

LIVE OAK NO. 2

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2015

Version 2 - Approved Tentative Budget
(Approved at 5/20/14 Mtg)

Prepared by:



LIVE OAK NO. 2

Community Development District

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Live Oak No. 2
Community Development District

Operating Budget
Fiscal Year 2015

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2015 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	BUDGET FY 2014	THRU APR-2014	MAY- SEP-2014	PROJECTED FY 2014	BUDGET FY 2015
REVENUES						
Interest - Investments	\$ 1,209	\$ -	\$ 494	\$ 353	\$ 847	\$ -
Special Assmnts- Tax Collector	198,444	214,745	210,342	4,403	214,745	256,049
Special Assmnts- Discounts	(6,919)	(8,590)	(8,094)	-	(8,094)	(10,242)
TOTAL REVENUES	192,734	206,155	202,742	4,756	207,498	245,807
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	5,200	8,000	3,600	4,000	7,600	8,000
FICA Taxes	398	612	275	306	581	612
ProfServ-Engineering	8,248	5,000	11,229	8,021	19,250	15,000
ProfServ-Legal Services	4,897	4,000	1,210	864	2,074	3,000
ProfServ-Mgmt Consulting Serv	37,000	37,000	21,583	15,417	37,000	37,000
ProfServ-Arbitrage Rebate	-	-	-	-	-	600
ProfServ-Dissemination Agent	-	-	-	-	-	5,000
ProfServ-Property Appraiser	3,751	4,295	4,045	88	4,133	5,121
ProfServ-Special Assessment	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee	-	-	-	-	-	8,847
Auditing Services	3,500	3,500	-	3,500	3,500	3,500
Communication - Telephone	1	20	-	-	-	-
Postage and Freight	1,017	275	119	898	1,017	1,000
Insurance - General Liability	7,851	9,029	9,086	-	9,086	9,992
Printing and Binding	316	500	134	182	316	500
Legal Advertising	817	900	70	747	817	900
Misc-Bank Charges	-	600	112	80	192	600
Misc-Assessmnt Collection Cost	2,817	4,295	4,045	88	4,133	5,121
Misc-Web Hosting	-	-	-	-	-	2,000
Office Supplies	1,418	100	9	50	59	100
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	89,906	90,801	68,192	34,241	102,433	119,568
<i>Field</i>						
Contracts-Envirom'l Monitoring	6,600	7,000	4,650	1,950	6,600	6,600
Contracts-Landscape	41,238	41,244	24,056	17,183	41,239	41,244
Contracts-Lakes	16,596	16,595	9,681	6,915	16,596	16,595
R&M-Fence	-	7,500	18,887	-	18,887	7,500
R&M-Lake	17,228	5,000	7,463	2,537	10,000	10,000
R&M-Wetland Monitoring	2,700	8,000	8,032	5,737	13,769	8,300
Misc-Contingency	-	8,100	2,200	1,571	3,771	6,000
Reserve - Ponds	-	21,915	27,763	-	27,763	30,000
Total Field	84,362	115,354	102,732	35,893	138,625	126,239
TOTAL EXPENDITURES	174,268	206,155	170,924	70,134	241,058	245,807
Net change in fund balance	18,466	-	31,818	(65,378)	(33,560)	-
FUND BALANCE, BEGINNING	339,651	358,117	358,117	-	358,117	324,557
FUND BALANCE, ENDING	\$ 358,117	\$ 358,117	\$ 389,935	\$ (65,378)	\$ 324,557	\$ 324,557

Budget Narrative
Fiscal Year 2015

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 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 Supervisor

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.

FICA Taxes

Payroll taxes for the Supervisors' salaries are calculated at 7.65% of gross payroll.

Professional Services-Engineering

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 estimated activity.

Professional Services-Legal

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 estimated activity.

Professional Services-Management Consulting

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

Professional Services-Arbitrage Rebate Calculation

The District will contract with an independent certified public account 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 supporting requirements for unrelated bond issues. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Budget Narrative
Fiscal Year 2015**EXPENDITURES****ADMINISTRATIVE (CONTINUED)****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 FY2015 budget for property appraiser costs was based on 2% of gross assessments.

Professional Services-Special Assessments

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 pays US Bank an annual fee for trustee services on the Series 2004 Special Assessments Bond. The budgeted amount is based on historical costs with 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. The fee is based on existing year's engagement letter.

Postage & Freight

Mailing of agenda packages, overnight deliveries & correspondence.

Insurance – General Liability

The District has general liability insurance. These insurance policies are held with Public Risk Insurance. Public Risk Insurance specializes in providing insurance coverage to governmental agencies. The amount is based upon historical expenses with a projected 10% increase.

Printing & Binding

Printing & binding agenda packages for board meetings, 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.

Miscellaneous Bank Charges

Bank Fees charged by SunTrust on the main operating account.

Misc. Assessment Collection Fee

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 FY2015 budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Budget Narrative
Fiscal Year 2015

EXPENDITURES

ADMINISTRATIVE (CONTINUED)

Misc. – Web Hosting

The District will create and maintain a website for public access to the District’s activities.

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.

OPERATIONS & MAINTENANCE

Contracts-Envirom’l Monitoring

The District has a permit obligation to comply with certain conditions for the establishment and maintenance of upland/wetland conservation areas. Services are provided by Ecological Consultants.

Contracts - Landscape

The District currently has a contract with Landscape Maintenance Professionals, Inc. to maintain the landscaping and irrigation system of the common areas within the District. The contract amount is \$3,437 per month.

Contracts-Lakes

The District has a contract with American EcoSystems to provide lake spray services to 27 ponds for \$1,383/mo.

R&M - Fence

The District anticipates fence repair expenses.

R&M – Lake

The District expects to incur minor lake maintenance expenditures.

R&M-Wetland Monitoring

Monitoring and reporting services for the District’s lakes will be provided by Driggers Engineering.

Misc.-Contingency

This category represents miscellaneous expenditures incurred during the year that cannot be otherwise classified.

Reserves-Ponds

This represents reserves the district has budgeted and intends to designate as funds to set aside to cover future capital expenditures which may require substantial cash use.

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2015	\$ 324,557
Net Change in Fund Balance - Fiscal Year 2015	-
Reserves - Fiscal Year 2015 Additions	30,000
Total Funds Available (Estimated) - 9/30/2015	354,557

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital	53,952 ⁽¹⁾
Reserves - Ponds	135,463
Reserves - Ponds - FY14	(5,848)
Reserves - Ponds - FY15 (Proposed)	30,000
Subtotal	<u>213,567</u>
Total Allocation of Available Funds	213,567

Total Unassigned (undesignated) Cash	<u>\$ 140,991</u>
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Notes

(1) Represents approximately 3 months of operating expenditures

Live Oak No. 2
Community Development District

Debt Service Budgets
Fiscal Year 2015

LIVE OAK NO. 2

Community Development District

Debt Service Series 2004 Fund

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2015 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	BUDGET FY 2014	THRU APR-2014	MAY- SEP-2014	PROJECTED FY 2014	BUDGET FY 2015
REVENUES						
Interest - Investments	\$ (509)	\$ -	\$ 410	\$ 293	\$ 703	\$ -
Special Assmnts- Tax Collector	712,450	712,450	697,841	14,609	712,450	712,450
Special Assmnts- Prepayment	3,696,966	-	752,280	169,263	921,543	-
Special Assmnts- CDD Collected	378,055	227,424	213,637	-	213,637	72,496
Special Assmnts- Discounts	(24,841)	(28,498)	(26,855)	-	(26,855)	(28,498)
TOTAL REVENUES	4,762,121	911,376	1,637,313	184,165	1,821,478	756,448
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Arbitrage Rebate	600	600	600	-	600	-
ProfServ-Dissemination Agent	5,000	5,000	5,000	-	5,000	-
ProfServ-Property Appraiser	13,467	14,249	13,420	292	13,712	14,249
ProfServ-Trustee	7,693	7,900	7,693	-	7,693	-
Misc-Assessmnt Collection Cost	10,112	14,249	13,420	292	13,712	14,249
Total Administrative	36,872	41,998	40,133	584	40,717	28,498
<i>Debt Service</i>						
Principal Debt Retirement	175,000	185,000	-	185,000	185,000	195,000
Prepayments Series A	15,000	-	15,000	-	15,000	-
Prepayments Series B	3,980,000	-	1,375,000	115,000	1,490,000	-
Interest Expense Series A	481,601	470,925	235,463	235,463	470,926	459,225
Interest Expense Series B	420,256	227,424	103,316	40,480	143,796	72,496
Total Debt Service	5,071,857	883,349	1,728,779	575,943	2,304,722	726,721
TOTAL EXPENDITURES	5,108,729	925,347	1,768,912	576,527	2,345,439	755,219
Excess (deficiency) of revenues						
Over (under) expenditures	(346,608)	(13,971)	(131,599)	(392,362)	(523,961)	1,229
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(13,971)	-	-	-	1,229
TOTAL OTHER SOURCES (USES)	-	(13,971)	-	-	-	1,229
Net change in fund balance	(346,608)	(13,971)	(131,599)	(392,362)	(523,961)	1,229
FUND BALANCE, BEGINNING	2,007,377	1,660,769	1,660,769	-	1,660,769	1,136,808
FUND BALANCE, ENDING	\$ 1,660,769	\$ 1,646,798	\$ 1,529,170	\$ (392,362)	\$ 1,136,808	\$ 1,138,037

LIVE OAK NO. 2

Community Development District

SPECIAL ASSESSMENT BONDS, SERIES 2004A AMORTIZATION SCHEDULE

Period Ending	Principal	Coupon Rate	Interest	Debt Service	Annual Debt Service
11/1/2014			\$229,612.50	\$230,490.00	
5/1/2015	\$195,000.00	5.850%	\$229,612.50	\$425,490.00	\$655,980.00
11/1/2015			\$223,908.75	\$224,786.25	
5/1/2016	\$210,000.00	5.850%	\$223,908.75	\$434,786.25	\$659,572.50
11/1/2016			\$217,766.25	\$218,643.75	
5/1/2017	\$220,000.00	5.850%	\$217,766.25	\$438,643.75	\$657,287.50
11/1/2017			\$211,331.25	\$212,208.75	
5/1/2018	\$235,000.00	5.850%	\$211,331.25	\$447,208.75	\$659,417.50
11/1/2018			\$204,457.50	\$205,335.00	
5/1/2019	\$250,000.00	5.850%	\$204,457.50	\$455,335.00	\$660,670.00
11/1/2019			\$197,145.00	\$198,022.50	
5/1/2020	\$265,000.00	5.850%	\$197,145.00	\$463,022.50	\$661,045.00
11/1/2020			\$189,393.75	\$190,271.25	
5/1/2021	\$280,000.00	5.850%	\$189,393.75	\$470,271.25	\$660,542.50
11/1/2021			\$181,203.75	\$182,081.25	
5/1/2022	\$295,000.00	5.850%	\$181,203.75	\$477,081.25	\$659,162.50
11/1/2022			\$172,575.00	\$173,452.50	
5/1/2023	\$315,000.00	5.850%	\$172,575.00	\$488,452.50	\$661,905.00
11/1/2023			\$163,361.25	\$164,238.75	
5/1/2024	\$335,000.00	5.850%	\$163,361.25	\$499,238.75	\$663,477.50
11/1/2024			\$153,562.50	\$154,440.00	
5/1/2025	\$355,000.00	5.850%	\$153,562.50	\$509,440.00	\$663,880.00
11/1/2025			\$143,178.75	\$144,056.25	
5/1/2026	\$375,000.00	5.850%	\$143,178.75	\$519,056.25	\$663,112.50
11/1/2026			\$132,210.00	\$133,087.50	
5/1/2027	\$395,000.00	5.850%	\$132,210.00	\$528,087.50	\$661,175.00
11/1/2027			\$120,656.25	\$121,533.75	
5/1/2028	\$420,000.00	5.850%	\$120,656.25	\$541,533.75	\$663,067.50
11/1/2028			\$108,371.25	\$109,248.75	
5/1/2029	\$445,000.00	5.850%	\$108,371.25	\$554,248.75	\$663,497.50
11/1/2029			\$95,355.00	\$96,232.50	
5/1/2030	\$470,000.00	5.850%	\$95,355.00	\$566,232.50	\$662,465.00
11/1/2030			\$81,607.50	\$82,485.00	
5/1/2031	\$500,000.00	5.850%	\$81,607.50	\$582,485.00	\$664,970.00
11/1/2031			\$66,982.50	\$67,860.00	
5/1/2032	\$530,000.00	5.850%	\$66,982.50	\$597,860.00	\$665,720.00
11/1/2032			\$51,480.00	\$52,357.50	
5/1/2033	\$560,000.00	5.850%	\$51,480.00	\$617,357.50	\$669,715.00
11/1/2033			\$35,100.00	\$35,831.25	
5/1/2034	\$585,000.00	5.850%	\$35,100.00	\$630,831.25	\$666,662.50
11/1/2034			\$17,988.75	\$18,427.50	
5/1/2035	\$615,000.00	5.850%	\$17,988.75	\$648,427.50	\$666,855.00
Total	\$7,850,000.00		\$5,994,495.00	\$13,910,180.00	\$13,910,180.00

LIVE OAK NO. 2

Community Development District

SERIES 2004B AMENDED SPECIAL ASSESSMENT BONDS

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
11/01/14	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
02/01/15	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/15	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
08/01/15	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/15	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
02/01/16	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/16	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
08/01/16	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/16	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
02/01/17	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/17	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
08/01/17	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/17	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
02/01/18	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/18	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
08/01/18	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/18	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
02/01/19	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/19	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
08/01/19	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/19	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
02/01/20	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/20	\$985,000.00	7.36%	\$0.00	\$36,248.00	\$36,248.00
08/01/20	\$985,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/20	\$985,000.00	7.36%	\$985,000.00	\$36,248.00	\$1,021,248.00
			\$985,000.00	\$471,224.00	\$1,456,224.00

Live Oak No. 2
Community Development District

Supporting Budget Schedules
Fiscal Year 2015

LIVE OAK NO. 2

Community Development District

All Funds

Product	General Fund 001		Debt Service		Total Assessments per Unit			Total Units
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	Percent Change	
45'	\$332.53	\$278.89	\$750.00	\$750.00	\$1,082.53	\$1,028.89	5.2%	191
50'	\$332.53	\$278.89	\$850.00	\$850.00	\$1,182.53	\$1,128.89	4.8%	328
60'	\$332.53	\$278.89	\$1,000.00	\$1,000.00	\$1,332.53	\$1,278.89	4.2%	134
75'	\$332.53	\$278.89	\$1,300.00	\$1,300.00	\$1,632.53	\$1,578.89	3.4%	74
80'	\$332.53	\$278.89	\$1,400.00	\$1,400.00	\$1,732.53	\$1,678.89	3.2%	43
								770