

LIVE OAK NO. 2

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2021

Approved Tentative Budget FY2021 (meeting 05/19/2020)

Prepared by:



LIVE OAK NO. 2

Community Development District

Table of Contents

	<u>Page #</u>
<u>OPERATING BUDGET</u>	
General Fund	
Summary of Revenues, Expenditures and Changes in Fund Balances	1
Budget Narrative	2-4
Exhibit A - Allocation of Fund Balances	5
<u>DEBT SERVICE BUDGET</u>	
Series 2016	
Summary of Revenues, Expenditures and Changes in Fund Balances	6
Amortization Schedule	7
<u>SUPPORTING BUDGET SCHEDULES</u>	
2020-2021 Non-Ad Valorem Assessment Summary	8

Live Oak No. 2
Community Development District

Operating Budget
Fiscal Year 2021

LIVE OAK NO. 2

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2021 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2018	FY 2019	BUDGET	THRU	MAY-	PROJECTED	BUDGET
			FY 2020	APR-2020	SEP-2020	FY 2020	FY 2021
REVENUES							
Interest - Investments	\$ 3,218	\$ 8,698	\$ 3,000	\$ 3,837	\$ 1,000	\$ 4,837	\$ 3,000
Interest - Tax Collector	545	202	-	168	-	168	50
Special Assmnts- Tax Collector	256,049	253,094	253,094	247,301	5,793	253,094	253,094
Special Assmnts- Discounts	(9,761)	(9,461)	(10,124)	(9,660)	-	(9,660)	(10,124)
Other Miscellaneous Revenues	-	519	-	-	-	-	-
TOTAL REVENUES	250,051	253,052	245,969	241,646	6,793	248,439	246,020
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	4,000	3,600	6,000	1,800	4,200	6,000	6,000
FICA Taxes	306	275	459	138	321	458	459
ProfServ-Arbitrage Rebate	600	600	600	-	600	600	600
ProfServ-Dissemination Agent	1,000	-	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	20,739	23,518	15,000	21,582	3,500	25,082	25,000
ProfServ-Legal Services	1,731	2,124	3,000	1,361	1,639	3,000	3,000
ProfServ-Mgmt Consulting Serv	38,850	40,000	40,000	23,333	16,667	40,000	40,000
ProfServ-Special Assessment	12,500	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee Fees	3,971	1,887	3,971	1,885	2,086	3,971	3,971
Auditing Services	3,500	3,500	3,500	-	3,500	3,500	3,700
Postage and Freight	121	126	500	79	421	500	500
Insurance - General Liability	8,310	7,812	8,593	7,812	-	7,812	8,593
Printing and Binding	114	159	300	106	194	300	300
Legal Advertising	2,795	1,638	900	334	566	900	900
Miscellaneous Services	-	-	300	181	119	300	300
Misc-Bank Charges	282	332	-	-	-	-	-
Misc-Assessmnt Collection Cost	3,314	2,902	5,062	4,737	116	4,853	5,062
Misc-Web Hosting	-	1,058	1,000	-	2,000	2,000	2,604
Office Supplies	-	-	100	-	100	100	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	102,308	102,206	102,960	76,023	37,029	113,051	114,764
<i>Field</i>							
Contracts-Enviroim'l Monitoring	3,200	3,200	3,200	2,400	800	3,200	3,200
Contracts-Landscape	44,238	44,863	44,238	25,806	18,432	44,238	44,238
Contracts-Lakes	16,596	16,596	16,596	9,681	6,915	16,596	16,596
R&M-Fence	225	1,175	5,000	-	2,500	2,500	5,000
R&M-Lake	31,688	1,060	7,500	3,350	4,150	7,500	48,682
R&M-Wetland Monitoring	7,350	-	8,000	-	8,000	8,000	8,000
Misc-Contingency	9,739	3,859	26,065	640	25,425	26,065	5,740
Reserve - Ponds	-	-	31,182	-	31,182	31,182	-
Total Field	113,036	70,753	141,781	41,877	97,404	139,281	131,456
TOTAL EXPENDITURES	215,344	172,959	244,741	117,900	134,433	252,332	246,220
Net change in fund balance	34,707	80,093	1,228	123,746	(127,640)	(3,893)	(200)
FUND BALANCE, BEGINNING	369,899	404,606	484,699	484,699	-	484,699	480,806
FUND BALANCE, ENDING	\$ 404,606	\$ 484,699	\$ 485,927	\$ 608,445	\$ (127,640)	\$ 480,806	\$ 480,806

Budget Narrative
Fiscal Year 2021

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 Inframark - Infrastructure Management Services. The fees are related to the current contracted fees in the Management Agreement.

Professional Services-Special Assessments

The District has contracted with Inframark - Infrastructure Management Services for the collection of assessments, updating the District's tax roll and levying the annual assessment.

Budget Narrative
Fiscal Year 2021

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 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 2021

EXPENDITURES

OPERATIONS & MAINTENANCE

Contracts – Envirom’l Monitoring

The District will contract with Florida Native Nursery to remove and maintain the overgrown weeds and brush in 3 flood compensation areas. The ongoing quarterly maintenance for mitigation of the area is \$800 per quarter.

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 2021	\$ 480,806
Net Change in Fund Balance - Fiscal Year 2021	(200)
Total Funds Available (Estimated) - 9/30/2021	480,606

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

Operating Reserve - First Quarter Operating Capital	61,555 ⁽¹⁾
Reserves - Ponds - Prior Years	201,933

Total Allocation of Available Funds	263,488
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Total Unassigned (undesignated) Cash	\$ 217,118
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Notes

(1) Represents approximately 3 months of operating expenditures

Live Oak No. 2
Community Development District

Debt Service Budget
Fiscal Year 2021

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2021 Proposed Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2018	FY 2019	BUDGET FY 2020	THRU APR-2020	MAY- SEP-2020	PROJECTED FY 2020	BUDGET FY 2021
REVENUES							
Interest - Investments	\$ 1,088	\$ 1,747	\$ -	\$ 3,246	\$ 300	\$ 3,546	\$ 200
Special Assmnts- Tax Collector	600,455	600,453	600,454	586,711	13,743	600,454	600,454
Special Assmnts- Discounts	(22,891)	(22,445)	(24,018)	(22,917)	-	(22,917)	(24,018)
TOTAL REVENUES	578,652	579,755	576,436	567,040	14,043	581,083	576,636
EXPENDITURES							
<i>Administrative</i>							
Misc-Assessmnt Collection Cost	7,792	6,886	12,009	11,238	275	11,513	\$ 12,009
Total Administrative	7,792	6,886	12,009	11,238	275	11,513	12,009
<i>Debt Service</i>							
Principal Debt Retirement	315,000	320,000	330,000	-	330,000	330,000	335,000
Prepayments Series	5,000	-	-	5,000	-	5,000	-
Interest Expense Series	238,324	231,036	223,836	111,918	111,918	223,836	216,411
Total Debt Service	558,324	551,036	553,836	116,918	441,918	558,836	551,411
TOTAL EXPENDITURES	566,116	557,922	565,845	128,156	442,193	570,349	563,419
Excess (deficiency) of revenues Over (under) expenditures	12,536	21,833	10,591	438,884	(428,150)	10,734	13,216
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	10,591	-	-	-	13,215
TOTAL OTHER SOURCES (USES)	-	-	10,591	-	-	-	13,215
Net change in fund balance	12,536	21,833	10,591	438,884	(428,150)	10,734	13,215
FUND BALANCE, BEGINNING	442,874	455,410	477,243	477,243	-	477,243	487,977
FUND BALANCE, ENDING	\$ 455,410	\$ 477,243	\$ 487,834	\$ 916,127	\$ (428,150)	\$ 487,977	\$ 501,193

LIVE OAK NO. 2

Community Development District

AMORTIZATION SCHEDULE
SPECIAL ASSESSMENT BONDS SERIES 2016A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/1/2020			108,206	108,206	
5/1/2021	335,000	2.000%	108,206	443,206	551,411
11/1/2021			104,856	104,856	
5/1/2022	345,000	2.250%	104,856	449,856	554,711
11/1/2022			100,974	100,974	
5/1/2023	355,000	2.600%	100,974	455,974	556,949
11/1/2023			96,359	96,359	
5/1/2024	360,000	2.750%	96,359	456,359	552,719
11/1/2024			91,409	91,409	
5/1/2025	375,000	3.125%	91,409	466,409	557,819
11/1/2025			85,550	85,550	
5/1/2026	385,000	3.200%	85,550	470,550	556,100
11/1/2026			79,390	79,390	
5/1/2027	400,000	3.300%	79,390	479,390	558,780
11/1/2027			72,790	72,790	
5/1/2028	415,000	3.700%	72,790	487,790	560,580
11/1/2028			65,113	65,113	
5/1/2029	430,000	3.700%	65,113	495,113	560,225
11/1/2029			57,158	57,158	
5/1/2030	445,000	3.700%	57,158	502,158	559,315
11/1/2030			48,925	48,925	
5/1/2031	450,000	3.700%	48,925	498,925	547,850
11/1/2031			40,600	40,600	
5/1/2032	480,000	4.000%	40,600	520,600	561,200
11/1/2032			31,000	31,000	
5/1/2033	500,000	4.000%	31,000	531,000	562,000
11/1/2033			21,000	21,000	
5/1/2034	515,000	4.000%	21,000	536,000	557,000
11/1/2034			10,700	10,700	
5/1/2035	535,000	4.000%	10,700	545,700	556,400
11/1/2035					
Totals	6,325,000		2,028,059	8,353,059	8,353,059

Live Oak No. 2

Community Development District

Supporting Budget Schedules

Fiscal Year 2021

**Comparison of Assessment Rates
Fiscal Year 2021 vs. Fiscal Year 2020**

Product	General Fund 001			Debt Service			Total Assessments per Unit			Total Units
	FY 2021	FY 2020	Percent Change	FY 2021	FY 2020	Percent Change	FY 2021	FY 2020	Percent Change	
45'	\$328.69	\$328.69	0.0%	\$632.86	\$632.86	0.0%	\$961.55	\$961.55	0.0%	191
50'	\$328.69	\$328.69	0.0%	\$717.24	\$717.24	0.0%	\$1,045.93	\$1,045.93	0.0%	328
60'	\$328.69	\$328.69	0.0%	\$843.81	\$843.81	0.0%	\$1,172.50	\$1,172.50	0.0%	134
75'	\$328.69	\$328.69	0.0%	\$1,096.95	\$1,096.95	0.0%	\$1,425.64	\$1,425.64	0.0%	74
80'	\$328.69	\$328.69	0.0%	\$1,181.33	\$1,181.33	0.0%	\$1,510.03	\$1,510.02	0.0%	43
										770