



Reserve

Community Development District #2

<http://www.Reserve2cdd.com>

Peter Perry, Chairman

James Burchell, Vice Chairman

Frank Martinez, Assistant Secretary

Jerry Lorenzo, Assistant Secretary

Eugene Antuna, Assistant Secretary

January 18, 2018



Reserve

Community Development District #2

5385 N. Nob Hill Road, Sunrise, Florida 33351
Phone: 954-721-8681 - Fax: 954-721-9202

January 9, 2018

Board of Supervisors Reserve Community Development District #2

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Reserve Community Development District #2** is scheduled for **January 18, 2018 at 9:30 a.m. at 2160 NW Reserve Park Trace, Port St. Lucie, Florida**. Following is the advance agenda for the meeting.

1. Roll Call

2. Approval of the Minutes of the November 16, 2017 Meeting

3. Staff Reports
 - A. Attorney

 - B. District Consultant

 - C. Manager

4. Supervisors Requests and Audience Comments

5. Financial Reports
 - A. Approval of Check Register

 - B. Balance Sheet and Income Statement

6. Adjournment

Meetings are open to the public and maybe continued to a time, date and place certain. For more information regarding this CDD please visit the website: <http://www.Reserve2cdd.com>

**MINUTES OF MEETING
RESERVE
COMMUNITY DEVELOPMENT DISTRICT #2**

The regular meeting of the Board of Supervisors of the Reserve Community Development District #2 was held on November 16, 2017 at 9:30 a.m. at 2160 NW Reserve Park Trace, Port St. Lucie, Florida.

Present and constituting a quorum were:

Peter Perry	Chairman
Frank Martinez	Assistant Secretary
Eugene Antuna	Assistant Secretary

Also present were:

Rich Hans	District Manager
-----------	------------------

FIRST ORDER OR BUSINESS

Roll Call

Mr. Hans called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

**Approval of the Minutes of the
July 20, 2017 Meeting**

Mr. Hans: Item #2 is the minutes from our July 20, 2017 Meeting.

On MOTION by Mr. Martinez seconded by Mr. Perry with all in favor the Minutes of the July 20, 2017 Meeting were approved.

THIRD ORDER OF BUSINESS

**Consideration of Engagement
Letter with Grau & Associates to
perform the Audit for Fiscal Year
Ending September 30, 2017**

Mr. Hans: Item #3 is Consideration of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2017. The amount is \$3,300 and that is part of the several year pricing. I am not sure exactly when we hired them, but I know their term ends next year and we will have to go out for bid again then. So

that is in line and if there are no questions or discussion, a motion to approve it would be in order at this time.

Mr. Antuna: Is this a full audit?

Mr. Hans: Yes. We do it each year. It is the annual audit done per Florida Statutes. It get submitted to the state. It is a full audit. This is actually a really good price for the audit. Each year they bid and depending on how hungry they are to get them, we see them for CDDs this size from \$3,000 to \$6,000.

Mr. Antuna: It should become easier as you move on.

On MOTION by Mr. Perry seconded by Mr. Martinez with all in favor the engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2017 was approved.

FOURTH ORDER OF BUSINESS Staff Reports

A. Attorney

There not being any report, the next item followed.

B. District Consultant

There not being any report, the next item followed.

C. Manager

Mr. Hans: Under Manager, I don't have anything aside from that our next meeting is on January 18th.

**FIFTH ORDER OF BUSINESS Supervisors Requests and
Audience Comments**

There not being any, the next item followed.

SIXTH ORDER OF BUSINESS Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Hans: Financial Reports. There is a check register and the balance sheet and income statement in your packets. I just have one comment on the check register. Page 1, there is a \$51.15 amount for Fed Ex. That is an error. That should have been billed and paid for by Verano CDD but that came in to us. So that will be voided and credited back.

Mr. Antuna: I have a request. Could you take me through the last page, the Reserve CDD #2 Special Assessment Receipts? Let me describe what I understand, and you can tell me if I am right or wrong. The items on the right are by date and the description, and there is a gross number being what is collected on a particular date by the county?

Mr. Hans: That is correct.

Mr. Antuna: And there is a commission paid the property appraiser, which is a fixed percent. What is the discount and penalty?

Mr. Hans: When you pay in November, you get a 4% discount.

Mr. Perry: Then on the last page, the three numbers that add up, are they the 20.28% and the 70% that get distributed to the general reserve and debt fund?

Mr. Hans: Correct. That is the amount that was put on the tax roll, the gross amount. That includes the 4% discount. It is split because \$74,000 of it goes toward the general operating and \$292,000 goes towards the paying of the bonds. So it is just a percentage and when that money comes in, it gets split 20/80 basically between the two funds.

Mr. Antuna: How do you achieve the negative numbers under discount and penalty here that are at the bottom in parentheses, how does that happen? The numbers in parentheses are negatives to the discount and penalties.

Mr. Martinez: That is just later payments. If you pay after March, then you pay an interest rate so it goes above. If you have an assessment, the first thing they do is divide it by 0.92 because you have an early 4% fee and you have another 4% fee for the tax assessors for collection. So what happens is you pay early, you get 4%.

Mr. Hans: It is extra funds coming to us.

Mr. Perry: The debt service is paid on a monthly basis and accrued.

Mr. Hans: Yes. We get our tax receipts weekly and we split it so it is paid about once a month.

Mr. Perry: On the combined balance sheet, what is the unassigned \$26,122?

Mr. Hans: It is excess funds at the end of the year.

Mr. Perry: The next page shows the general fund balance, you see that you have an amount of excess revenues or expenditures. In this case it is expenditures, where you

took out \$26,121 to make the balance be zero at the end. I don't know exactly why or have any understanding about that.

Mr. Hans: We collected \$70,000 for the year on the tax roll. We had \$96,000 in expenses. There is excess revenue from the prior year of the \$26,000. Where it says fund balance beginning, it was \$26,000. So that is why it shows as zero.

Mr. Martinez: If you have revenues from last year then you have excess. This is part of the budget. What they did with the prior page is liabilities. That money hasn't been spent yet, though it is in the budget.

Mr. Perry: I understand we had a revenue of \$70,000 and expenses were \$96,000 so that gives us a deficit of \$26,000. How do we get that to zero? By using the excess from last year?

Mr. Hans: There is an operating reserve, \$15,151. It is the second to last item. We keep our assessments at \$70,000. We don't want to go up and down each year because then you have to do mailed notices if you go up.

Mr. Antuna: Under office supplies there is a variance of \$98. I don't think that is possible. Something is wrong with that line item.

Mr. Hans: It is probably rounded.

On MOTION by Mr. Antuna seconded by Mr. Perry with all in favor the Check Register and the Balance Sheet and Income Statement were approved.

SEVENTH ORDER OF BUSINESS Adjournment

Mr. Hans: If there is no further District business to discuss, a motion to adjourn would be in order.

On MOTION by Mr. Antuna seconded by Mr. Martinez with all in favor the meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman

Reserve
Community Development District #2

Check Run Summary
January 18, 2018

<u>Date</u>	<u>Check Numbers</u>	<u>Amount</u>
12/08/17	1007-1011	\$118,850.68
12/21/17	1012-1013	\$40,109.77
01/08/18	1014-1017	\$98,754.72
<i>Total</i>		<u><u>\$257,715.17</u></u>

*** CHECK DATES 11/09/2017 - 01/08/2018 ***

GF - RESERVE CDD #2
BANK A RESERVE CDD #2 GF

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
12/08/17	00004	11/14/17	59938064	201711 310-51300-42000	DELIVERIES THRU	*	174.30		
					FEDEX			174.30	001007
12/08/17	00028	11/01/17	149	201711 310-51300-34000	NOV 17 - MGMT FEES	*	2,684.17		
		11/01/17	149	201711 310-51300-35100	NOV 17 - COMPUTER TIME	*	20.83		
		11/01/17	149	201711 310-51300-35101	NOV 17 - WEBSITE ADMIN	*	41.67		
		11/01/17	149	201711 310-51300-42500	NOV 17 - COPIES	*	.30		
					GMS - SO FLORIDA, LLC			2,746.97	001008
12/08/17	00049	11/17/17	2016736	201711 310-51300-31800	2017 TRIM & TAX ROLL	*	7,344.83		
					MICHELLE FRANKLIN, CFA			7,344.83	001009
12/08/17	00048	12/08/17	12082017	201712 300-20700-10000	TXFER OF TAX RECEIPTS	*	107,984.58		
					RESERVE CDD #2			107,984.58	001010
12/08/17	00009	10/01/17	OCT-17	201710 310-51300-44001	RENT UNIT 1 - OCT 2017	*	200.00		
		11/01/17	NOV-17	201711 310-51300-44001	RENT UNIT 1 - NOV 2017	*	200.00		
		12/01/17	DEC-17	201712 310-51300-44001	RENT UNIT 1 - DEC 2017	*	200.00		
					RESERVE CDD			600.00	001011
12/21/17	00028	12/01/17	150	201712 310-51300-34000	DEC 17 - MGMT FEES	*	2,684.17		
		12/01/17	150	201712 310-51300-35100	DEC 17 - COMPUTER TIME	*	20.83		
		12/01/17	150	201712 310-51300-35101	DEC 17 - WEBSITE ADMIN	*	41.67		
		12/01/17	150	201712 310-51300-51000	DEC 17 - OFFICE SUPPLIES	*	17.50		
		12/01/17	150	201712 310-51300-42000	DEC 17 - POSTAGE	*	1.84		
		12/01/17	150	201712 310-51300-42500	DEC 17 - COPIES	*	31.80		
					GMS - SO FLORIDA, LLC			2,797.81	001012
12/21/17	00048	12/21/17	12212017	201712 300-20700-10000	TXFER OF TAX RECEIPTS	*	37,311.96		
					RESERVE CDD #2			37,311.96	001013

RES2 RESERVE 2 IARAUJO

*** CHECK DATES 11/09/2017 - 01/08/2018 ***

GF - RESERVE CDD #2
BANK A RESERVE CDD #2 GF

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
1/08/18	00004	1/02/18	60447793	201712	310	51300	42000		DELIVERIES THRU 01/02/18	*	41.61		
									FEDEX			41.61	001014
1/08/18	00028	1/02/18	151		201801	310	51300	34000	JAN 18 - MGMT FEES	*	2,684.17		
		1/02/18	151		201801	310	51300	35100	JAN 18 - COMPUTER TIME	*	20.83		
		1/02/18	151		201801	310	51300	35101	JAN 18 - WEBSITE ADMIN	*	41.67		
		1/02/18	151		201801	310	51300	42000	JAN 18 - POSTAGE	*	3.95		
		1/02/18	151		201801	310	51300	42500	JAN 18 - COPIES	*	9.45		
									GMS - SO FLORIDA, LLC			2,760.07	001015
1/08/18	00048	1/08/18	01082018	201801	300	20700	10000		TXFER OF TAX RECEIPTS	*	95,753.04		
									RESERVE CDD #2			95,753.04	001016
1/08/18	00009	1/01/18	JAN-18	201801	310	51300	44001		RENT UNIT 1 - JAN 2018	*	200.00		
									RESERVE CDD			200.00	001017
TOTAL FOR BANK A											257,715.17		
TOTAL FOR REGISTER											257,715.17		

RESERVE
COMMUNITY DEVELOPMENT DISTRICT #2
COMBINED BALANCE SHEET
December 31, 2017

	<u>Major Funds</u>		<u>Total Governmental Funds</u>
	<u>General</u>	<u>Debt Service</u>	
ASSETS:			
Cash	\$156,968	---	\$156,968
Due from other	---	\$90,498	\$90,498
Investments:			
<u>SERIES 2010</u>			
Reserve A	---	\$27,542	\$27,542
Revenue A	---	\$167,445	\$167,445
TOTAL ASSETS	<u>\$156,968</u>	<u>\$285,485</u>	<u>\$442,453</u>
LIABILITIES:			
Accounts Payable	\$42	---	\$42
Due to other Funds	\$90,498	---	\$90,498
TOTAL LIABILITIES	<u>\$90,540</u>	<u>\$0</u>	<u>\$90,540</u>
FUND BALANCES:			
Restricted:			
Debt Service	---	\$285,485	\$285,485
Assigned	\$13,863	---	\$13,863
Unassigned	\$52,565	---	\$52,565
TOTAL FUND BALANCES	<u>\$66,428</u>	<u>\$285,485</u>	<u>\$351,913</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$156,968</u>	<u>\$285,485</u>	<u>\$442,453</u>

RESERVE

COMMUNITY DEVELOPMENT DISTRICT #2

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending December 31, 2017

	ADOPTED BUDGET	PRORATED BUDGET THRU 12/31/2017	ACTUAL THRU 12/31/2017	VARIANCE
--	-------------------	------------------------------------	---------------------------	----------

REVENUES:

Assessment - Levy	\$70,010	\$59,986	\$59,986	\$0
TOTAL REVENUES	\$70,010	\$59,986	\$59,986	\$0

EXPENDITURES:

ADMINISTRATIVE:

Supervisor Fees	\$4,000	\$1,000	\$600	\$400
FICA Expense	\$306	\$77	\$46	\$31
Engineering	\$500	\$125	\$0	\$125
Attorney	\$1,500	\$375	\$0	\$375
Trustee Fees	\$3,750	\$938	\$0	\$938
Property Appraiser	\$7,345	\$7,345	\$7,345	\$0
Collection Agent	\$6,000	\$1,500	\$1,000	\$500
Assessment Roll	\$2,500	\$625	\$0	\$625
Annual Audit	\$3,300	\$825	\$0	\$825
Management Fees	\$32,210	\$8,053	\$8,053	(\$0)
Computer Time	\$250	\$63	\$62	\$0
Telephone	\$50	\$12	\$0	\$12
Postage	\$1,000	\$250	\$220	\$30
Printing & Binding	\$250	\$63	\$36	\$27
Meeting Room Rental	\$2,400	\$600	\$600	\$0
Insurance	\$6,003	\$6,003	\$5,750	\$253
Legal Advertising	\$1,250	\$313	\$0	\$313
Other Current Charges	\$450	\$113	\$104	\$8
Contingency	\$5,000	\$1,250	\$0	\$1,250
Office Supplies	\$100	\$25	\$18	\$8
Dues, Licenses & Subscriptions	\$175	\$175	\$175	\$0
Operating Reserve	\$5,035	\$1,259	\$0	\$1,259
Website Compliance	\$500	\$125	\$125	(\$0)

TOTAL EXPENDITURES	\$83,873	\$31,110	\$24,133	\$6,977
EXCESS REVENUES (EXPENDITURES)	(\$13,863)		\$35,853	
FUND BALANCE - Beginning	\$13,863		\$30,575	
FUND BALANCE - Ending	(\$0)		\$66,428	

RESERVE

COMMUNITY DEVELOPMENT DISTRICT #2

DEBT SERVICE FUND

SERIES 2010

Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending December 31, 2017

	ADOPTED BUDGET	PRORATED THRU 12/31/2017	ACTUAL THRU 12/31/2017	VARIANCE
--	-------------------	-----------------------------	---------------------------	----------

REVENUES:

Interest Income	\$0	\$0	\$173	\$173
Assessments	\$275,197	\$235,795	\$235,795	\$0

TOTAL REVENUES

	\$275,197	\$235,795	\$235,968	\$173
--	-----------	-----------	-----------	-------

EXPENDITURES:

Series 2010

Interest - 11/1	\$41,474	\$41,474	\$41,474	\$0
Interest - 5/1	\$40,797	\$0	\$0	\$0
Principal - 5/1	\$195,000	\$0	\$0	\$0

TOTAL EXPENDITURES

	\$277,271	\$41,474	\$41,474	\$0
--	-----------	----------	----------	-----

FUND BALANCE - Beginning

\$62,744

\$90,991

FUND BALANCE - Ending

\$60,670

\$285,485

RESERVE #2
COMMUNITY DEVELOPMENT DISTRICT
Long Term Debt Report
FY 2018

Series 2010A, Special Assessment Bonds

<i>Interest Rate:</i>	<i>4.41%</i>
<i>Maturity Date:</i>	<i>5/1/2025</i>
<i>Reserve Fund Requirement:</i>	<i>10% of Maximum Annual Debt Service</i>

<i>Bonds outstanding - 9/30/2017</i>	<i>\$1,840,000.00</i>
--------------------------------------	-----------------------

<i>Total Current Bonds Outstanding</i>	<i>\$1,840,000.00</i>
---	------------------------------

Reserve CDD #2
Special Assessment Receipts
Fiscal Year Ending September 30, 2018

Date Received	Description	Gross Tax Received	Property App/ Commissions	Discounts/ Penalties	Interest Income	Net Amount Received	\$74,478.95	\$292,762.55	\$367,241.50
							General Fund 20.28%	Debt Svc Fund Series 2010A 79.72%	Total 100%
11/16/2017	11/01/17-11/09/17	\$ 23,808.00	\$ 457.11	\$ 952.32	\$ -	\$ 22,398.57	\$ 4,542.57	\$ 17,856.00	\$ 22,398.57
11/21/2017	11/10/17-11/16/17	\$ 37,336.40	\$ 716.87	\$ 1,493.46	\$ -	\$ 35,126.07	\$ 7,123.79	\$ 28,002.28	\$ 35,126.07
11/30/2017	11/17/17-11/23/17	\$ 120,171.50	\$ 2,307.29	\$ 4,806.86	\$ -	\$ 113,057.35	\$ 22,928.76	\$ 90,128.59	\$ 113,057.35
12/7/2017	11/24/17-11/30/17	\$ 113,460.00	\$ 2,178.43	\$ 4,538.40	\$ -	\$ 106,743.17	\$ 21,648.20	\$ 85,094.97	\$ 106,743.17
12/14/2017	12/01/17-12/07/17	\$ 12,400.00	\$ 238.33	\$ 483.60	\$ -	\$ 11,678.07	\$ 2,368.39	\$ 9,309.68	\$ 11,678.07
12/21/2017	12/08/17-12/14/17	\$ 2,170.00	\$ 42.10	\$ 65.10	\$ -	\$ 2,062.80	\$ 418.35	\$ 1,644.45	\$ 2,062.80
12/28/2017	12/15/17-12/21/17	\$ 4,960.00	\$ 96.21	\$ 148.80	\$ -	\$ 4,714.99	\$ 956.23	\$ 3,758.76	\$ 4,714.99
		\$ -				\$ -	\$ -	\$ -	\$ -
		\$ 314,305.90	\$ 6,036.34	\$ 12,488.54	\$ -	\$ 295,781.02	\$ 59,986.30	\$ 235,794.72	\$ 295,781.02

Due to DSF

\$ 90,498.18 001.300.20700.10000 V#48

Gross Assessments Levied	\$367,241.50
Net Amount Collected	\$ 295,781.02
8% Collection Fees/Discounts	\$ 18,524.88
Total Gross Amount	\$ 314,305.90
Gross Amount Collected	85.59%
Gross Balance Due	\$52,935.60

Transfer From Debt Service Fund		
Date	Ck. No.	Amount
12/8/2017	1010	\$ 107,984.58
12/21/2017	1012	\$ 37,311.96
		\$ 145,296.54