

Waterchase Community Development District

Severn Trent Management Services
210 N. University Drive, Suite 702
Coral Springs, Florida 33071
Telephone: (954) 753-5841 • Fax: (954) 345-1292

Via Federal Express

May 14, 2015

Mr. Michael Merrill
Hillsborough County Administrator
601 E. Kennedy Boulevard, 26th Floor
Tampa, Florida 33602

RE: Proposed Operating Budget for Fiscal Year 2016

Dear Mr. Merrill:

In accordance with Chapter 190.008(2)(b) of the Florida Statutes, the District is required to submit to the local governing authorities having jurisdiction over the area included in the District, for purposes of disclosure and information only, the proposed annual budget for the ensuing fiscal year at least sixty (60) days prior to the public hearing.

The District's public hearing is scheduled as follows:

Date: July 14, 2015
Time: 6:00 P.M.
Place: Waterchase Clubhouse
14401 Waterchase Boulevard
Tampa, Florida 33626

I am pleased to enclose the District's Proposed Operating Budget for Fiscal Year 2016 as required by statute and request you post it to the County's website under Special Districts. If you have any questions or comments, please feel free to contact me directly at 813-991-1116.

Sincerely,

Andy Mendenhall
District Manager

AM/rh
Enclosure

cc: District Files

RESOLUTION 2015-3

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF
THE WATERCHASE COMMUNITY DEVELOPMENT
DISTRICT APPROVING THE BUDGET FOR FISCAL
YEAR 2016 AND SETTING A PUBLIC HEARING
THEREON PURSUANT TO FLORIDA LAW**

WHEREAS, the District Manager has heretofore prepared and submitted to the Board a proposed operating and/or debt service budget for Fiscal Year 2016; a copy of which is attached hereto, and

WHEREAS, the Board of Supervisors has considered said proposed budget and desires to set the required public hearing thereon;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE WATERCHASE COMMUNITY DEVELOPMENT DISTRICT;

1. The operating budget proposed by the District Manager for Fiscal Year 2016 is hereby approved as the basis for conducting a public hearing to adopt said budget.
2. A public hearing on said approved budget is hereby declared and set for the following date, hour and place:

Date: July 14, 2015
Hour: 6:00 P.M.
Place: Waterchase Clubhouse
14401 Waterchase Boulevard
Tampa, Florida

Notice of this public hearing shall be published in the manner prescribed in Florida Law.

Adopted this 12th day of May, 2015.



Jim Terry
Chairman



Andy Mendenhall
Secretary

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2016

Version 2 - Approved Tentative Budget

Approved May 12, 2015

Prepared by:



WATERCHASE

Community Development District

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Waterchase
Community Development District

Operating Budget
Fiscal Year 2016

WATERCHASE

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2016 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2014	BUDGET FY 2015	THRU MAR-2015	APRIL- SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
REVENUES						
Interest - Investments	\$ 3,007	\$ 1,200	\$ 1,310	\$ 1,310	\$ 2,620	\$ 1,200
Special Assmnts- Tax Collector	338,405	338,405	316,183	22,222	338,405	338,405
Special Assmnts- Discounts	(11,990)	(13,536)	(12,324)	-	(12,324)	(13,536)
TOTAL REVENUES	329,422	326,069	305,169	23,532	328,701	326,068

EXPENDITURES

Administrative

P/R-Board of Supervisors	5,000	7,000	1,600	4,000	5,600	7,000
FICA Taxes	383	536	122	306	428	536
ProfServ-Arbitrage Rebate	-	600	600	-	600	600
ProfServ-Dissemination Agent	1,000	1,000	1,000	-	1,000	1,000
ProfServ-Engineering	15,117	9,000	229	8,000	8,229	9,000
ProfServ-Legal Services	2,636	8,000	938	1,876	2,814	8,000
ProfServ-Mgmt Consulting Serv	53,430	53,430	26,715	26,715	53,430	53,430
ProfServ-Property Appraiser	6,311	6,768	6,077	444	6,521	6,768
ProfServ-Special Assessment	9,000	9,000	9,000	-	9,000	9,000
ProfServ-Trustee	4,337	4,600	-	4,600	4,600	5,290
Auditing Services	4,800	4,800	4,800	-	4,800	4,800
Postage and Freight	955	900	111	711	822	900
Insurance - General Liability	7,467	8,214	7,578	-	7,578	8,715
Printing and Binding	1,370	2,300	265	1,065	1,330	2,300
Legal Advertising	1,056	2,500	80	970	1,050	2,500
Misc-Bank Charges	506	550	272	272	544	550
Misc-Assessmnt Collection Cost	4,911	6,768	6,077	444	6,521	6,768
Misc-Contingency	6	1,000	100	100	200	1,000
Office Supplies	-	100	2,461	25	2,486	100
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	118,460	127,241	68,200	49,529	117,729	128,431

WATERCHASE

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2016 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2014	ADOPTED BUDGET FY 2015	ACTUAL	PROJECTED	TOTAL	ANNUAL
			THRU MAR-2015	APRIL- SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
<i>Field</i>						
Contracts-Wetland Mitigation	5,400	5,562	2,700	2,700	5,400	5,400
Contracts-Lakes Consultant	25,499	15,000	-	15,000	15,000	15,000
Contracts-Lakes	21,012	21,642	10,506	10,506	21,012	21,012
Contracts-Canal Maint/Cleaning	6,468	6,662	3,234	3,234	6,468	6,468
Contracts-RTR Landscaping	10,556	8,020	4,010	4,010	8,020	8,020
Electricity - Streetlighting	15,851	18,000	7,370	7,370	14,740	18,000
R&M-Irrigation	-	3,000	-	3,000	3,000	3,000
R&M-Lake	15,906	20,000	6,915	6,915	13,830	20,000
R&M-Streetlights	3,301	14,400	2,867	2,867	5,734	14,400
R&M-Landscape Pond Areas	-	1,200	75	1,100	1,175	1,200
Misc-Contingency	15,975	22,379	672	15,000	15,672	22,174
Reserve-Lake Embankm/Drainage	-	25,000	-	-	-	47,963
Reserve - Streetlights	45,390	37,963	-	-	-	15,000
Total Field	165,358	198,828	38,349	71,702	110,051	197,637
TOTAL EXPENDITURES	283,818	326,069	106,549	121,231	227,780	326,068
Excess (deficiency) of revenues						
Over (under) expenditures	45,604	-	198,620	(97,698)	100,922	-
Net change in fund balance	45,604	-	198,620	(97,698)	100,922	-
FUND BALANCE, BEGINNING	644,161	689,765	689,765	-	689,765	790,687
FUND BALANCE, ENDING	\$ 689,765	\$ 689,765	\$ 888,385	\$ (97,698)	\$ 790,687	\$ 790,687

Budget Narrative
Fiscal Year 2016**REVENUES****Interest – Investments**

The District earns interest on funds held in a checking account with SunTrust and invests funds in money market accounts and certificate of deposits.

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 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 - 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. 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-Mgmt Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental Services, Inc. These services are further outlined in Exhibit "A" of the Management Agreement. The fees are related to the current contracted fees.

Budget Narrative
Fiscal Year 2016

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. 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 cost was based on 2% of gross assessments.

Professional Services-Special Assessment

The District has contracted with Severn Trent Management Services, Inc. for the collection of assessments, updating the District's tax roll and levying the annual assessment.

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 plus a projected 15% increase.

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 15% 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 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 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.

Budget Narrative
Fiscal Year 2016**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.

Field - Operations and Maintenance:**Contracts-Wetland Mitigation**

It is required that the District establishes a surface water quality program, which will consist of sampling and analysis from various points within the District. The District's Consulting Engineer will determine these points.

Contracts-Lakes Consultant

The District will contract an engineering firm to assist in the restoration of lake banks.

Contracts-Lakes

The District will contract to maintain the lakes located within the District. The 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-RTR Landscaping

The District has contracted with Greenpoint Property Services to maintain the Racetrack Road median from the bridge.

Electricity-Streetlighting

Expenses related to streetlighting usage for District facilities and assets. Costs based on historical expenses from TECO.

R&M-Lake

The expense of repairs and maintenance to the lakes that are not planned for in the contract.

R&M- Irrigation

Miscellaneous expenses to maintain irrigation.

R&M-Streetlights

Repairs to streetlights provided as needed by D'Andrea Electric Inc.

Misc-Contingency

This represents any additional field expenditure that may not have been provided for in the budget.

Budget Narrative
Fiscal Year 2016

Reserve-Lake Embankment/Drainage

Funds to be set aside for future lake embankment & drainage expenditures as determined by the BOS.

Reserve-Streelights

Funds to be set aside for future streetlight expenditures as determined by the BOS.

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2016	\$ 790,687
Net Change in Fund Balance - Fiscal Year 2016	-
Reserves - Fiscal Year 2016 Additions	62,963
Total Funds Available (Estimated) - 9/30/2016	853,650

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve (1)		65,776 ⁽¹⁾
Reserves - Lake Embankmnt/Drainage	273,200	-
Reserves - Lake Embankmnt/Drainage-FY13	23,950	
Reserves - Lake Embankmnt/Drainage-FY14	25,000	
Reserves - Lake Embankmnt/Drainage-FY15	25,000	
Reserves - Lake Embankmnt/Drainage-FY16	<u>47,963</u>	395,113
Reserves - Streetlights	145,283	
Reserves - Streetlights-FY13	64,530	
Reserves - Streetlights-FY14	37,963	
Reserves - Streetlights-FY15	37,963	
Reserves - Streetlights-FY16	<u>15,000</u>	300,739
	Subtotal	<u>761,628</u>
Total Allocation of Available Funds		761,628

Total Unassigned (undesignated) Cash \$ 92,021

Notes

(1) Represents approximately 3 months of operating expenditures

Waterchase
Community Development District

Debt Service Budgets
Fiscal Year 2016

WATERCHASE

Community Development District

Series 2007 Debt Service Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2016 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2014	ADOPTED BUDGET FY 2015	ACTUAL THRU MAR-2015	PROJECTED APRIL- SEP-2015	TOTAL PROJECTED FY 2015	ANNUAL BUDGET FY 2016
REVENUES						
Interest - Investments	\$ 191	\$ -	\$ 101	\$ 101	\$ 202	\$ -
Special Assmnts- Tax Collector	794,461	794,461	742,292	52,169	794,461	794,461
Special Assmnts- Discounts	(28,149)	(31,778)	(28,932)	-	(28,932)	(31,778)
TOTAL REVENUES	766,503	762,683	713,461	52,270	765,731	762,683
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Property Appraiser	14,815	15,889	14,267	1,043	15,310	15,889
Misc-Assessmnt Collection Cost	11,529	15,889	14,267	1,043	15,310	15,889
Total Administrative	26,344	31,778	28,534	2,087	30,621	31,778
<i>Debt Service</i>						
Debt Retirement Series A	325,000	340,000	-	340,000	340,000	355,000
Interest Expense Series A	408,563	395,563	197,781	197,781	395,562	381,963
Total Debt Service	733,563	735,563	197,781	537,781	735,562	736,963
TOTAL EXPENDITURES	759,907	767,341	226,315	539,868	766,183	768,741
Excess (deficiency) of revenues Over (under) expenditures	6,596	(4,658)	487,146	(487,598)	(452)	(6,058)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(4,658)	-	-	-	(6,058)
TOTAL OTHER SOURCES (USES)	-	(4,658)	-	-	-	(6,058)
Net change in fund balance	6,596	(4,658)	487,146	(487,598)	(452)	(6,058)
FUND BALANCE, BEGINNING	296,389	302,985	302,985	-	302,985	302,533
FUND BALANCE, ENDING	\$ 302,985	\$ 298,327	\$ 790,131	\$ (487,598)	\$ 302,533	\$ 296,475

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Community Development District

**Debt Amortization
Series 2007**

Date	Principal	Interest	Principal Balance
11/1/2015		\$190,981.25	\$8,685,000.00
5/1/2016	\$355,000.00	\$190,981.25	\$8,330,000.00
11/1/2016		\$183,881.25	\$8,330,000.00
5/1/2017	\$370,000.00	\$183,881.25	\$7,960,000.00
11/1/2017		\$176,481.25	\$7,960,000.00
5/1/2018	\$385,000.00	\$176,481.25	\$7,575,000.00
11/1/2018		\$168,300.00	\$7,575,000.00
5/1/2019	\$400,000.00	\$168,300.00	\$7,175,000.00
11/1/2019		\$159,800.00	\$7,175,000.00
5/1/2020	\$420,000.00	\$159,800.00	\$6,755,000.00
11/1/2020		\$150,875.00	\$6,755,000.00
5/1/2021	\$435,000.00	\$150,875.00	\$6,320,000.00
11/1/2021		\$141,631.25	\$6,320,000.00
5/1/2022	\$455,000.00	\$141,631.25	\$5,865,000.00
11/1/2022		\$131,962.50	\$5,865,000.00
5/1/2023	\$475,000.00	\$131,962.50	\$5,390,000.00
11/1/2023		\$121,275.00	\$5,390,000.00
5/1/2024	\$495,000.00	\$121,275.00	\$4,895,000.00
11/1/2024		\$110,137.50	\$4,895,000.00
5/1/2025	\$520,000.00	\$110,137.50	\$4,375,000.00
11/1/2025		\$98,437.50	\$4,375,000.00
5/1/2026	\$545,000.00	\$98,437.50	\$3,830,000.00
11/1/2026		\$86,175.00	\$3,830,000.00
5/1/2027	\$570,000.00	\$86,175.00	\$3,260,000.00
11/1/2027		\$73,350.00	\$3,260,000.00
5/1/2028	\$595,000.00	\$73,350.00	\$2,665,000.00
11/1/2028		\$59,962.50	\$2,665,000.00
5/1/2029	\$625,000.00	\$59,962.50	\$2,040,000.00
11/1/2029		\$45,900.00	\$2,040,000.00
5/1/2030	\$650,000.00	\$45,900.00	\$1,390,000.00
11/1/2030		\$31,275.00	\$1,390,000.00
5/1/2031	\$680,000.00	\$31,275.00	\$710,000.00
11/1/2031		\$15,975.00	\$710,000.00
5/1/2032	\$710,000.00	\$15,975.00	\$0.00
	\$8,685,000.00	\$3,892,800.00	

Budget Narrative
Fiscal Year 2016

REVENUES

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.

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 Non-Ad Valorem assessments.

EXPENDITURES

Administrative:

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. 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 cost was based on 2% of the anticipated assessment collections.

Misc – Assessment Collection Costs

The District reimburses the Hillsborough County 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.

Waterchase

Community Development District

Supporting Budget Schedules

Fiscal Year 2016