

POINCIANA WEST
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2018

Version 1 - Final Budget:
(Adopted at July 26, 2017 meeting)

Prepared by:



POINCIANA WEST

Community Development District

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Series 2017

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Poinciana West
Community Development District

Operating Budget
Fiscal Year 2018

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

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	BUDGET FY 2017	THRU MAY - 2017	JUN SEP-2017	PROJECTED FY 2017	BUDGET FY 2018
REVENUES						
Interest - Investments	\$ 2,318	\$ 1,000	\$ 3,243	\$ 257	\$ 3,500	\$ 3,000
Interest - Tax Collector	178	-	468	-	468	-
Special Assmnts- Tax Collector	254,328	254,327	254,614	1,510	256,124	309,888
Special Assmnts- Other	-	-	-	-	-	-
Special Assmnts- Prepayment	-	-	-	-	-	-
Special Assmnts- CDD Collected	15,469	15,469	13,817	-	13,817	-
Special Assmnts- Discounts	(9,407)	(10,173)	(9,309)	-	(9,309)	(12,396)
Other Miscellaneous Revenues	541	-	58	-	58	-
TOTAL REVENUES	263,427	260,623	262,891	1,767	264,658	300,492
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	7,000	6,000	12,400	8,000	20,400	6,000
FICA Taxes	536	459	949	612	1,561	459
ProfServ-Arbitrage Rebate	600	600	600	-	600	600
ProfServ-Dissemination Agent	5,000	5,000	-	5,000	5,000	5,000
ProfServ-Engineering	15,702	20,000	11,983	8,017	20,000	20,000
ProfServ-Legal Services	26,860	50,000	16,027	33,973	50,000	50,000
ProfServ-Mgmt Consulting Serv	47,624	49,053	32,702	16,351	49,053	50,525
ProfServ-Property Appraiser	2,543	5,087	2,561	-	2,561	6,198
ProfServ-Legal Incorporation	4,990	-	-	-	-	-
Auditing Services	3,800	4,000	4,000	-	4,000	4,023
Postage and Freight	1,294	1,000	1,668	834	2,502	1,000
Insurance - General Liability	9,578	10,536	9,894	-	9,894	10,883
Printing and Binding	2,619	1,500	3,735	1,867.50	5,603	1,500
Legal Advertising	3,360	2,000	11,980	7,500	19,480	2,000
Miscellaneous Services	554	636	463	231.50	695	636
Misc-Assessmnt Collection Cost	4,357	5,087	4,906	30	4,936	6,198
Office Supplies	329	200	517	258.50	776	200
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	136,921	161,333	114,560	82,675	197,235	165,397

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

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ADOPTED BUDGET FY 2017	ACTUAL THRU MAY - 2017	PROJECTED JUN SEP-2017	TOTAL PROJECTED FY 2017	ANNUAL BUDGET FY 2018
<i>Field</i>						
ProfServ-Field Management	4,120	4,244	2,829	1,415	4,244	4,371
Contracts-Landscape	27,500	27,500	35,130	21,164	56,294	56,294
Contracts-Aquatic Midge Mgmt	10,400	10,000	14,666	7,334	22,000	22,000
Contracts-Aquatic Weed Control	32,430	32,430	21,620	10,810	32,430	32,430
R&M-Renewal and Replacement	-	10,000	-	10,000	10,000	10,000
Misc-Contingency	1,350	15,116	10	15,106	15,116	10,000
Total Field	75,800	99,290	74,255	65,828	140,083	135,095
TOTAL EXPENDITURES	212,721	260,623	188,815	148,503	337,318	300,492
Excess (deficiency) of revenues						
Over (under) expenditures	50,706	-	74,076	(146,736)	(72,660)	-
Net change in fund balance	50,706	-	74,076	(146,736)	(72,660)	-
FUND BALANCE, BEGINNING	541,856	592,562	592,562	-	592,562	519,902
FUND BALANCE, ENDING	\$ 592,562	\$ 592,562	\$ 666,638	\$ (146,736)	\$ 519,902	\$ 519,902

Budget Narrative
Fiscal Year 2018

REVENUES

Interest Income (Investments)

The District earns interest income on their checking account and investment 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 - CDD Collected

The District will bill the developer directly for the unplatted lots.

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

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 6 meetings for the fiscal year.

FICA Taxes

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

Professional Services - Arbitrage Rebate Calculation

The District will contract with an independent certified public accountant to annually 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

The District's engineer will provide general engineering services to the District, i.e. attendance and preparation for Board meetings, review of invoices, and other specifically requested assignments.

Budget Narrative
Fiscal Year 2018**EXPENDITURES- Administrative (continued)****Professional Services - Legal Services**

The District's legal counsel will provide general legal services to the District, i.e. attendance and preparation for Board meetings, review of operating and maintenance contracts, and other specifically requested assignments.

Professional Services - Management Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental Services, Inc. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

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 budgeted amount for the fiscal year is calculated at 2% of the anticipated Non-Ad Valorem assessments.

Auditing Services

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm.

Postage & Freight

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

Insurance - General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance which specializes in providing insurance coverage to governmental agencies. The budgeted amount for the fiscal year is based on prior year premium plus 10% in order to be conservative.

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

Budget Narrative
Fiscal Year 2018

EXPENDITURES- Administrative (continued)

Miscellaneous Services

Bank charges incurred through the fiscal year.

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 fiscal year’s budget for collection costs is based on a maximum of 2% of the anticipated assessment collections.

Office Supplies

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects.

Annual District Filling Fee

The District is required to pay an annual fee of \$175 to the Department of Community affairs.

EXPENDITURES- Field

Professional Services - Field Management

Includes payroll and overhead costs associated with the services being provided under a management consulting contract with Severn Trent Management Services. This includes employees utilized in the field and office management of all District assets.

Contracts - Landscape

The District has a contract with Mainscape for the pond bank maintenance. The monthly amount of the contract is \$4,691.16.

Contracts - Aquatic Midge Management

The District has contract Clarke Environmental for the monthly midge management. The monthly amount of the contract is \$1,833.33.

Contracts - Aquatic Weed Control

The District has a contract with American Ecosystems for the aquatic weed control. The monthly amount of the contract is \$2,702.46.

Misc - Contingency

This represents any additional unanticipated expenditures that are incurred during the year that may not have been provided for in the other budget categories.

POINCIANA WEST

Community Development District

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2018	\$ 519,902
Net Change in Fund Balance - Fiscal Year 2018	-
Reserves - Fiscal Year 2018 Additions	-
Total Funds Available (Estimated) - 9/30/2018	519,902

ALLOCATION OF AVAILABLE FUNDS

<i>Assigned Fund Balance</i>	
Operating Reserve - Operating Capital	75,123 ⁽¹⁾
Subtotal	<u>75,123</u>
Total Allocation of Available Funds	75,123

Total Unassigned (undesignated) Cash	<u><u>\$ 444,779</u></u>
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Notes

(1) Represents approximately 3 months of operating expenditures

Poinciana West
Community Development District

Debt Service Budgets
Fiscal Year 2018

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

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ADOPTED BUDGET FY 2017	ACTUAL THRU MAY - 2017	PROJECTED JUN SEP-2017	TOTAL PROJECTED FY 2017	ANNUAL BUDGET FY 2018
REVENUES						
Interest - Investments	\$ -	\$ -	\$ 219	\$ 81	\$ 300	\$ 100
Special Assmnts- Tax Collector	-	-	136,208	7,686	143,894	1,117,752
Special Assmnts- CDD Collected	-	-	31,740	-	31,740	-
Special Assmnts- Discounts	-	-	(1,785)	-	(1,785)	(44,710)
TOTAL REVENUES	-	-	166,382	7,767	174,149	1,073,142
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Property Appraiser	-	-	-	-	-	22,355
ProfServ-Trustee Fees	-	-	-	-	-	5,500
Misc-Assessmnt Collection Cost	-	-	2,688	154	2,842	22,355
Total Administrative	-	-	2,688	154	2,842	50,210
<i>Debt Service</i>						
Principal Debt Retirement	-	-	12,715,076	-	12,715,076	-
Debt Retirement - R1	-	-	485,000	-	485,000	385,000
Debt Retirement - R2	-	-	125,000	-	125,000	80,000
Interest Expense - R1	-	-	101,508	-	101,508	396,331
Interest Expense - R2	-	-	40,670	-	40,670	155,963
Bond Issue Expense	-	-	507,236	-	507,236	-
Underwriter	-	-	212,400	-	212,400	-
Total Debt Service	-	-	14,186,890	-	14,186,890	1,017,294
TOTAL EXPENDITURES	-	-	14,189,578	154	14,189,732	1,067,504
Excess (deficiency) of revenues Over (under) expenditures	-	-	(14,023,196)	7,613	(14,015,583)	5,638
OTHER FINANCING SOURCES (USES)						
Interfund Transfer - In	-	-	830,464	-	830,464	-
Proceeds of Refunding Bonds	-	-	14,160,000	-	14,160,000	-
Contribution to (Use of) Fund Balance	-	-	-	-	-	5,638
TOTAL OTHER SOURCES (USES)	-	-	14,990,464	-	14,990,464	5,638
Net change in fund balance	-	-	967,268	7,613	974,881	5,638
FUND BALANCE, BEGINNING	-	-	-	-	-	974,881
FUND BALANCE, ENDING	\$ -	\$ -	\$ 967,268	\$ 7,613	\$ 974,881	\$ 980,519

Amortization Schedule
Series 2017 Special Assessment Bonds

Year	*Principal	Interest	Principal Balance	Fiscal Total
11/1/2017		\$276,147	\$13,550,000	
5/1/2018	\$465,000	\$276,147	\$13,085,000	\$1,017,294
11/1/2018		\$270,147	\$13,085,000	
5/1/2019	\$480,000	\$270,147	\$12,605,000	\$1,020,294
11/1/2019		\$263,666	\$12,605,000	
5/1/2020	\$495,000	\$263,666	\$12,110,000	\$1,022,331
11/1/2020		\$256,387	\$12,110,000	
5/1/2021	\$510,000	\$256,387	\$11,600,000	\$1,022,774
11/1/2021		\$248,231	\$11,600,000	
5/1/2022	\$525,000	\$248,231	\$11,075,000	\$1,021,463
11/1/2022		\$239,169	\$11,075,000	
5/1/2023	\$545,000	\$239,169	\$10,530,000	\$1,023,338
11/1/2023		\$229,472	\$10,530,000	
5/1/2024	\$565,000	\$229,472	\$9,965,000	\$1,023,944
11/1/2024		\$219,122	\$9,965,000	
5/1/2025	\$585,000	\$219,122	\$9,380,000	\$1,023,244
11/1/2025		\$207,806	\$9,380,000	
5/1/2026	\$610,000	\$207,806	\$8,770,000	\$1,025,613
11/1/2026		\$195,717	\$8,770,000	
5/1/2027	\$635,000	\$195,717	\$8,135,000	\$1,026,434
11/1/2027		\$182,881	\$8,135,000	
5/1/2028	\$660,000	\$182,881	\$7,475,000	\$1,025,761
11/1/2028		\$169,409	\$7,475,000	
5/1/2029	\$690,000	\$169,409	\$6,785,000	\$1,028,818
11/1/2029		\$154,612	\$6,785,000	
5/1/2030	\$720,000	\$154,612	\$6,065,000	\$1,029,224
11/1/2030		\$138,793	\$6,065,000	
5/1/2031	\$750,000	\$138,793	\$5,315,000	\$1,027,586
11/1/2031		\$122,064	\$5,315,000	
5/1/2032	\$785,000	\$122,064	\$4,530,000	\$1,029,129
11/1/2032		\$104,535	\$4,530,000	
5/1/2033	\$825,000	\$104,535	\$3,705,000	\$1,034,070
11/1/2033		\$85,538	\$3,705,000	
5/1/2034	\$860,000	\$85,538	\$2,845,000	\$1,031,075
11/1/2034		\$65,718	\$2,845,000	
5/1/2035	\$905,000	\$65,718	\$1,940,000	\$1,036,435
11/1/2035		\$44,825	\$1,940,000	
5/1/2036	\$945,000	\$44,825	\$995,000	\$1,034,650
11/1/2036		\$23,003	\$995,000	
5/1/2037	\$995,000	\$23,003	\$0	\$1,041,005
Totals	\$13,550,000	\$6,994,479		\$20,544,479

Budget Narrative
Fiscal Year 2018

REVENUES

Interest - Investments

The District earns interest income on their trust accounts with US Bank.

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 - CDD Collected

The District will bill the developer directly for the unplatted lots.

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 budgeted amount for the fiscal year is calculated at 2% of the anticipated Non-Ad Valorem assessments.

Professional Services - Trustee

The District pays US Bank an annual fee for trustee services on the Series 2017 Special Assessment Bond. The budgeted amount is based on prior year expenditures.

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 fiscal year's budget for collection costs is based on a maximum of 2% of the anticipated assessment collections.

Budget Narrative
Fiscal Year 2018

EXPENDITURES – 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 a year.

Poinciana West

Community Development District

Supporting Budget Schedules

Fiscal Year 2018

**Comparison of Non-Ad Valorem Assessment Rates
Fiscal Year 2018 vs. Fiscal Year 2017**

General Fund			Debt Service Series 2017			Total Assessments per Unit			Units
FY 2018	FY 2017	Percent Change	FY 2018	FY 2017	Percent Change	FY 2018	FY 2017	Percent Change	
\$186.57	\$163.24	14.29%	\$686.58	\$750.00	-8.5%	\$873.15	\$913.24	-4.4%	1,661
									1,661