

LIVE OAK NO. 2

Community Development District

Annual Operating and Debt Service Budget

Fiscal Year 2023

Approved Tentative Budget

Meeting on 05/17/2022

Prepared by:



LIVE OAK NO. 2

Community Development District

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Live Oak No. 2
Community Development District

Operating Budget
Fiscal Year 2023

LIVE OAK NO. 2

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2023 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2020	FY 2021	BUDGET FY 2022	THRU APR-2022	MAY- SEP-2022	PROJECTED FY 2022	BUDGET FY 2023
REVENUES							
Interest - Investments	\$ 5,226	\$ 1,137	\$ 3,050	\$ 631	\$ 451	\$ 1,082	\$ 1,500
Interest - Tax Collector	168	27	-	-	-	-	50
Special Assmnts- Tax Collector	253,093	253,094	253,094	250,238	2,856	253,094	253,094
Special Assmnts- Discounts	(9,539)	(9,584)	(10,124)	(9,723)	-	(9,723)	(10,124)
Other Miscellaneous Revenues	-	-	-	31	-	31	-
TOTAL REVENUES	248,948	244,674	246,020	241,177	3,307	244,484	244,520
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	4,200	5,400	6,000	1,000	3,000	4,000	6,000
FICA Taxes	321	413	459	77	230	306	459
ProfServ-Arbitrage Rebate	600	600	600	-	600	600	600
ProfServ-Dissemination Agent	-	-	1,000	-	1,000	1,000	1,000
ProfServ-Engineering	30,110	12,767	25,000	21,570	10,785	32,355	25,000
ProfServ-Legal Services	1,401	1,985	3,000	1,172	1,828	3,000	3,000
ProfServ-Mgmt Consulting Serv	40,000	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	3,870	3,871	3,971	1,886	2,085	3,971	3,971
Auditing Services	3,500	3,500	3,700	-	3,700	3,700	3,700
Postage and Freight	156	47	500	32	468	500	500
Insurance - General Liability	7,812	7,812	8,593	7,812	-	7,812	9,374
Printing and Binding	110	17	300	5	295	300	300
Legal Advertising	3,237	2,466	900	317	583	900	900
Miscellaneous Services	374	307	300	130	170	300	300
Misc-Assessmnt Collection Cost	2,923	2,883	5,062	4,810	29	4,839	5,062
Misc-Web Hosting	4,100	2,351	2,604	1,443	722	2,165	2,604
Office Supplies	-	-	100	-	100	100	100
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	115,389	97,094	114,764	76,262	42,261	118,522	115,545
<i>Field</i>							
Contracts-Envirom'l Monitoring	3,200	3,200	3,200	1,600	1,600	3,200	3,200
Contracts-Landscape	44,238	42,639	41,040	23,940	17,100	41,040	41,040
Contracts-Lakes	16,596	13,287	19,116	11,151	7,965	19,116	19,116
R&M-Fence	-	825	5,000	-	5,000	5,000	5,000
R&M-Lake	3,350	-	7,500	16,900	12,071	28,971	7,500
R&M-Wetland Monitoring	800	8,450	8,000	-	8,000	8,000	8,000
Misc-Contingency	640	5,899	16,218	13,029	26,058	39,087	14,718
Reserve - Ponds	-	4,999	31,182	20,255	-	20,255	31,182
Total Field	68,824	79,299	131,256	86,875	77,794	164,669	129,756
TOTAL EXPENDITURES	184,213	176,393	246,020	163,137	120,055	283,191	245,301
Net change in fund balance	64,735	68,281	-	78,040	(116,748)	(38,707)	(781)
FUND BALANCE, BEGINNING	484,698	549,433	626,164	626,164	-	626,164	587,457
FUND BALANCE, ENDING	\$ 549,433	\$ 626,164	\$ 626,164	\$ 704,204	\$ (116,748)	\$ 587,457	\$ 587,457

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2023	\$ 587,457
Net Change in Fund Balance - Fiscal Year 2023	(781)
Reserves - Fiscal Year 2023 Additions	31,182
Total Funds Available (Estimated) - 9/30/2023	617,858

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		53,530 ⁽¹⁾
Reserves - Ponds - Prior Years	259,298	
Reserves - Ponds - FY2022	31,182	
Reserves - Ponds - FY2022 Expenses	20,255	
Reserves - Ponds - FY2023 - Proposed	31,182	301,407
Total Allocation of Available Funds		354,937

Total Unassigned (undesignated) Cash \$ 262,921

Notes

(1) Represents approximately 3 months of operating expenditures

Budget Narrative
Fiscal Year 2023

REVENUES

Interest-Investments

The District earns interest on the monthly average collected balance for their operating account.

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.

Budget Narrative
Fiscal Year 2023

EXPENDITURES

ADMINISTRATIVE (CONTINUED)

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.

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.

Miscellaneous Services

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.

Budget Narrative
Fiscal Year 2023

EXPENDITURES

ADMINISTRATIVE (CONTINUED)

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 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 Outdoor Professionals, Inc. to maintain the landscaping and irrigation system of the common areas within the District. The contract amount is \$3,420.00 per month.

Contracts-Lakes

The District has a contract with American EcoSystems to provide lake spray services to 27 ponds for \$1,593/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.

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Community Development District

Debt Service Budget
Fiscal Year 2023

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2023 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2020	FY 2021	BUDGET	THRU	MAY-	PROJECTED	BUDGET
			FY 2022	APR-2022	SEP-2022	FY 2022	FY 2021
REVENUES							
Interest - Investments	\$ 3,282	\$ 28	\$ 200	\$ 11	\$ 15	\$ 26	\$ 200
Special Assmnts- Tax Collector	600,453	600,453	600,454	593,685	6,769	600,454	600,454
Special Assmnts- Discounts	(22,631)	(22,738)	(24,018)	(23,067)	-	(23,067)	(24,018)
TOTAL REVENUES	581,104	577,743	576,636	570,629	6,784	577,413	576,636
EXPENDITURES							
<i>Administrative</i>							
Misc-Assessmnt Collection Cost	6,935	6,840	12,009	11,412	68	11,480	\$ 12,009
Total Administrative	6,935	6,840	12,009	11,412	68	11,480	12,009
<i>Debt Service</i>							
Principal Debt Retirement	330,000	335,000	345,000	-	345,000	345,000	355,000
Prepayments Series	5,000	-	-	-	-	-	-
Interest Expense Series	223,744	216,226	209,526	104,763	104,763	209,526	201,764
Total Debt Service	558,744	551,226	554,526	104,763	449,763	554,526	556,764
TOTAL EXPENDITURES	565,679	558,066	566,535	116,175	449,831	566,006	568,772
Excess (deficiency) of revenues							
Over (under) expenditures	15,425	19,677	10,101	454,454	(443,046)	11,408	7,864
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund							
Balance	-	-	10,101	-	-	-	7,864
TOTAL OTHER SOURCES (USES)	-	-	10,101	-	-	-	7,864
Net change in fund balance	15,425	19,677	10,101	454,454	(443,046)	11,408	7,864
FUND BALANCE, BEGINNING	477,243	492,668	512,345	512,345	-	512,345	523,753
FUND BALANCE, ENDING	\$ 492,668	\$ 512,345	\$ 522,446	\$ 966,799	\$ (443,046)	\$ 523,753	\$ 531,617

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Community Development District

AMORTIZATION SCHEDULE
SPECIAL ASSESSMENT BONDS SERIES 2016A

Period Ending	Outstanding Balance	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/1/2022	5,640,000			100,882	100,974	
5/1/2023	5,640,000	355,000	2.600%	100,882	455,974	556,949
11/1/2023	5,285,000			96,267	96,359	
5/1/2024	5,285,000	360,000	2.750%	96,267	456,359	552,719
11/1/2024	4,925,000			91,317	91,409	
5/1/2025	4,925,000	375,000	3.125%	91,317	466,409	557,819
11/1/2025	4,550,000			85,458	85,550	
5/1/2026	4,550,000	385,000	3.200%	85,458	470,550	556,100
11/1/2026	4,165,000			79,298	79,390	
5/1/2027	4,165,000	400,000	3.300%	79,298	479,390	558,780
11/1/2027	3,765,000			72,698	72,790	
5/1/2028	3,765,000	410,000	3.700%	72,698	487,790	560,580
11/1/2028	3,355,000			65,113	65,113	
5/1/2029	3,355,000	425,000	3.700%	65,113	495,113	560,225
11/1/2029	2,930,000			57,250	57,158	
5/1/2030	2,930,000	440,000	3.700%	57,250	502,158	559,315
11/1/2030	2,490,000			49,110	48,925	
5/1/2031	2,490,000	460,000	3.700%	49,110	498,925	547,850
11/1/2031	2,030,000			40,600	40,600	
5/1/2032	2,030,000	480,000	4.000%	40,600	520,600	561,200
11/1/2032	1,550,000			31,000	31,000	
5/1/2033	1,550,000	500,000	4.000%	31,000	531,000	562,000
11/1/2033	1,050,000			21,000	21,000	
5/1/2034	1,050,000	515,000	4.000%	21,000	536,000	557,000
11/1/2034	535,000			10,700	10,700	
5/1/2035	535,000	535,000	4.000%	10,700	545,700	556,400
11/1/2035						
Totals		5,640,000		1,601,381	7,246,936	7,246,936

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Supporting Budget Schedules

Fiscal Year 2023

**Comparison of Assessment Rates
Fiscal Year 2023 vs. Fiscal Year 2022**

Product	General Fund 001			Debt Service			Total Assessments per Unit			Total Units
	FY 2023	FY 2022	Percent Change	FY 2023	FY 2022	Percent Change	FY 2023	FY 2022	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