779	10,773	9,070
Electricity - Streetlighting	16,057	21,944	30,000	12,073	4,024	16,097	25,000
R&M-Fountain	1,650	1,069	1,000	416	139	555	1,000
R&M-Irrigation	-	1,258	3,000	350	750	1,100	3,000
R&M-Lake	-	15,935	20,000	7,981	1,707	9,688	15,000
R&M-Streetlights	11,229	23,628	14,400	25,059	8,353	33,412	17,000
R&M-Landscape Pond Areas	-	300	1,200	-	300	300	1,200
Misc-Contingency	996	10,241	78,720	83,529	27,843	111,372	43,662
Misc - Interlocal Agreement	-	-	-	-	-	-	9,000
Capital Outlay-Irrigation	-	15,640	-	-	-	-	-
Reserve-Lake Embankm/Drainage	149,394	28,350	-	-	-	-	-
Total Field	246,144	180,680	203,140	172,572	56,816	241,682	174,747
TOTAL EXPENDITURES	408,145	310,108	328,218	278,079	81,504	370,277	333,497

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET FY 2019	THRU JUN-2019	JUL- SEP-2019	PROJECTED FY 2019	BUDGET FY 2020
Excess (deficiency) of revenues Over (under) expenditures	(76,608)	28,370	-	56,940	(78,767)	13,498	-
Net change in fund balance	(76,608)	28,370	-	56,940	(78,767)	13,498	-
FUND BALANCE, BEGINNING	923,175	846,567	874,937	874,937	-	874,937	888,435
FUND BALANCE, ENDING	\$ 846,567	\$ 874,937	\$ 874,937	\$ 931,877	\$ (78,767)	\$ 888,435	\$ 888,435

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

		<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2020	\$	888,435
Net Change in Fund Balance - Fiscal Year 2020		-
Reserves - Fiscal Year 2020 Additions		-
Total Funds Available (Estimated) - 9/30/2020		888,435

ALLOCATION OF AVAILABLE FUNDS***Assigned Fund Balance***

Operating Reserve	\$	83,374 ⁽¹⁾
Reserves - Lake Embankment/Drainage - Prior Years	653,057	653,057
Reserves - Streetlights - Prior Years	150,000	150,000
Subtotal		<u>886,431</u>
Total Allocation of Available Funds		<u>886,431</u>
Total Unassigned (undesignated) Cash	\$	<u>2,004</u>

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.

Misc-Interlocal Agreement

The District has an Interlocal Agreement to reimburse the HOA for the landscape maintenance of two ponds and one side of Nine-eagle road.

WATERCHASE

Community Development District

Debt Service Budget

Fiscal Year 2020

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

ACCOUNT DESCRIPTION	ACTUAL FY 2018	ADOPTED BUDGET FY 2019	ACTUAL THRU JUN-2019	PROJECTED JUL- SEP-2019	TOTAL PROJECTED FY 2019	ANNUAL BUDGET FY 2020
REVENUES						
Interest - Investments	\$ 645	-	\$ 813	\$ 271	\$ 1,084	\$ 559
Interest - Tax Collector	139	-	-	-	-	-
Special Assmnts- Tax Collector	793,731	737,129	737,126	-	737,126	737,129
Special Assmnts - Delinquent	1,016	-	-	-	-	-
Special Assmnts- Discounts	(28,786)	(29,485)	(27,134)	-	(27,134)	(29,485)
TOTAL REVENUES	766,745	707,644	710,805	271	711,299	708,203
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	10,320	14,743	14,200	-	14,200	14,743
Total Administrative	10,320	14,743	14,200	-	14,200	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	238,607	-	238,607	224,781
Interest Expense	3,500	-	-	-	-	-
Cost of Issuance	239,856	-	-	-	-	-
Total Debt Service	801,356	684,607	684,607	-	684,607	684,781
TOTAL EXPENDITURES	8,968,520	699,350	698,807	-	698,807	699,524
Excess (deficiency) of revenues Over (under) expenditures	(8,201,775)	8,294	11,998	271	12,492	8,679
OTHER FINANCING SOURCES (USES)						
Interfund Transfer - In	348,120	-	-	-	-	-
Proceeds of Refunding Bonds	8,129,000	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	8,294	-	-	-	8,679
TOTAL OTHER SOURCES (USES)	8,477,120	8,294	-	-	-	8,679
Net change in fund balance	275,345	8,294	11,998	271	12,492	8,679
FUND BALANCE, BEGINNING	-	275,345	275,345	287,343	287,343	299,835
FUND BALANCE, ENDING	\$ 275,345	\$ 283,639	\$ 287,343	\$ 287,614	\$ 299,835	\$ 308,514

WATERCHASE

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

REVENUES

Interest – Investments

The District earns interest on the monthly average collected balance for their trust 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 – Discount

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments collected by the Tax Collector and only when the Tax Collector is using the uniform methodology. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

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%