

SPICEWOOD

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2019

Version 2 - Adopted Budget
(Adopted at 7/18/2018 Meeting)

Prepared by:



SPICEWOOD

Community Development District

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SPICEWOOD

Community Development District

Operating Budget

Fiscal Year 2019

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

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	BUDGET FY 2018	THRU JUNE-2018	JULY SEPT-2018	PROJECTED FY 2018	BUDGET FY 2019
REVENUES						
Interest - Investments	\$ 1,447	\$ -	\$ 1,413	\$ 471	\$ 1,884	\$ -
Interest - Tax Collector	49	-	155	-	155	-
Special Assmnts- Tax Collector	154,601	154,603	154,508	95	154,603	154,603
Special Assmnts- Discounts	(5,250)	(6,184)	(5,331)	-	(5,331)	(6,184)
TOTAL REVENUES	150,847	148,419	150,744	566	151,311	148,419
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	3,200	7,000	1,800	1,200	3,000	7,000
FICA Taxes	245	536	138	92	230	536
ProfServ-Engineering	1,275	3,435	887	-	887	1,500
ProfServ-Legal Services	8,584	9,000	5,294	1,310	6,604	8,600
ProfServ-Mgmt Consulting Serv	20,450	21,064	15,798	5,266	21,064	21,696
ProfServ-Special Assessment	2,653	2,733	2,733	-	2,733	2,815
Auditing Services	4,773	4,750	4,750	-	4,750	4,750
Postage and Freight	29	205	24	8	32	50
Rental - Meeting Room	560	981	200	200	400	700
Insurance - General Liability	4,355	4,791	4,566	-	4,566	4,794
Printing and Binding	267	405	65	22	87	270
Legal Advertising	220	600	145	105	250	250
Misc-Assessmnt Collection Cost	1,494	1,546	1,399	1	1,400	1,546
Misc-Contingency	100	37,470	-	-	-	40,226
Misc-Web Hosting	1,000	1,030	772	258	1,030	1,061
Office Supplies	-	248	70	-	70	-
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	49,380	95,969	38,816	8,462	47,277	95,969
<i>Field</i>						
R&M-Grounds	-	12,500	97	-	97	12,500
Misc-Contingency	-	2,450	-	-	-	2,450
Misc-Security	23,729	36,500	12,493	24,007	36,500	36,500
Reserve - Playground	-	1,000	-	-	-	1,000
Total Field	23,729	52,450	12,590	24,007	36,597	52,450
TOTAL EXPENDITURES	73,109	148,419	51,406	32,469	83,874	148,419

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

ACCOUNT DESCRIPTION	ACTUAL FY 2017	ADOPTED BUDGET FY 2018	ACTUAL THRU JUNE-2018	PROJECTED JULY SEPT-2018	TOTAL PROJECTED FY 2018	ANNUAL BUDGET FY 2019
Excess (deficiency) of revenues						
Over (under) expenditures	77,738	-	99,338	(31,903)	67,437	-
Net change in fund balance	<u>77,738</u>	<u>-</u>	<u>99,338</u>	<u>(31,903)</u>	<u>67,437</u>	<u>-</u>
FUND BALANCE, BEGINNING	233,165	310,903	310,903	-	310,903	378,340
FUND BALANCE, ENDING	<u>\$ 310,903</u>	<u>\$ 310,903</u>	<u>\$ 410,241</u>	<u>\$ (31,903)</u>	<u>\$ 378,340</u>	<u>\$ 378,340</u>

Budget Narrative
Fiscal Year 2019**REVENUES****Special Assessments-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 Assessments-Discounts

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 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 the meetings. Seven meetings are scheduled.

FICA Taxes

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

Professional Services-Engineering

The District's engineer provides general engineering services to the District, i.e. attendance and preparation for monthly board meetings when requested, review of invoices, and other specifically requested assignments. Annual engineer's report as required by the bond indenture.

Professional Services-Legal Services

The District's Attorney, Billing, Cochran, Lyles provides general legal services to the District, i.e., attendance and preparation for monthly Board meetings, review of contracts, review of agreements and resolutions, and other research as directed or requested by the Board of Supervisors and the District Manager.

Professional Services-Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services, Inc. Also includes cost of Information Technology (GASB 54 Compliant Software System), transcription services, records management and long term offsite records storage. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement, with a moderate 3% proposed increase.

Professional Services-Special Assessments

Administrative services to maintain the District's Assessments Roll including estoppels letters and reports to applicable agencies. A moderate 3% increase is proposed.

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 contracted fees from an existing engagement letter.

Budget Narrative
Fiscal Year 2019**EXPENDITURES****Administrative** (continued)**Postage and Freight**

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

Rental-Meeting Room

Meetings are held at Somerset Academy Silver Palms. Rental fee per meeting. Seven meetings are scheduled.

Insurance-General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Florida Municipal Insurance Trust. They specialize in providing insurance coverage to governmental agencies. The budgeted amount allows for a projected increase in the premium.

Printing and 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 monthly Board meetings and other public hearings in a newspaper of general circulation.

Miscellaneous-Assessment Collection Costs

The District reimburses the Miami-Dade County Tax Collector for her or his 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 1% on the amount of special assessments collected and remitted, whichever is greater. The budget for collection costs was based on a maximum of 1% of the anticipated assessment collections.

Miscellaneous-Contingency

Unexpected expenditures that the District may incur.

Miscellaneous-Web Hosting

Web hosting of minutes to comply with new State Statutes. A moderate 3% increase is proposed.

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.

Budget Narrative
Fiscal Year 2019

EXPENDITURES

Field

R&M-Grounds

For maintenance of areas District is responsible for but work is performed by Homeowners' Association.

Miscellaneous-Contingency

Unexpected expenditures that the District may incur.

Miscellaneous-Security

Security services for District paid to the Homeowners' Association, per HOA and Easement agreements.

Reserve-Playground

Reserve for future park equipment.

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2019	\$ 378,340
Net Change in Fund Balance - Fiscal Year 2019	-
Reserves - Fiscal Year 2019 Additions	1,000
Total Funds Available (Estimated) - 9/30/19	379,340

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital	36,855	(1)
Reserve - Playground		
Prior Years Funding	6,000	
FY 2019 Reserve	1,000	7,000

Total Allocation of Available Funds	43,855
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Total Unassigned (undesignated) Cash	\$ 335,485
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Notes

(1) Represents approximately 3 months of operating expenditures, net reserves.

SPICEWOOD

Community Development District

Debt Service Budget

Fiscal Year 2019

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

ACCOUNT DESCRIPTION	ACTUAL FY 2017	ADOPTED BUDGET FY 2018	ACTUAL THRU JUNE-2018	PROJECTED JULY SEPT-2018	TOTAL PROJECTED FY 2018	ANNUAL BUDGET FY 2019
REVENUES						
Interest - Investments	\$ 1,333	\$ -	\$ 353	\$ 118	\$ 471	\$ -
Special Assmnts- Tax Collector	228,118	228,118	227,980	138	228,118	228,118
Special Assmnts- Discounts	(7,746)	(9,125)	(7,866)	-	(7,866)	(9,125)
TOTAL REVENUES	221,705	218,993	220,467	256	220,723	218,994
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Dissemination Agent	-	1,000	-	-	-	-
ProfServ-Trustee	4,041	5,408	2,694	2,714	5,408	5,949
Misc-Assessmnt Collection Cost	2,204	2,281	2,065	1	2,066	2,281
Total Administrative	6,245	8,689	4,759	2,715	7,474	8,230
<i>Debt Service</i>						
Principal Debt Retirement	110,000	110,000	110,000	-	110,000	115,000
Interest Expense	101,169	98,694	98,694	-	98,694	95,944
Total Debt Service	211,169	208,694	208,694	-	208,694	210,944
TOTAL EXPENDITURES	217,414	217,383	213,453	2,715	216,168	219,174
Excess (deficiency) of revenues						
Over (under) expenditures	4,291	1,610	7,014	(2,460)	4,554	(180)
OTHER FINANCING SOURCES (USES)						
Operating Transfers-Out	(166)	-	(170)	-	(170)	-
Contribution to (Use of) Fund Balance	-	1,610	-	-	-	(180)
TOTAL OTHER SOURCES (USES)	(166)	1,610	(170)	-	(170)	(180)
Net change in fund balance	4,125	1,610	6,844	(2,460)	4,384	(180)
FUND BALANCE, BEGINNING	196,086	200,211	200,211	-	200,211	204,595
FUND BALANCE, ENDING	\$200,211	\$201,821	\$ 207,055	\$ (2,460)	\$ 204,595	\$ 204,415

**Amortization Schedule
Series 2013**

<u>Date</u>	<u>Principal Retirement</u>	<u>Interest Expense</u>	<u>Principal Balance</u>
11/1/2018		\$ 47,972	\$ 2,440,000
5/1/2019	\$ 115,000	\$ 47,972	\$ 2,325,000
11/1/2019		\$ 46,319	\$ 2,325,000
5/1/2020	\$ 120,000	\$ 46,319	\$ 2,205,000
11/1/2020		\$ 44,519	\$ 2,205,000
5/1/2021	\$ 120,000	\$ 44,519	\$ 2,085,000
11/1/2021		\$ 42,644	\$ 2,085,000
5/1/2022	\$ 125,000	\$ 42,644	\$ 1,960,000
11/1/2022		\$ 40,456	\$ 1,960,000
5/1/2023	\$ 130,000	\$ 40,456	\$ 1,830,000
11/1/2023		\$ 38,100	\$ 1,830,000
5/1/2024	\$ 135,000	\$ 38,100	\$ 1,695,000
11/1/2024		\$ 35,569	\$ 1,695,000
5/1/2025	\$ 140,000	\$ 35,569	\$ 1,555,000
11/1/2025		\$ 32,856	\$ 1,555,000
5/1/2026	\$ 150,000	\$ 32,856	\$ 1,405,000
11/1/2026		\$ 29,856	\$ 1,405,000
5/1/2027	\$ 155,000	\$ 29,856	\$ 1,250,000
11/1/2027		\$ 26,563	\$ 1,250,000
5/1/2028	\$ 160,000	\$ 26,563	\$ 1,090,000
11/1/2028		\$ 23,163	\$ 1,090,000
5/1/2029	\$ 165,000	\$ 23,163	\$ 925,000
11/1/2029		\$ 19,656	\$ 925,000
5/1/2030	\$ 175,000	\$ 19,656	\$ 750,000
11/1/2030		\$ 15,938	\$ 750,000
5/1/2031	\$ 180,000	\$ 15,938	\$ 570,000
11/1/2031		\$ 12,113	\$ 570,000
5/1/2032	\$ 180,000	\$ 12,113	\$ 390,000
11/1/2032		\$ 8,288	\$ 390,000
5/1/2033	\$ 190,000	\$ 8,288	\$ 200,000
11/1/2033		\$ 4,250	\$ 200,000
5/1/2034	\$ 200,000	\$ 4,250	\$ -
11/1/2034			
	\$ 2,440,000	\$ 936,519	

Budget Narrative
Fiscal Year 2019**REVENUES****Special Assessments-Tax Collector**

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District to pay for the debt service expenditures during the Fiscal Year.

Special Assessments-Discounts

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****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-Trustee

The District issued this Series of 2013 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. There will be a 10% increase.

Miscellaneous-Assessment Collection Cost

The District reimburses the Miami-Dade County Tax Collector for her or his 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 1% on the amount of special assessments collected and remitted, whichever is greater. The budget for collection costs was based on a maximum of 1% of the anticipated assessment collections.

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.

SPICEWOOD

Community Development District

Supporting Budget Schedule

Fiscal Year 2019

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Community Development District

**Comparison of Assessment Rates
Fiscal Year 2019 vs. Fiscal Year 2018**

Product	General Fund 001			Series 2013 Debt Service Fund			Total Assessments per Unit			Units	Prepaid
	FY 2019	FY 2018	Percent Change	FY 2019	FY 2018	Percent Change	FY 2019	FY 2018	Percent Change		
Townhome SF 50'	\$308.15	\$308.15	0%	\$423.71	\$423.71	0%	\$731.86	\$731.86	0%	222	1
	\$338.01	\$338.01	0%	\$529.44	\$529.44	0%	\$867.45	\$867.45	0%	255	1
										477	2