

LIVE OAK NO. 2
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2016

Version 3 - FINAL Budget
Adopted 7/21/15

Prepared by:



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Live Oak No. 2
Community Development District

Operating Budget
Fiscal Year 2016

LIVE OAK NO. 2

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2016 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	FY 2014	BUDGET FY 2015	THRU JUNE-2015	JULY- SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
REVENUES							
Interest - Investments	\$ 1,209	\$ 1,133	\$ -	\$ 1,059	\$ 530	\$ 1,589	\$ -
Special Assmnts- Tax Collector	198,444	214,449	256,049	256,049	-	256,049	256,049
Special Assmnts- Delinquent	-	-	-	296	-	296	-
Special Assmnts- Discounts	(6,919)	(7,986)	(10,242)	(9,576)	-	(9,576)	(10,242)
TOTAL REVENUES	192,734	207,596	245,807	247,828	530	248,358	245,807
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	5,200	5,600	8,000	3,200	2,000	5,200	8,000
FICA Taxes	398	428	612	245	153	398	612
ProfServ-Arbitrage Rebate	-	-	600	600	-	600	600
ProfServ-Dessemination Agent	-	-	5,000	5,000	-	5,000	5,000
ProfServ-Engineering	8,248	22,670	15,000	14,523	10,374	24,897	15,000
ProfServ-Legal Services	4,897	4,212	3,000	833	278	1,111	3,000
ProfServ-Mgmt Consulting Serv	37,000	37,000	37,000	27,750	9,250	37,000	38,850
ProfServ-Property Appraiser	3,751	4,022	5,121	4,959	-	4,959	5,121
ProfServ-Special Assessment	12,500	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee	-	-	8,847	9,079	-	9,079	10,441
Auditing Services	3,500	3,500	3,500	3,500	-	3,500	3,500
Communication - Telephone	1	-	-	-	-	-	-
Postage and Freight	1,017	908	1,000	144	775	919	1,000
Insurance - General Liability	7,851	9,086	9,992	9,195	-	9,195	10,574
Printing and Binding	316	316	500	238	78	316	500
Legal Advertising	817	757	900	49	712	761	900
Misc-Bank Charges	-	253	600	199	66	265	600
Misc-Assessmnt Collection Cost	2,817	3,129	5,121	4,959	-	4,959	5,121
Misc-Web Hosting	-	-	2,000	-	1,000	1,000	2,000
Office Supplies	1,418	-	100	-	50	50	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	89,906	104,556	119,568	97,148	24,736	121,884	123,594
<i>Field</i>							
Contracts-Envirom'l Monitoring	6,600	6,600	6,600	5,250	1,350	6,600	6,600
Contracts-Landscape	41,238	41,238	41,244	30,929	10,310	41,239	44,238
Contracts-Lakes	16,596	16,596	16,595	12,447	4,149	16,596	16,596
R&M-Fence	-	21,811	7,500	185	7,000	7,185	7,500
R&M-Lake	17,228	7,463	10,000	5,755	-	5,755	5,000
R&M-Stormwater	-	-	-	26,800	-	26,800	-
R&M-Wetland Monitoring	2,700	8,032	8,300	900	5,000	5,900	8,000
Misc-Contingency	-	8,600	6,000	4,025	1,975	6,000	8,100
Reserve - Ponds	-	39,613	30,000	13,245	-	13,245	26,179
Total Field	84,362	149,953	126,239	99,536	29,784	129,320	122,213
TOTAL EXPENDITURES	174,268	254,509	245,807	196,684	54,519	251,203	245,807
Net change in fund balance	18,466	(46,913)	-	51,144	(53,990)	(2,846)	-
FUND BALANCE, BEGINNING	292,737	358,116	311,203	311,203	-	311,203	308,357
FUND BALANCE, ENDING	\$ 311,203	\$ 311,203	\$ 311,203	\$ 362,347	\$ (53,990)	\$ 308,357	\$ 308,357

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 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-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.

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 with a proposed increase of 5% for management services.

Budget Narrative
Fiscal Year 2016

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 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 15% 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 budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Budget Narrative
Fiscal Year 2016

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'I 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 2016	\$ 308,357
Net Change in Fund Balance - Fiscal Year 2016	-
Reserves - Fiscal Year 2016 Additions	26,179
Total Funds Available (Estimated) - 9/30/2016	334,536

ALLOCATION OF AVAILABLE FUNDS

Nonspendable Fund Balance

Prepaid Items	1,383
Subtotal	<u>1,383</u>

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital	54,907 ⁽¹⁾
Reserves - Ponds	117,765
Reserves - Ponds - FY15	16,755
Reserves - Ponds - FY16 (Proposed)	26,179
Subtotal	<u>160,699</u>
Subtotal	<u>215,606</u>

Total Allocation of Available Funds	216,989
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Total Unassigned (undesignated) Cash	\$ <u>117,547</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 2016

LIVE OAK NO. 2

Community Development District

Debt Service Series 2004 Fund

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

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	FY 2014	BUDGET FY 2015	THRU JUNE-2015	JULY- SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
REVENUES							
Interest - Investments	\$ (509)	\$ 647	\$ -	\$ 420	\$ 140	\$ 560	\$ -
Special Assmnts- Tax Collector	712,450	711,468	712,450	712,450	-	712,450	712,450
Special Assmnts- Prepayment	3,696,966	1,297,683	-	263,298	-	263,298	-
Special Assmnts- CDD Collected	378,055	220,822	72,496	23,712	-	23,712	2,576
Special Assmnts- Delinquent	-	-	-	983	-	983	-
Special Assmnts- Discounts	(24,841)	(26,496)	(28,498)	(26,621)	-	(26,621)	(28,498)
TOTAL REVENUES	4,762,121	2,204,124	756,448	974,242	140	974,382	686,528
EXPENDITURES							
<i>Administrative</i>							
ProfServ-Arbitrage Rebate	600	600	-	-	-	-	-
ProfServ-Dissemination Agent	5,000	5,000	-	-	-	-	-
ProfServ-Property Appraiser	13,467	13,344	14,249	13,717	-	13,717	14,249
ProfServ-Trustee	7,693	7,693	-	-	-	-	-
Misc-Assessmnt Collection Cost	10,112	10,379	14,249	13,717	-	13,717	14,249
Total Administrative	36,872	37,016	28,498	27,434	-	27,434	28,498
<i>Debt Service</i>							
Principal Debt Retirement	175,000	185,000	195,000	195,000	-	195,000	210,000
Prepayments Series A	15,000	15,000	-	15,000	-	15,000	-
Prepayments Series B	3,980,000	1,915,000	-	525,000	-	525,000	-
Interest Expense Series A	481,601	470,486	459,225	458,786	-	458,786	446,940
Interest Expense Series B	420,256	151,616	72,496	28,949	-	28,949	2,576
Total Debt Service	5,071,857	2,737,102	726,721	1,222,735	-	1,222,735	659,516
TOTAL EXPENDITURES	5,108,729	2,774,118	755,219	1,250,169	-	1,250,169	688,014
Excess (deficiency) of revenues							
Over (under) expenditures	(346,608)	(569,994)	1,229	(275,927)	140	(275,787)	(1,486)
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	1,229	-	-	-	(1,486)
TOTAL OTHER SOURCES (USES)	-	-	1,229	-	-	-	(1,486)
Net change in fund balance	(346,608)	(569,994)	1,229	(275,927)	140	(275,787)	(1,486)
FUND BALANCE, BEGINNING	1,437,382	1,660,768	1,090,774	1,090,774	-	1,090,774	814,987
FUND BALANCE, ENDING	\$ 1,090,774	\$ 1,090,774	\$ 1,092,003	\$ 814,847	\$ 140	\$ 814,987	\$ 813,501

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
11/1/2015			\$223,470.00	\$224,786.25	
5/1/2016	\$210,000.00	5.850%	\$223,470.00	\$434,786.25	\$656,940.00
11/1/2016			\$217,327.50	\$218,643.75	
5/1/2017	\$220,000.00	5.850%	\$217,327.50	\$438,643.75	\$654,655.00
11/1/2017			\$210,892.50	\$212,208.75	
5/1/2018	\$235,000.00	5.850%	\$210,892.50	\$447,208.75	\$656,785.00
11/1/2018			\$204,018.75	\$205,335.00	
5/1/2019	\$250,000.00	5.850%	\$204,018.75	\$455,335.00	\$658,037.50
11/2/2019			\$196,706.25	\$198,022.50	
5/1/2020	\$265,000.00	5.850%	\$196,706.25	\$463,022.50	\$658,412.50
11/1/2020			\$188,955.00	\$190,271.25	
5/1/2021	\$280,000.00	5.850%	\$188,955.00	\$470,271.25	\$657,910.00
11/1/2021			\$180,765.00	\$182,081.25	
5/1/2022	\$295,000.00	5.850%	\$180,765.00	\$477,081.25	\$656,530.00
11/1/2022			\$172,136.25	\$173,452.50	
5/2/2023	\$315,000.00	5.850%	\$172,136.25	\$488,452.50	\$659,272.50
11/1/2023			\$162,922.50	\$164,238.75	
5/1/2024	\$330,000.00	5.850%	\$162,922.50	\$499,238.75	\$655,845.00
11/1/2024			\$153,270.00	\$154,440.00	
5/1/2025	\$350,000.00	5.850%	\$153,270.00	\$509,440.00	\$656,540.00
11/1/2025			\$143,032.50	\$144,056.25	
5/1/2026	\$370,000.00	5.850%	\$143,032.50	\$519,056.25	\$656,065.00
11/2/2026			\$132,210.00	\$133,087.50	
5/1/2027	\$395,000.00	5.850%	\$132,210.00	\$528,087.50	\$659,420.00
11/2/2027			\$120,656.25	\$121,533.75	
5/1/2028	\$420,000.00	5.850%	\$120,656.25	\$541,533.75	\$661,312.50
11/1/2028			\$108,371.25	\$109,248.75	
5/1/2029	\$440,000.00	5.850%	\$108,371.25	\$554,248.75	\$656,742.50
11/1/2029			\$95,501.25	\$96,232.50	
5/2/2030	\$470,000.00	5.850%	\$95,501.25	\$566,232.50	\$661,002.50
11/1/2030			\$81,753.75	\$82,485.00	
5/2/2031	\$495,000.00	5.850%	\$81,753.75	\$582,485.00	\$658,507.50
11/1/2031			\$67,275.00	\$67,860.00	
5/1/2032	\$530,000.00	5.850%	\$67,275.00	\$597,860.00	\$664,550.00
11/1/2032			\$51,772.50	\$52,357.50	
5/1/2033	\$555,000.00	5.850%	\$51,772.50	\$617,357.50	\$658,545.00
11/2/2033			\$35,538.75	\$35,831.25	
5/1/2034	\$590,000.00	5.850%	\$35,538.75	\$630,831.25	\$661,077.50
11/2/2034			\$18,281.25	\$18,427.50	
5/1/2035	\$625,000.00	5.850%	\$18,281.25	\$648,427.50	\$661,562.50
Total	\$7,640,000.00		\$5,529,712.50	\$13,254,200.00	\$13,169,712.50

SERIES 2004B AMENDED SPECIAL ASSESSMENT BONDS

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
11/01/15	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
02/01/16	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/16	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
08/01/16	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/16	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
02/01/17	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/17	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
08/01/17	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/17	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
02/01/18	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/18	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
08/01/18	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/18	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
02/01/19	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/19	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
08/01/19	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/19	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
02/01/20	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
05/01/20	\$35,000.00	7.36%	\$0.00	\$1,288.00	\$1,288.00
08/01/20	\$35,000.00	7.36%	\$0.00	\$0.00	\$0.00
11/01/20	\$35,000.00	7.36%	\$35,000.00	\$1,288.00	\$36,288.00
			\$35,000.00	\$14,168.00	\$49,168.00

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 – District 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 budget for property appraiser costs 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 budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Principal Debt Retirement

The District pays regular principal payments annually in or to pay down/retire the debt service for Series 2004A Bond.

Interest Expense

The District pays interest expense on the debt service twice a year for the Series 2004A Bond.

The District pays quarterly interest expense on the debt service for the Series 2004B Bond for which the Developer is responsible & invoiced by Severn Trent Services accounting department.

Live Oak No. 2
Community Development District

Supporting Budget Schedules
Fiscal Year 2016

Product	General Fund 001		Debt Service		Total Assessments per Unit			Total Units
	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	Percent Change	
45'	\$332.53	\$332.53	\$750.00	\$750.00	\$1,082.53	\$1,082.53	0.0%	191
50'	\$332.53	\$332.53	\$850.00	\$850.00	\$1,182.53	\$1,182.53	0.0%	328
60'	\$332.53	\$332.53	\$1,000.00	\$1,000.00	\$1,332.53	\$1,332.53	0.0%	134
75'	\$332.53	\$332.53	\$1,300.00	\$1,300.00	\$1,632.53	\$1,632.53	0.0%	74
80'	\$332.53	\$332.53	\$1,400.00	\$1,400.00	\$1,732.53	\$1,732.53	0.0%	43
								770