

LIVE OAK NO. 2

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2017

Version 2 - Approved Tentative Budget
(Approved at May 17, 2016 meeting)

Prepared by:



LIVE OAK NO. 2

Community Development District

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Live Oak No. 2
Community Development District

Operating Budget
Fiscal Year 2017

LIVE OAK NO. 2

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2014	FY 2015	BUDGET	THRU	MAY -	PROJECTED	BUDGET
			FY 2016	APR-2016	SEP-2016	FY 2016	FY 2017
REVENUES							
Interest - Investments	\$ 1,133	\$ 1,456	\$ -	\$ 765	\$ 546	\$ 1,311	\$ -
Special Assmnts- Tax Collector	214,449	256,048	256,049	251,334	4,715	256,049	256,049
Special Assmnts- Delinquent	-	296	-	-	-	-	-
Special Assmnts- Discounts	(7,986)	(9,576)	(10,242)	(9,728)	-	(9,728)	(10,242)
TOTAL REVENUES	207,596	248,224	245,807	242,371	5,261	247,632	245,807
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	5,600	4,600	8,000	2,600	3,000	5,600	8,000
FICA Taxes	428	352	612	199	230	428	612
ProfServ-Arbitrage Rebate	-	600	600	600	-	600	600
ProfServ-Dissemination Agent	-	5,000	5,000	5,000	-	5,000	1,000
ProfServ-Engineering	22,670	32,575	15,000	8,273	11,582	19,855	15,000
ProfServ-Legal Services	4,212	2,150	3,000	2,255	3,157	5,412	3,000
ProfServ-Mgmt Consulting Serv	37,000	37,000	38,850	22,663	16,187	38,850	38,850
ProfServ-Property Appraiser	4,022	4,847	5,121	-	-	-	-
ProfServ-Special Assessment	12,500	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee Fees	-	9,079	10,441	9,079	-	9,079	3,717
Auditing Services	3,500	3,500	3,500	-	3,500	3,500	3,500
Postage and Freight	908	170	1,000	64	300	364	1,000
Insurance - General Liability	9,086	9,195	10,574	8,217	-	8,217	9,039
Printing and Binding	316	342	500	113	229	342	500
Legal Advertising	757	665	900	40	700	740	900
Misc-Bank Charges	253	271	600	140	150	290	600
Misc-Assessmnt Collection Cost	3,129	3,847	5,121	4,832	94	4,926	5,121
Misc-Web Hosting	-	1,228	2,000	772	-	772	775
Office Supplies	-	-	100	94	-	94	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	104,556	128,096	123,594	77,616	39,129	116,744	104,989
<i>Field</i>							
Contracts-Envirom'l Monitoring	6,600	5,250	6,600	1,950	-	1,950	-
Contracts-Landscape	41,238	42,238	44,238	25,806	18,433	44,239	44,238
Contracts-Lakes	16,596	16,596	16,596	9,681	6,915	16,596	16,596
R&M-Fence	21,811	6,689	7,500	3,250	2,321	5,571	7,500
R&M-Lake	7,463	5,755	5,000	-	5,000	5,000	5,000
R&M-Stormwater System	-	31,800	-	-	-	-	-
R&M-Wetland Monitoring	8,032	1,000	8,000	-	8,000	8,000	8,000
Misc-Contingency	8,600	4,025	8,100	14,675	10,000	24,675	25,000
Reserve - Ponds	39,613	13,245	26,179	-	-	-	34,484
Total Field	149,953	126,598	122,213	55,362	50,669	106,031	140,818
TOTAL EXPENDITURES	254,509	254,694	245,807	132,978	89,797	222,774	245,807
Net change in fund balance	(46,913)	(6,470)	-	109,393	(84,536)	24,858	-
FUND BALANCE, BEGINNING	358,116	311,203	304,734	304,734	-	304,734	329,592
FUND BALANCE, ENDING	\$ 311,203	\$ 304,734	\$ 304,734	\$ 414,127	\$ (84,536)	\$ 329,592	\$ 329,592

Budget Narrative
Fiscal Year 2017

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 the Series 2016 Continuing Disclosure Certificate found in the indenture.

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-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.

Budget Narrative
Fiscal Year 2017

EXPENDITURES

ADMINISTRATIVE (CONTINUED)

Professional Services-Trustee

The District pays US Bank an annual fee for trustee services on the Series 2016 Special Assessments Refunding Bond. The budgeted amount was provided by the Trustee.

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.

Misc- 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.

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.

Budget Narrative
Fiscal Year 2017

EXPENDITURES

OPERATIONS & MAINTENANCE

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 \$3,687 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 & King 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 2017	\$ 329,592
Net Change in Fund Balance - Fiscal Year 2017	-
Reserves - Fiscal Year 2017 Additions	34,484
Total Funds Available (Estimated) - 9/30/2017	364,076

ALLOCATION OF AVAILABLE FUNDS***Assigned Fund Balance***

Operating Reserve - First Quarter Operating Capital		52,831 ⁽¹⁾
Reserves - Ponds	117,765	
Reserves - Ponds - FY15	16,755	
Reserves - Ponds - FY16	26,179	
Reserves - Ponds - FY17 (Proposed)	34,484	195,183
	Subtotal	248,014
Total Allocation of Available Funds		248,014

Total Unassigned (undesignated) Cash	\$ 116,062
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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 2017

Summary of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year 2017 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2015	ADOPTED BUDGET FY 2016	ACTUAL THRU APR-2016	PROJECTED MAY - SEP-2016	TOTAL PROJECTED FY 2016	ANNUAL BUDGET FY 2017
REVENUES						
Interest - Investments	\$ 524	\$ -	\$ 344	\$ -	\$ 344	\$ -
Special Assmnts- Tax Collector	712,450	712,450	681,863	-	681,863	-
Special Assmnts- Prepayment	263,298	-	-	-	-	-
Special Assmnts- CDD Collected	23,712	2,576	-	-	-	-
Special Assmnts- Delinquent	983	-	-	-	-	-
Special Assmnts- Discounts	(26,621)	(28,498)	(27,015)	-	(27,015)	-
TOTAL REVENUES	974,346	686,528	655,192	-	655,192	-
EXPENDITURES						
<i>Administrative</i>						
ProfServ-Property Appraiser	13,405	14,249	-	-	-	-
Misc-Assessmnt Collection Cost	10,623	14,249	13,097	-	13,097	-
Total Administrative	24,028	28,498	13,097	-	13,097	-
<i>Debt Service</i>						
Principal Debt Retirement	195,000	210,000	-	-	-	-
Prepayments Series A	15,000	-	20,000	-	20,000	-
Prepayments Series B	525,000	-	10,000	-	10,000	-
Interest Expense Series A	458,786	446,940	223,470	-	223,470	-
Interest Expense Series B	28,949	2,576	1,288	-	1,288	-
DS Costs-Miscellaneous	-	-	316,500	-	316,500	-
Total Debt Service	1,222,735	659,516	571,258	-	571,258	-
TOTAL EXPENDITURES	1,246,763	688,014	584,355	-	584,355	-
Excess (deficiency) of revenues Over (under) expenditures	(272,417)	(1,486)	70,837	-	70,837	-
OTHER FINANCING SOURCES (USES)						
Operating Transfers-Out	-	-	(889,193)	-	(889,193)	-
Contribution to (Use of) Fund Balance	-	(1,486)	-	-	-	-
TOTAL OTHER SOURCES (USES)	-	(1,486)	(889,193)	-	(889,193)	-
Net change in fund balance	(272,417)	(1,486)	(818,356)	-	(818,356)	-
FUND BALANCE, BEGINNING	1,090,773	818,356	818,356	-	818,356	-
FUND BALANCE, ENDING	\$ 818,356	\$ 816,870	\$ -	\$ -	\$ -	\$ -

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Proposed Budget

ACCOUNT DESCRIPTION	ADOPTED BUDGET FY 2016	ACTUAL THRU APR-2016	PROJECTED MAY - SEP-2016	TOTAL PROJECTED FY 2016	ANNUAL BUDGET FY 2017
Interest - Investments	\$ -	\$ 20	\$ 100	\$ 120	\$ -
Special Assmnts- Tax Collector	-	17,472	13,115	30,587	601,171
Special Assmnts- Discounts	-	(54)	-	(54)	(24,047)
TOTAL REVENUES	-	17,438	13,215	30,653	577,124
EXPENDITURES					
<i>Administrative</i>					
Misc-Assessmnt Collection Cost	-	348	262	610	\$ 12,023
Total Administrative	-	348	262	610	12,023
<i>Other Uses</i>					
Cost of Issuance	-	110,312	-	110,312	-
DS Bond Discount	-	2,958	-	2,958	-
Underwriter	-	114,300	-	114,300	-
Total Other Uses	-	227,570	-	227,570	-
<i>Debt Service</i>					
Principal Debt Retirement	-	25,854	-	25,854	310,000
Prepayments Series	-	-	30,042	30,042	-
Interest Expense Series	-	-	-	-	245,796
Total Debt Service	-	25,854	30,042	55,896	555,796
TOTAL EXPENDITURES	-	253,772	30,304	284,076	567,820
Excess (deficiency) of revenues					
Over (under) expenditures	-	(236,334)	(17,089)	(253,423)	9,305
OTHER FINANCING SOURCES (USES)					
Interfund Transfer - In	-	889,193	-	889,193	-
Proceeds of Refunding Bonds	-	7,620,000	-	7,620,000	-
Pymt to Escrow Acct-Refunding	-	(7,826,788)	-	(7,826,788)	-
Contribution to (Use of) Fund Balance	-	-	-	-	9,305
TOTAL OTHER SOURCES (USES)	-	682,405	-	682,405	9,305
Net change in fund balance	-	446,071	(17,089)	428,982	9,305
FUND BALANCE, BEGINNING	-	-	-	-	428,982
FUND BALANCE, ENDING	\$ -	\$ 446,071	\$ (17,089)	\$ 428,982	\$ 438,287

LIVE OAK NO. 2

Community Development District

SPECIAL ASSESSMENT BONDS, SERIES 2016A AMORTIZATION SCHEDULE

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/1/2016			122,898.13	122,898.13	152,939.89
5/1/2017	310,000.00	2.250%	122,898.13	432,898.13	
11/1/2017			119,410.63	119,410.63	552,308.76
5/1/2018	315,000.00	2.250%	119,410.63	434,410.63	
11/1/2018			115,866.88	115,866.88	550,277.51
5/1/2019	325,000.00	2.250%	115,866.88	440,866.88	
11/1/2019			112,210.63	112,210.63	553,077.51
5/1/2020	330,000.00	2.250%	112,210.63	442,210.63	
11/1/2020			108,498.13	108,498.13	550,708.76
5/1/2021	335,000.00	2.000%	108,498.13	443,498.13	
11/1/2021			105,148.13	105,148.13	548,646.26
5/1/2022	345,000.00	2.250%	105,148.13	450,148.13	
11/1/2022			101,266.88	101,266.88	551,415.01
5/1/2023	355,000.00	2.600%	101,266.88	456,266.88	
11/1/2023			96,651.88	96,651.88	552,918.76
5/1/2024	360,000.00	2.750%	96,651.88	456,651.88	
11/1/2024			91,701.88	91,701.88	548,353.76
5/1/2025	375,000.00	3.125%	91,701.88	466,701.88	
11/1/2025			85,842.50	85,842.50	552,544.38
5/1/2026	385,000.00	3.200%	85,842.50	470,842.50	
11/1/2026			79,682.50	79,682.50	550,525.00
5/1/2027	400,000.00	3.300%	79,682.50	479,682.50	
11/1/2027			73,082.50	73,082.50	552,765.00
5/1/2028	410,000.00	3.700%	73,082.50	483,082.50	
11/1/2028			65,497.50	65,497.50	548,580.00
5/1/2029	430,000.00	3.700%	65,497.50	495,497.50	
11/1/2029			57,542.50	57,542.50	553,040.00
5/1/2030	445,000.00	3.700%	57,542.50	502,542.50	
11/1/2030			49,310.00	49,310.00	551,852.50
5/1/2031	460,000.00	3.700%	49,310.00	509,310.00	
11/1/2031			40,800.00	40,800.00	550,110.00
5/1/2032	480,000.00	4.000%	40,800.00	520,800.00	
11/1/2032			31,200.00	31,200.00	552,000.00
5/1/2033	500,000.00	4.000%	31,200.00	531,200.00	
11/1/2033			21,200.00	21,200.00	552,400.00
5/1/2034	520,000.00	4.000%	21,200.00	541,200.00	
11/1/2034			10,800.00	10,800.00	552,000.00
5/1/2035	540,000.00	4.000%	10,800.00	550,800.00	
11/1/2035					550,800.00
	7,620,000.00		2,977,221.34	10,597,221.34	10,627,263.10

Live Oak No. 2

Community Development District

Supporting Budget Schedules

Fiscal Year 2017

LIVE OAK NO. 2

Community Development District

All Funds

Product	General Fund 001		Debt Service		Total Assessments per Unit			Total Units
	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016	Percent Change	
45'	\$332.53	\$332.53	\$632.86	\$750.00	\$965.39	\$1,082.53	-10.8%	191
50'	\$332.53	\$332.53	\$717.24	\$850.00	\$1,049.77	\$1,182.53	-11.2%	328
60'	\$332.53	\$332.53	\$843.81	\$1,000.00	\$1,176.34	\$1,332.53	-11.7%	134
75'	\$332.53	\$332.53	\$1,096.95	\$1,300.00	\$1,429.48	\$1,632.53	-12.4%	74
80'	\$332.53	\$332.53	\$1,181.33	\$1,400.00	\$1,513.86	\$1,732.53	-12.6%	43
								770