

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2021

Adopted Budget

(Meeting 8/11/20)

Prepared by:



WATERCHASE

Community Development District

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Community Development District

Budget Overview

Fiscal Year 2021

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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	THRU	JUL-	PROJECTED	BUDGET
			FY 2020	JUN-2020	SEP-2020	FY 2020	FY 2021
REVENUES							
Interest - Investments	\$ 11,474	\$ 16,352	\$ 8,779	\$ 8,110	\$ 3,215	\$ 11,325	\$ 8,779
Interest - Tax Collector	22	286	-	230	64	294	-
Special Assmnts- Tax Collector	338,092	338,248	338,248	338,288	-	338,288	338,249
Special Assmnts- Delinquent	433.00	-	-	-	-	-	-
Special Assmnts- Discounts	(12,293)	(12,451)	(13,530)	(12,416)	-	(12,416)	(13,530)
Other Miscellaneous Revenues	750	1,250	-	-	-	-	-
TOTAL REVENUES	338,478	343,685	333,497	334,212	3,279	337,491	333,498
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	9,800	17,400	24,000	17,800	5,000	22,800	24,000
FICA Taxes	750	1,331	1,836	1,362	383	1,745	1,836
ProfServ-Arbitrage Rebate	600	-	600	-	600	600	600
ProfServ-Dissemination Agent	2,000	1,000	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	23,626	10,867	25,000	15,256	7,760	23,016	17,289
ProfServ-Legal Services	4,956	4,751	8,000	7,016	3,078	10,094	3,386
ProfServ-Mgmt Consulting Serv	56,100	56,100	57,783	43,337	14,446	57,783	59,516
ProfServ-Special Assessment	9,000	9,000	9,000	9,000	-	9,000	9,000
ProfServ-Trustee	-	4,337	4,337	4,337	-	4,337	4,337
ProfServ-Web Site Development	1,000	1,000	1,030	750	250	1,000	1,000
Auditing Services	4,800	4,800	4,823	4,800	-	4,800	4,823
Website Compliance	-	-	-	3,065	-	3,065	1,553
Postage and Freight	266	186	900	197	81	278	295
Insurance - General Liability	7,760	7,488	8,237	7,488	-	7,488	8,237
Printing and Binding	309	473	500	314	80	394	377
Legal Advertising	3,353	2,704	3,466	3,256	285	3,541	3,029
Misc-Bank Charges	-	1	200	-	50	50	150
Misc-Assessmnt Collection Cost	4,396	3,920	6,763	6,518	-	6,518	6,765
Misc-Contingency	537	691	1,000	420	140	560	1,083
Office Supplies	-	-	100	-	25	25	67
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	129,428	126,224	158,750	125,091	33,176	158,268	148,518
<i>Field</i>							
Contracts-Wetland Mitigation	5,400	10,429	10,465	8,357	2,786	11,143	10,465
Contracts-Lakes	21,012	23,680	21,012	15,210	5,070	20,280	21,012
Contracts-Canal Maint/Cleaning	6,468	3,920	6,468	2,058	613	2,671	2,058
Contracts-Aquatic Midge Mgmt	15,015	12,565	12,870	13,025	2,605	15,630	15,630
Contracts-RTR Landscaping	9,420	9,070	9,070	6,802	2,268	9,070	9,070
Electricity - Streetlighting	21,944	18,039	25,000	15,155	5,052	20,207	25,250
Electricity - Fountain	-	-	-	2,146	986	3,132	3,508
R&M-Fountain	1,069	4,097	1,000	416	297	713	2,583
R&M-Irrigation	1,258	350	3,000	175	1,075	1,250	1,750
R&M-Lake	15,935	7,981	15,000	-	11,958	11,958	11,958
R&M-Streetlights	23,628	30,376	17,000	20,271	757	21,028	18,348

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	THRU	JUL-	PROJECTED	BUDGET
			FY 2020	JUN-2020	SEP-2020	FY 2020	FY 2021
R&M-Landscape Pond Areas	300	-	1,200	200	143	343	800
Misc-Hurricane Expense	5,000	-	-	-	-	-	-
Misc-Contingency	10,241	122,656	43,662	6,550	10,000	16,550	55,617
Misc - Interlocal Agreement	-	-	9,000	6,930	-	6,930	6,930
Capital Outlay-Irrigation	15,640	-	-	-	-	-	-
Reserve-Lake Embankm/Drainage	28,350	-	-	147,675	-	147,675	-
Total Field	180,680	243,163	174,747	244,970	43,610	288,580	184,979
TOTAL EXPENDITURES	310,108	369,387	333,497	370,061	76,786	446,848	333,498
Excess (deficiency) of revenues							
Over (under) expenditures	28,370	(25,702)	-	(35,849)	(73,507)	(109,357)	-
Net change in fund balance	28,370	(25,702)	-	(35,849)	(73,507)	(109,357)	-
FUND BALANCE, BEGINNING	846,567	874,937	849,235	849,235	-	849,235	739,878
FUND BALANCE, ENDING	\$ 874,937	\$ 849,235	\$ 849,235	\$ 813,386	\$ (73,507)	\$ 739,878	\$ 739,878

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2021	\$ 739,878
Net Change in Fund Balance - Fiscal Year 2021	-
Reserves - Fiscal Year 2021 Additions	-
Total Funds Available (Estimated) - 9/30/2021	739,878

ALLOCATION OF AVAILABLE FUNDS

<i>Assigned Fund Balance</i>	
Operating Reserve	\$ 83,374 ⁽¹⁾
Reserves - Lake Embankment/Drainage - Prior Years	728,057
Less FY20 Expenses	(147,675)
	580,382
Reserves - Streetlights - Prior Years	75,000
	75,000
	Subtotal
	<u>738,756</u>
Total Allocation of Available Funds	738,756
Total Unassigned (undesignated) Cash	<u>\$ 1,122</u>

Notes

(1) Represents approximately 3 months of operating expenditures.

Budget Narrative

Fiscal Year 2021

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 2021

EXPENDITURES**Administrative (cont'd)****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 Campus Suite/Innersync Studio Ltd. to maintain the Districts website.

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.

Website Compliance

Annual Fee for ADA Compliance. Remediation of district website for PDF Accessibility.

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.

Budget Narrative

Fiscal Year 2021

EXPENDITURES**Administrative (cont'd)****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.

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.

Electricity-Fountain

Expenses related to TECO fountain electric usage for District facilities.

R&M-Fountain

The expense of repairs and maintenance to the District's fountains.

R&M- Irrigation

Miscellaneous expenses to maintain irrigation.

Budget Narrative

Fiscal Year 2021

EXPENDITURES

Field (cont'd)

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

Annual interlocal agreement with Waterchase HOA for landscape maintenance of Nine Eagle Dr. entryway, Pond banks of #5, 6, 7, 8, 14, 15, 16 and 18.

WATERCHASE

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
	FY2018	FY 2019	BUDGET FY 2020	THRU JUN-2020	JUL- SEP-2020	PROJECTED FY 2020	BUDGET FY 2021
REVENUES							
Interest - Investments	\$ 645	1,294	559	\$ 1,939	\$ 354	\$ 2,293	\$ 2,952
Interest - Tax Collector	139	-	-	-	-	-	-
Special Assmnts- Tax Collector	793,731	737,129	737,129	737,216	-	737,216	737,129
Special Assmnts - Delinquent	1,016	-	-	-	-	-	-
Special Assmnts- Discounts	(28,786)	(27,134)	(29,485)	(27,058)	-	(27,058)	(29,485)
TOTAL REVENUES	766,745	711,289	708,203	712,097	354	712,451	710,596
EXPENDITURES							
<i>Administrative</i>							
Misc-Assessmnt Collection Cost	10,320	8,423	14,743	14,204	-	14,204	14,743
Total Administrative	10,320	8,423	14,743	14,204	-	14,204	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	460,000	460,000	-	460,000	475,000
Interest Expense Series A	126,000	238,607	224,781	224,781	-	224,781	210,521
Interest Expense	3,500	-	-	-	-	-	-
Cost of Issuance	239,856	-	-	-	-	-	-
Total Debt Service	801,356	684,607	684,781	684,781	-	684,781	685,521
TOTAL EXPENDITURES	8,968,520	693,030	699,524	698,985	-	698,985	700,264
Excess (deficiency) of revenues Over (under) expenditures	(8,201,775)	18,259	8,679	13,112	354	13,466	10,332
OTHER FINANCING SOURCES (USES)							
Interfund Transfer - In	348,120	-	-	-	-	-	-
Proceeds of Refunding Bonds	8,129,000	-	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	-	8,679	-	-	-	10,332
TOTAL OTHER SOURCES (USES)	8,477,120	-	8,679	-	-	-	10,332
Net change in fund balance	275,345	18,259	8,679	13,112	354	13,466	10,332
FUND BALANCE, BEGINNING	-	275,344	293,603	293,603	306,715	306,715	320,181
FUND BALANCE, ENDING	\$ 275,344	\$ 293,603	\$ 302,282	\$ 306,715	\$ 307,069	\$ 320,181	\$ 330,513

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Community Development District

**Debt Amortization
Series 2017**

Date	Rate	Principal	Interest	ADS
11/1/2020			\$ 105,261	\$ 105,261
5/1/2021	3.10%	\$ 475,000	\$ 105,261	\$ 580,261
11/1/2021			\$ 97,898	\$ 97,898
5/1/2022	3.10%	\$ 489,000	\$ 97,898	\$ 586,898
11/1/2022			\$ 90,319	\$ 90,319
5/1/2023	3.10%	\$ 505,000	\$ 90,319	\$ 595,319
11/1/2023			\$ 82,491	\$ 82,491
5/1/2024	3.10%	\$ 521,000	\$ 82,491	\$ 603,491
11/1/2024			\$ 74,416	\$ 74,416
5/1/2025	3.10%	\$ 537,000	\$ 74,416	\$ 611,416
11/1/2025			\$ 66,092	\$ 66,092
5/1/2026	3.10%	\$ 554,000	\$ 66,092	\$ 620,092
11/1/2026			\$ 57,505	\$ 57,505
5/1/2027	3.10%	\$ 572,000	\$ 57,505	\$ 629,505
11/1/2027			\$ 48,639	\$ 48,639
5/1/2028	3.10%	\$ 589,000	\$ 48,639	\$ 637,639
11/1/2028			\$ 39,510	\$ 39,510
5/1/2029	3.10%	\$ 608,000	\$ 39,510	\$ 647,510
11/1/2029			\$ 30,086	\$ 30,086
5/1/2030	3.10%	\$ 627,000	\$ 30,086	\$ 657,086
11/1/2030			\$ 20,367	\$ 20,367
5/1/2031	3.10%	\$ 647,000	\$ 20,367	\$ 667,367
11/1/2031			\$ 10,339	\$ 10,339
5/1/2032	3.10%	\$ 667,000	\$ 10,339	\$ 677,339
		\$ 6,791,000	\$ 1,445,840	\$ 8,236,840

Budget Narrative
Fiscal Year 2021

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

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 2021

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Community Development District

Comparison of Assessment Rates Fiscal Year 2021 vs. Fiscal Year 2020

Village	Phase	General Fund 001			Debt Service 2017			Total Assessments per Unit			Platted	Bond	Prepaid
		FY 2021	FY 2020	Percent Change	FY 2021	FY 2020	Percent Change	FY 2021	FY 2020	Percent Change	Units	Units	Units
A-60'	1A	\$442.15	\$442.15	0%	\$766.84	\$766.84	0%	\$1,209.00	\$1,209.00	0%	44	44	0
A-60'	2-4	\$442.15	\$442.15	0%	\$935.41	\$935.41	0%	\$1,377.57	\$1,377.57	0%	63	62	0
B-45'	1A	\$442.15	\$442.15	0%	\$526.03	\$526.03	0%	\$968.18	\$968.18	0%	56	56	0
C-50'	1A	\$442.15	\$442.15	0%	\$606.55	\$606.55	0%	\$1,048.71	\$1,048.71	0%	46	46	0
C-50'	2-4	\$442.15	\$442.15	0%	\$681.05	\$681.05	0%	\$1,123.21	\$1,123.21	0%	55	55	0
D-90'	1A	\$442.15	\$442.15	0%	\$1,417.04	\$1,417.04	0%	\$1,859.20	\$1,859.20	0%	20	20	0
D-90'	2-4	\$442.15	\$442.15	0%	\$1,815.89	\$1,815.89	0%	\$2,258.05	\$2,258.05	0%	71	71	0
E-80'	1A	\$442.15	\$442.15	0%	\$1,191.28	\$1,191.28	0%	\$1,633.43	\$1,633.43	0%	41	41	0
E-80'	1B	\$442.15	\$442.15	0%	\$1,386.94	\$1,386.94	0%	\$1,829.10	\$1,829.10	0%	15	15	0
E-80'	2-4	\$442.15	\$442.15	0%	\$1,582.60	\$1,582.60	0%	\$2,024.76	\$2,024.76	0%	40	40	0
F-70'	2-4	\$442.15	\$442.15	0%	\$1,204.07	\$1,204.07	0%	\$1,646.23	\$1,646.23	0%	68	68	0
G-70'	2-4	\$442.15	\$442.15	0%	\$1,204.07	\$1,204.07	0%	\$1,646.23	\$1,646.23	0%	74	74	0
H-70'	1A	\$442.15	\$442.15	0%	\$958.74	\$958.74	0%	\$1,400.90	\$1,400.90	0%	40	40	0
TH	2-4	\$442.15	\$442.15	0%	\$386.57	\$386.57	0%	\$828.72	\$828.72	0%	132	132	0
											765	764	0

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