

2019



TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2019
PROPOSED ANNUAL OPERATING BUDGET

MAY 10, 2018



TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2019 PROPOSED ANNUAL OPERATING BUDGET

TABLE OF CONTENTS

<u>SECTION</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
I.	BUDGET INTRODUCTION	1
II.	FISCAL YEAR 2018 BUDGET ANALYSIS.....	2
III.	PROPOSED OPERATING BUDGET	3
IV.	GENERAL FUND 001 DESCRIPTIONS.....	4
V.	DEBT SERVICE FUND.....	6
VI.	SCHEDULE OF ANNUAL ASSESSMENTS	7

MAY 10, 2018

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

BUDGET INTRODUCTION

Background Information

The Touchstone Community Development District is a local special purpose government authorized by Chapter 190, Florida Statutes, as amended. The Community Development District (CDD) is an alternative method for planning, financing, acquiring, operating and maintaining community-wide infrastructure in master planned communities. The CDD also is a mechanism that provides a “solution” to the State’s needs for delivery of capital infrastructure to service projected growth without overburdening other governments and their taxpayers. CDDs represent a major advancement in Florida’s effort to manage its growth effectively and efficiently. This allows the community to set a higher standard for construction along with providing a long-term solution to the operation and maintenance of community facilities.

The following report represents the District budget for Fiscal Year 2019, which begins on October 1, 2018. The District budget is organized by fund to segregate financial resources and ensure that the segregated resources are used for their intended purpose, and the District has established the following funds.

<u>Fund Number</u>	<u>Fund Name</u>	<u>Services Provided</u>
001	General Fund	Operations and Maintenance of Community Facilities
200	Debt Service Fund	Collection of Special Assessments for Debt Service on the Series 2018 Capital Improvement Revenue Bonds

Facilities of the District

The District’s existing facilities include storm-water management (lake and water control structures), wetland preserve areas, street lighting, landscaping, entry signage, entry features, irrigation distribution facilities, recreational center, parks, pool facility, tennis courts and other related public improvements.

Maintenance of the Facilities

In order to maintain the facilities, the District conducts hearings to adopt an operating budget each year. This budget includes a detailed description of the maintenance program along with an estimate of the cost of the program. The funding of the maintenance budget is levied as a non-ad valorem assessment on your property by the District Board of Supervisors.

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

	Fiscal Year 2018 Final Operating Budget	Current Period Actuals 10/1/2017 - 3/31/2018	Projected Revenues & Expenditures 4/1/18 to 9/30/18	Total Actuals and Projections Through 09/30/18	Over/(Under) Budget Through 09/30/18
REVENUES					
SPECIAL ASSESSMENTS					
Operations & Maintenance Assmts-Off Roll	866,500.00	0.00	0.00	0.00	(866,500.00)
TOTAL SPECIAL ASSESSMENTS	866,500.00	0.00	0.00	0.00	(866,500.00)
CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES					
Developer Contributions	0.00	15,122.03	28,899.54	44,771.57	44,771.57
TOTAL CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES	0.00	15,122.03	28,899.54	44,771.57	44,771.57
TOTAL REVENUES	\$866,500.00	\$15,122.03	\$28,899.54	\$44,771.57	(\$821,728.43)
EXPENDITURES					
LEGISLATIVE					
Supervisor Fees	0.00	0.00	0.00	0.00	0.00
TOTAL LEGISLATIVE	0.00	0.00	0.00	0.00	0.00
FINANCIAL & ADMINISTRATIVE					
District Manager	45,000.00	0.00	11,000.00	11,000.00	(34,000.00)
District Engineer	20,000.00	900.00	1,500.00	2,400.00	(17,600.00)
Disclosure Report	5,000.00	0.00	2,500.00	2,500.00	(2,500.00)
Trustees Fees	10,000.00	0.00	0.00	0.00	(10,000.00)
Accounting Services	0.00	0.00	750.00	750.00	750.00
Auditing Services	6,000.00	0.00	4,500.00	4,500.00	(1,500.00)
Postage, Phone, Faxes, Copies	5,000.00	0.00	50.00	50.00	(4,950.00)
Public Officials Insurance	5,000.00	0.00	2,500.00	2,500.00	(2,500.00)
Legal Advertising	0.00	6,907.02	1,500.00	8,407.02	8,407.02
Bank Fees	1,000.00	127.56	127.56	255.12	(744.88)
Dues, Licenses & Fees	200.00	175.00	0.00	175.00	(25.00)
Miscellaneous Fees	300.00	0.00	0.00	0.00	(300.00)
Office Supplies	0.00	364.22	0.00	364.22	364.22
Website Administration	0.00	600.00	0.00	600.00	600.00
TOTAL FINANCIAL & ADMINISTRATIVE	97,500.00	9,073.80	24,427.56	33,501.36	(63,998.64)
LEGAL COUNSEL					
District Counsel	10,000.00	9,770.21	1,500.00	11,270.21	1,270.21
TOTAL LEGAL COUNSEL	10,000.00	9,770.21	1,500.00	11,270.21	1,270.21
ELECTRIC UTILITY SERVICES					
Electric Utility Services	457,000.00	0.00	0.00	0.00	(457,000.00)
TOTAL ELECTRIC UTILITY SERVICES	457,000.00	0.00	0.00	0.00	(457,000.00)
WATER-SEWER COMBINATION SERVICES					
Water Utility Services	25,000.00	0.00	0.00	0.00	(25,000.00)
TOTAL WATER-SEWER COMBINATION SERVICES	25,000.00	0.00	0.00	0.00	(25,000.00)
OTHER PHYSICAL ENVIRONMENT					
Property & Casualty Insurance	12,000.00	0.00	0.00	0.00	(12,000.00)
Landscape Maintenance-Contract	125,000.00	0.00	0.00	0.00	(125,000.00)
Repairs and Maintenance	15,000.00	0.00	0.00	0.00	(15,000.00)
Plant Replacement Program	25,000.00	0.00	0.00	0.00	(25,000.00)
Waterway Management Services	55,000.00	0.00	0.00	0.00	(55,000.00)
Irrigation Maintenance	10,000.00	0.00	0.00	0.00	(10,000.00)
TOTAL OTHER PHYSICAL ENVIRONMENT	242,000.00	0.00	0.00	0.00	(242,000.00)
ROAD & STREET FACILITIES					
Pavement and Drainage Repairs & Maintenance	35,000.00	0.00	0.00	0.00	(35,000.00)
TOTAL ROAD & STREET FACILITIES	35,000.00	0.00	0.00	0.00	(35,000.00)
TOTAL EXPENDITURES	\$866,500.00	\$18,844.01	\$25,927.56	\$44,771.57	(\$821,728.43)
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	50.00	(\$3,721.98)	\$2,971.98	50.00	50.00

FISCAL YEAR 2018 BUDGET ANALYSIS

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

	Fiscal Year 2018 Final Operating Budget	Total Actuals and Projections Through 09/30/18	Over/(Under) Budget Through 09/30/18	Fiscal Year 2019 Proposed Operating Budget	Increase / (Decrease) from FY 2017 to FY 2018
REVENUES					
SPECIAL ASSESSMENTS					
Operations & Maintenance Assmts-Tax Roll	0.00	0.00	0.00	102,318.70	102,318.70
Operations & Maintenance Assmts-Off Roll	866,500.00	0.00	(866,500.00)	112,124.57	(754,375.43)
TOTAL SPECIAL ASSESSMENTS	866,500.00	0.00	(866,500.00)	214,443.27	(652,056.73)
CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES					
Developer Contributions	0.00	44,771.57	44,771.57	351,890.87	351,890.87
TOTAL CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES	0.00	44,771.57	44,771.57	351,890.87	351,890.87
TOTAL REVENUES	\$866,500.00	\$44,771.57	(\$821,728.43)	\$566,334.14	(\$300,165.86)
EXPENDITURES					
LEGISLATIVE					
Supervisor Fees	0.00	0.00	0.00	0.00	0.00
TOTAL LEGISLATIVE	0.00	0.00	0.00	0.00	0.00
FINANCIAL & ADMINISTRATIVE					
District Manager	45,000.00	11,000.00	(34,000.00)	45,000.00	0.00
District Engineer	20,000.00	2,400.00	(17,600.00)	15,000.00	(5,000.00)
Disclosure Report	5,000.00	2,500.00	(2,500.00)	6,000.00	1,000.00
Trustees Fees	10,000.00	0.00	(10,000.00)	10,000.00	0.00
Accounting Services	0.00	750.00	750.00	1,500.00	1,500.00
Auditing Services	6,000.00	4,500.00	(1,500.00)	6,000.00	0.00
Postage, Phone, Faxes, Copies	5,000.00	50.00	(4,950.00)	1,000.00	(4,000.00)
Public Officials Insurance	5,000.00	2,500.00	(2,500.00)	5,000.00	0.00
Legal Advertising	0.00	8,407.02	8,407.02	4,000.00	4,000.00
Bank Fees	1,000.00	255.12	(744.88)	500.00	(500.00)
Dues, Licenses & Fees	200.00	175.00	(25.00)	200.00	0.00
Miscellaneous Fees	300.00	0.00	(300.00)	300.00	0.00
Office Supplies	0.00	364.22	364.22	0.00	0.00
Website Administration	0.00	600.00	600.00	0.00	0.00
TOTAL FINANCIAL & ADMINISTRATIVE	97,500.00	33,501.36	(63,998.64)	94,500.00	(3,000.00)
LEGAL COUNSEL					
District Counsel	10,000.00	11,270.21	1,270.21	13,000.00	3,000.00
TOTAL LEGAL COUNSEL	10,000.00	11,270.21	1,270.21	13,000.00	3,000.00
ELECTRIC UTILITY SERVICES					
Electric Utility Services	457,000.00	0.00	(457,000.00)	156,834.14	(300,165.86)
TOTAL ELECTRIC UTILITY SERVICES	457,000.00	0.00	(457,000.00)	156,834.14	(300,165.86)
WATER-SEWER COMBINATION SERVICES					
Water Utility Services	25,000.00	0.00	(25,000.00)	25,000.00	0.00
TOTAL WATER-SEWER COMBINATION SERVICES	25,000.00	0.00	(25,000.00)	25,000.00	0.00
OTHER PHYSICAL ENVIRONMENT					
Property & Casualty Insurance	12,000.00	0.00	(12,000.00)	12,000.00	0.00
Landscape Maintenance-Contract	125,000.00	0.00	(125,000.00)	125,000.00	0.00
Repairs and Maintenance	15,000.00	0.00	(15,000.00)	15,000.00	0.00
Plant Replacement Program	25,000.00	0.00	(25,000.00)	25,000.00	0.00
Waterway Management Services	55,000.00	0.00	(55,000.00)	55,000.00	0.00
Irrigation Maintenance	10,000.00	0.00	(10,000.00)	10,000.00	0.00
TOTAL OTHER PHYSICAL ENVIRONMENT	242,000.00	0.00	(242,000.00)	242,000.00	0.00
ROAD & STREET FACILITIES					
Pavement and Drainage Repairs & Maintenance	35,000.00	0.00	(35,000.00)	35,000.00	0.00
TOTAL ROAD & STREET FACILITIES	35,000.00	0.00	(35,000.00)	35,000.00	0.00
TOTAL EXPENDITURES	\$866,500.00	\$44,771.57	(\$821,728.43)	\$566,334.14	(\$300,165.86)
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

FISCAL YEAR 2019
PROPOSED ANNUAL OPERATING BUDGET

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND 001

FINANCIAL & ADMINISTRATIVE

District Manager

The District retains the services of a consulting manager, who is responsible for the daily administration of the District's business, including any and all financial work related to the Bond Funds and Operating Funds of the District, and preparation of the minutes of the Board of Supervisors. In addition, the District Manager prepares the Annual Budget(s), implements all policies of the Board of Supervisors, and attends all meetings of the Board of Supervisors.

District Engineer

Consists of attendance at scheduled meetings of the Board of Supervisors, offering advice and consultation on all matters related to the works of the District, such as bids for yearly contracts, operating policy, compliance with regulatory permits, etc.

Disclosure Reporting

On a quarterly and annual basis, disclosure of relevant district information is provided to the Muni Council, as required within the bond indentures.

Trustees Fees

This item relates to the fee assessed for the annual administration of bonds outstanding, as required within the bond indentures.

Auditing Services

The District is required to annually undertake an independent examination of its books, records and accounting procedures. This audit is conducted pursuant to State Law and the Rules of the Auditor General.

Postage, Phone, Fax, Copies

This item refers to the cost of materials and service to produce agendas and conduct day-to-day business of the District.

Public Officials Insurance

The District carries Public Officials Liability in the amount of \$1,000,000.

Legal Advertising

This is required to conduct the official business of the District in accordance with the Sunshine Law and other advertisement requirements as indicated by the Florida Statutes.

Bank Fees

The District operates a checking account for expenditures and receipts.

Dues, Licenses & Fees

The District is required to file with the County and State each year.

Office Supplies

Cost of daily supplies required by the District to facilitate operations.

Website Administration

Cost of maintenance and administration of the District's website

LEGAL COUNSEL

District Counsel

Requirements for legal services are estimated at an annual expenditures on an as needed and also cover such items as attendance at scheduled meetings of the Board of Supervisor's, Contract preparation and review, etc.

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND 001

ELECTRIC UTILITY SERVICES

Electric Utility Services

This item is for street lights, pool, recreation facility and other common element electricity needs.

GARBAGE/SOLID WASTE CONTROL SERVICES

Garbage Collection

This item is for pick up at the recreation facility and parks as needed.

WATER-SEWER COMBINATION SERVICES

Water Utility Services

This item is for the potable and non-potable water used for irrigation.

OTHER PHYSICAL ENVIRONMENT

Waterway Management System

This item is for maintaining the multiple waterways that compose the District's waterway management system and aids in controlling nuisance vegetation that may otherwise restrict the flow of water.

Property & Casualty Insurance

The District carries \$1,000,000 in general liability and also has sovereign immunity.

Entry & Walls Maintenance

This item is for maintaining the main entry feature and other common area walls.

Landscape Maintenance

The District contracts with a professional landscape firm to provide service through a public bid process. This fee does not include replacement material or irrigation repairs.

Miscellaneous Landscape

This item is for any unforeseen circumstances that may effect the appearance of the landscape program.

Plant Replacement Program

This item is for landscape items that may need to be replaced during the year.

Irrigation Maintenance

Repairs necessary for everyday operation of the irrigation system to ensure its effectiveness.

Pool Maintenance

This item is necessary to contract with a vendor to maintain the pool within state guidelines for public use.

Clubhouse Maintenance

This item provides for operations, maintenance, and supplies to the District's Amenity Center.

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

DEBT SERVICE FUND SERIES 2018

REVENUES

CDD Debt Service Assessments	\$	332,463
TOTAL REVENUES	\$	332,463

EXPENDITURES

Series 2018 June Bond Principal Payment	\$	90,000
Series 2018 June Bond Interest Payment	\$	122,019
Series 2018 December Bond Interest Payment	\$	120,444
TOTAL EXPENDITURES	\$	332,463
EXCESS OF REVENUES OVER EXPENDITURES	\$	-

ANALYSIS OF BONDS OUTSTANDING

Bonds Outstanding - Period Ending 12/15/2018	\$	5,370,000
Principal Payment Applied Toward Series 2018 Bonds	\$	90,000
Bonds Outstanding - Period Ending 12/15/2019	\$	5,280,000

TOUCHSTONE

COMMUNITY DEVELOPMENT DISTRICT

SCHEDULE OF ANNUAL ASSESSMENTS

Lot Size	EAU Value	Unit Count	FISCAL YEAR 2018			FISCAL YEAR 2019			Assessment Variance from Previous Year ⁽²⁾
			Debt Service Per Unit	O&M Per Unit	Fiscal Year 2018 Total Assessment ⁽¹⁾	Debt Service Per Unit	O&M Per Unit	Fiscal Year 2019 Total Assessment ⁽¹⁾	
SERIES 2018 - PHASES 1 & 2									
Townhome	0.51	162	\$ 468.00	\$ 460.00	\$ 928.00	\$ 468.00	\$ 301.15	\$ 769.15	\$ (159)
SF 35'	1.00	94	\$ 911.00	\$ 894.00	\$ 1,805.00	\$ 911.00	\$ 583.69	\$ 1,494.69	\$ (310)
SF 40'	1.14	124	\$ 1,041.00	\$ 1,021.00	\$ 2,062.00	\$ 1,041.00	\$ 667.52	\$ 1,708.52	\$ (353)
SF 50'	1.43	50	\$ 1,301.00	\$ 1,277.00	\$ 2,578.00	\$ 1,301.00	\$ 834.11	\$ 2,135.11	\$ (443)
Subtotal		430							
FUTURE BOND SERIES									
Townhome	0.51	26		\$ 460.00	\$ 460.00	\$ -	\$ 301.15	\$ 301.15	\$ (159)
SF 35'	1.00	196		\$ 894.00	\$ 894.00	\$ -	\$ 583.69	\$ 583.69	\$ (310)
SF 40'	1.14	219		\$ 1,021.00	\$ 1,021.00	\$ -	\$ 667.52	\$ 667.52	\$ (353)
SF 50'	1.43	127		\$ 1,277.00	\$ 1,277.00	\$ -	\$ 834.11	\$ 834.11	\$ (443)
Subtotal		568							
TOTAL		998							

Notations:

⁽¹⁾ Annual assessments are adjusted for collection costs and early payment discounts of 6%.

⁽²⁾ An increase in assessments creates a positive figure; conversely, a decrease in assessments creates a negative figure.