

WATERCHASE

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2018

Version 1 - Approved Tentative Budget
(Approved at May 9, 2017 meeting)

Prepared by:



WATERCHASE

Community Development District

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Community Development District

Operating Budget

Fiscal Year 2018

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Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2018 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	BUDGET FY 2017	THRU MAR-2017	APRIL- SEP-2017	PROJECTED FY 2017	BUDGET FY 2018
REVENUES						
Interest - Investments	\$ 4,468	\$ 1,200	\$ 2,429	\$ 1,724	\$ 4,153	\$ 3,500
Special Assmnts- Tax Collector	338,405	338,405	319,099	19,306	338,405	338,405
Special Assmnts- Discounts	(12,024)	(13,536)	(12,453)	-	(12,453)	(13,536)
Other Miscellaneous Revenues	1,250	-	1,000	-	1,000	-
TOTAL REVENUES	332,099	326,069	310,075	21,031	331,106	328,369
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	7,200	9,000	4,600	4,400	9,000	9,000
FICA Taxes	551	689	352	337	689	689
ProfServ-Arbitrage Rebate	600	600	-	600	600	600
ProfServ-Dissemination Agent	1,000	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	8,719	9,000	10,667	13,000	23,667	9,000
ProfServ-Legal Services	7,384	8,000	4,437	4,437	8,874	8,000
ProfServ-Mgmt Consulting Serv	53,430	56,100	28,050	28,050	56,100	56,100
ProfServ-Special Assessment	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	1,000	-	1,000	1,000
Auditing Services	4,800	4,800	4,800	-	4,800	4,823
Postage and Freight	132	900	142	742	884	900
Insurance - General Liability	7,670	8,437	7,760	-	7,760	8,536
Printing and Binding	725	2,300	97	954	1,051	1,500
Legal Advertising	407	2,500	1,086	800	1,886	1,500
Misc-Bank Charges	168	550	9	-	9	200
Misc-Assessmnt Collection Cost	4,577	6,768	6,133	386	6,519	6,768
Misc-Contingency	31	1,000	211	150	361	1,000
Office Supplies	-	100	-	25	25	100
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	111,906	126,256	78,519	59,217	137,737	124,229

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Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2018 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	BUDGET FY 2017	THRU MAR-2017	APRIL- SEP-2017	PROJECTED FY 2017	BUDGET FY 2018
Field						
Contracts-Wetland Mitigation	5,400	5,400	2,700	2,700	5,400	5,400
Contracts-Lakes Consultant**	-	15,000	-	-	-	-
Contracts-Lakes	21,012	21,012	10,506	10,506	21,012	21,012
Contracts-Canal Maint/Cleaning	6,468	6,468	3,234	3,234	6,468	6,468
Contracts-Aquatic Midge Mgmt	-	17,540	6,435	6,435	12,870	12,870
Contracts-RTR Landscaping	8,220	8,020	4,535	4,535	9,070	9,070
Electricity - Streetlighting	13,891	15,000	6,254	6,254	12,508	15,000
Electricity - Fountain	-	3,000	117	117	234	1,000
R&M-Fountain	-	1,000	-	1,000	1,000	1,000
R&M-Irrigation	-	3,000	-	3,000	3,000	3,000
R&M-Lake	12,080	20,000	-	15,000	15,000	20,000
R&M-Streetlights	7,016	14,400	3,292	3,292	6,584	14,400
R&M-Landscape Pond Areas	250	1,200	-	800	800	1,200
Misc-Contingency	6,153	5,810	200	3,500	3,700	23,110
Impr-Fountain	43,770	-	9,675	-	9,675	-
Reserve-Lake Embankm/Drainage	-	62,963	-	-	-	70,610
Total Field	124,260	199,813	46,948	60,373	107,321	204,140
TOTAL EXPENDITURES	236,166	326,069	125,467	119,590	245,058	328,369
Excess (deficiency) of revenues Over (under) expenditures	95,933	-	184,608	(98,560)	86,048	0
Net change in fund balance	95,933	-	184,608	(98,560)	86,048	0
FUND BALANCE, BEGINNING	827,241	923,174	923,174	-	923,174	1,009,222
FUND BALANCE, ENDING	\$ 923,174	\$ 923,174	\$ 1,107,782	\$ (98,560)	\$ 1,009,222	\$ 1,009,222

Budget Narrative

Fiscal Year 2018

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. 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 with a proposed 5% increase.

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.

Budget Narrative

Fiscal Year 2018

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 Severn Trent 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 2018

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 electricity usage for District's fountains.

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.

Reserve-Lake Embankment/Drainage

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

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2018	\$ 1,009,222
Net Change in Fund Balance - Fiscal Year 2018	-
Reserves - Fiscal Year 2018 Additions	70,610
Total Funds Available (Estimated) - 9/30/2018	1,079,832

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve (1)		64,440 ⁽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-5.12.15 motion	83,713	
Reserves - Lake Embankmnt/Drainage-FY15	25,000	
Reserves - Lake Embankmnt/Drainage-12.08.15 motion	90,349	
Reserves - Lake Embankmnt/Drainage-FY16	47,963	
Reserves - Lake Embankmnt/Drainage-11.09.16 motion	15,000	
Reserves - Lake Embankmnt/Drainage-FY17	62,963	
Reserves - Lake Embankmnt/Drainage-FY18	<u>70,610</u>	717,748
Reserves - Streetlights	145,283	
Reserves - Streetlights-FY13	64,530	
Reserves - Streetlights-FY14	(7,427)	
Reserves - Streetlights-FY15	37,963	
Reserves - Streetlights- 12.08.15 motion	<u>(90,349)</u>	150,000
	Subtotal	<u>932,188</u>

Total Allocation of Available Funds	932,188
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Total Unassigned (undesignated) Cash	\$ 147,644
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Notes

(1) Represents approximately 3 months of operating expenditures

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Debt Service Budget

Fiscal Year 2018

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Series 2007 Debt Service Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2018 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	BUDGET FY 2017	THRU MAR-2017	APRIL- SEP-2017	PROJECTED FY 2017	BUDGET FY 2018
REVENUES						
Interest - Investments	\$ 372	\$ -	\$ 288	\$ 205	\$ 493	\$ -
Special Assmnts- Tax Collector	794,461	794,461	749,138	45,323	794,461	794,461
Special Assmnts- Discounts	(28,228)	(31,778)	(29,234)	-	(29,234)	(31,778)
TOTAL REVENUES	766,605	762,683	720,192	45,528	765,720	762,683
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	10,745	15,889	14,398	906	15,304	15,889
Total Administrative	10,745	15,889	14,398	906	15,304	15,889
<i>Debt Service</i>						
Debt Retirement Series A	355,000	370,000	-	370,000	370,000	385,000
Prepayments Series A	-	-	-	5,000	5,000	-
Interest Expense Series A	381,963	367,763	183,881	183,881	367,763	353,188
Total Debt Service	736,963	737,763	183,881	558,881	742,763	738,188
TOTAL EXPENDITURES	747,708	753,652	198,279	559,788	758,068	754,077
Excess (deficiency) of revenues						
Over (under) expenditures	18,897	9,031	521,913	(514,260)	7,652	8,606
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	9,031	-	-	-	8,606
TOTAL OTHER SOURCES (USES)	-	9,031	-	-	-	8,606
Net change in fund balance	18,897	9,031	521,913	(514,260)	7,652	8,606
FUND BALANCE, BEGINNING	306,771	325,668	325,668	-	325,668	333,320
FUND BALANCE, ENDING	\$ 325,668	\$ 334,699	\$ 847,581	\$ (514,260)	\$ 333,320	\$ 341,927

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**Debt Amortization
Series 2007**

Date	Principal	Interest	Principal Balance
11/1/2017		\$176,593.75	\$7,955,000.00
5/1/2018	\$385,000.00	\$176,593.75	\$7,570,000.00
11/1/2018		\$168,187.50	\$7,570,000.00
5/1/2019	\$400,000.00	\$168,187.50	\$7,170,000.00
11/1/2019		\$159,912.50	\$7,170,000.00
5/1/2020	\$420,000.00	\$159,912.50	\$6,750,000.00
11/1/2020		\$150,762.50	\$6,750,000.00
5/1/2021	\$435,000.00	\$150,762.50	\$6,315,000.00
11/1/2021		\$141,743.75	\$6,315,000.00
5/1/2022	\$455,000.00	\$141,743.75	\$5,860,000.00
11/1/2022		\$131,850.00	\$5,860,000.00
5/1/2023	\$475,000.00	\$131,850.00	\$5,385,000.00
11/1/2023		\$121,162.50	\$5,385,000.00
5/1/2024	\$495,000.00	\$121,162.50	\$4,890,000.00
11/1/2024		\$110,025.00	\$4,890,000.00
5/1/2025	\$520,000.00	\$110,025.00	\$4,370,000.00
11/1/2025		\$98,325.00	\$4,370,000.00
5/1/2026	\$545,000.00	\$98,325.00	\$3,825,000.00
11/1/2026		\$86,062.50	\$3,825,000.00
5/1/2027	\$570,000.00	\$86,062.50	\$3,255,000.00
11/1/2027		\$73,237.50	\$3,255,000.00
5/1/2028	\$595,000.00	\$73,237.50	\$2,660,000.00
11/1/2028		\$59,850.00	\$2,660,000.00
5/1/2029	\$625,000.00	\$59,850.00	\$2,035,000.00
11/1/2029		\$45,787.50	\$2,035,000.00
5/1/2030	\$650,000.00	\$45,787.50	\$1,385,000.00
11/1/2030		\$31,162.50	\$1,385,000.00
5/1/2031	\$680,000.00	\$31,162.50	\$705,000.00
11/1/2031		\$15,862.50	\$705,000.00
5/1/2032	\$705,000.00	\$15,862.50	\$0.00
	\$7,955,000.00	\$3,141,050.00	

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Supporting Budget Schedules

Fiscal Year 2018

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Comparison of Assessment Rates Fiscal Year 2018 vs. Fiscal Year 2017

Village	Phase	General Fund 001			Debt Service 2007			Total Assessments per Unit			Platted	Prepaid
		FY 2018	FY 2017	Percent Change	FY 2018	FY 2017	Percent Change	FY 2018	FY 2017	Percent Change	Units	Units
A-60'	1A	\$442.36	\$442.36	0%	\$825.44	\$825.44	0%	\$1,267.80	\$1,267.80	0%	44	0
A-60'	2-4	\$442.36	\$442.36	0%	\$1,006.89	\$1,006.89	0%	\$1,449.25	\$1,449.25	0%	63	0
B-45'	1A	\$442.36	\$442.36	0%	\$566.22	\$566.22	0%	\$1,008.58	\$1,008.58	0%	56	0
C-50'	1A	\$442.36	\$442.36	0%	\$652.90	\$652.90	0%	\$1,095.26	\$1,095.26	0%	46	0
C-50'	2-4	\$442.36	\$442.36	0%	\$733.09	\$733.09	0%	\$1,175.45	\$1,175.45	0%	55	0
D-90'	1A	\$442.36	\$442.36	0%	\$1,525.32	\$1,525.32	0%	\$1,967.68	\$1,967.68	0%	20	0
D-90'	2-4	\$442.36	\$442.36	0%	\$1,954.65	\$1,954.65	0%	\$2,397.01	\$2,397.01	0%	71	0
E-80'	1A	\$442.36	\$442.36	0%	\$1,282.31	\$1,282.31	0%	\$1,724.67	\$1,724.67	0%	41	0
E-80'	1B	\$442.36	\$442.36	0%	\$1,492.92	\$1,492.92	0%	\$1,935.28	\$1,935.28	0%	15	0
E-80'	2-4	\$442.36	\$442.36	0%	\$1,703.53	\$1,703.53	0%	\$2,145.89	\$2,145.89	0%	40	0
F-70'	2-4	\$442.36	\$442.36	0%	\$1,296.08	\$1,296.08	0%	\$1,738.44	\$1,738.44	0%	68	0
G-70'	2-4	\$442.36	\$442.36	0%	\$1,296.08	\$1,296.08	0%	\$1,738.44	\$1,738.44	0%	74	0
H-70'	1A	\$442.36	\$442.36	0%	\$1,032.00	\$1,032.00	0%	\$1,474.36	\$1,474.36	0%	40	0
TH	2-4	\$442.36	\$442.36	0%	\$416.11	\$416.11	0%	\$858.47	\$858.47	0%	132	0
											765	0