



Reserve

Community Development District #2

<http://www.Reserve2cdd.com>

Peter Perry, Chairman

James Burchell, Vice Chairman

Frank Martínez, Assistant Secretary

Jerry Lorenzo, Assistant Secretary

Eugene Antuna, Assistant Secretary

November 16, 2017



Reserve

Community Development District #2

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

November 8, 2017

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 **November 16, 2017 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 July 20, 2017 Meeting
3. Consideration of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2017
4. Staff Reports
 - A. Attorney
 - B. District Consultant
 - C. Manager
5. Supervisors Requests and Audience Comments
6. Financial Reports
 - A. Approval of Check Register
 - B. Balance Sheet and Income Statement
7. Adjournment

Enclosed for your review are the minutes from the July 20, 2017 meeting.

The third order of business is consideration of engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2017. A copy of the engagement letter is enclosed for your review.

The financials are also enclosed. The balance of the agenda is routine in nature and staff will present their reports at the meeting. Any additional documentation will be provided under separate cover or presented at the meeting. I look forward to seeing you at the meeting and in the meantime if you have any questions, please contact me.

Sincerely,

Rich Hans
Manager

cc: Daniel Harrell Robert Fromm Bob Lawson Mary Danielsen Rhonda Mossing

**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 July 20, 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 (by phone)
James Burchell	Vice Chairman
Jerry Lorenzo	Assistant Secretary
Frank Martinez	Assistant Secretary
Eugene Antuna	Assistant Secretary

Also present were:

Lisa Derryberry	District Manager
Rich Hans	GMS
Bob Fromm	District Consultant

FIRST ORDER OR BUSINESS

Roll Call

Ms. Derryberry called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

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

Ms. Derryberry: The next item is Approval of the Minutes of the April 20, 2017 Meeting. If there are any comments, I will take them at this time. If there are none, a motion approving the minutes is in order.

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

THIRD ORDER OF BUSINESS

Consideration of Resolution #2017-04 Designating Lisa Derryberry as Assistant Secretary

Ms. Derryberry: The next item is Consideration of Resolution #2017-04 Designating Lisa Derryberry as Assistant Secretary. This is just for administrative purposes so I may sign if Rich is not available.

On MOTION by Mr. Martinez seconded by Mr. Lorenzo with all in favor Resolution #2017-04 Designating Lisa Derryberry as Assistant Secretary was approved.

FOURTH ORDER OF BUSINESS

Public Hearing to Adopt the Fiscal Year 2018 Budget

A. Motion to Open the Public Hearing

Ms. Derryberry: Today's meeting was advertised as a public hearing to adopt the budget for fiscal year 2018 so at this time a motion to open the public hearing is in order.

On MOTION by Mr. Burchell seconded by Mr. Martinez with all in favor the public hearing was opened.

B. Public Comment and Discussion

C. Consideration of Resolution #2017-05 Annual Appropriation Resolution

Ms. Derryberry: We will let the record reflect that there is no member of the general public here for comment and discussion so we will move on to Resolution #2017-05 Annual Appropriation Resolution. This resolution approves the budget. There are two items that I would like to bring to your attention from the budget that was proposed at our last meeting. There are two lines called rentals and leases, both had been listed at \$2,400. One of those rentals and leases has been reduced to zero.

Mr. Hans: That is the one that Gene was asking about. We took that one off.

Mr. Antuna: Okay, good.

Ms. Derryberry: The second item that we want to call to your attention is on the debt service fund under revenues. In the proposed budget it is showing the \$310 which is the per unit assessment. The math was not carried over so it will be in another box. That has been corrected in our office; however with Tina not being here today we were

unable to print it out for you. But that was corrected so we have a net assessment levied of \$345,207 and the per unit is \$310. If there are any questions, I can take those at this time. Otherwise a motion to approve Resolution #2017-05 would be in order.

Mr. Hans: I am not sure that amount is correct. That seems too high. If I put \$345,000 up there, we were only at \$275,000 last year. It is \$247,000 actually. That \$310 is your overall assessment that includes your debt and the operations and maintenance so this actually comes down to \$247,000. It should be \$292 gross.

Mr. Burchell: What page are we looking at?

Mr. Hans: Page 5. We are correcting the numbers where it says \$367,000 is the amount that is going to be on the tax roll. The number we are missing, it should be \$275,201 as the gross amount.

Ms. Derryberry: I apologize for the confusion. Are there any other questions from the Board? If not, a motion approving Resolution #2017-05 is in order.

On MOTION by Mr. Perry seconded by Mr. Burchell with all in favor Resolution #2017-05 Annual Appropriation Resolution was approved.

D. Consideration of Resolution #2017-06 Levy of Non Ad Valorem Assessments

Ms. Derryberry: The next item on the agenda is Resolution #2017-06 Levy of Non Ad Valorem Assessments. Attached to that resolution is the per unit charge on the roll. It is the same amount as the previous year. If there are any questions, we will take them at this time. If not, a motion approving Resolution #2017-06 is in order.

On MOTION by Mr. Martinez seconded by Mr. Lorenzo with all in favor Resolution #2017-06 Levy of Non Ad Valorem Assessments was approved.

E. Motion to Close the Public Hearing

Ms. Derryberry: And a motion to close our public hearing is in order.

On MOTION by Mr. Burchell seconded by Mr. Martinez with all in favor the public hearing was closed.

FIFTH ORDER OF BUSINESS

Acceptance of Audit for Fiscal Year Ending September 30, 2016

Ms. Derryberry: Item #5 is Acceptance of Audit for Fiscal Year Ending September 30, 2016. There were no findings in this audit of any deficiencies in the District so it is a clean audit. Is there a motion to accept the audit?

On MOTION by Mr. Burchell seconded by Mr. Antuna with all in favor the audit for fiscal year ending September 30, 2016 was accepted.

SIXTH 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

1) Consideration of Proposed Fiscal Year 2018 Meeting Schedule

Ms. Derryberry: Under Manager's report, we have the proposed fiscal year 2018 meeting schedule. It is continuing to hold the meetings at this location at 9:30 a.m. on the third Thursday of the month. If that is still acceptable to the Board, a motion to approve the fiscal year meeting schedule would be in order.

On MOTION by Mr. Antuna seconded by Mr. Burchell with all in favor the proposed fiscal year 2018 meeting schedule was approved as-presented.

2) Discussion of Financial Disclosure Report from Commission on Ethics

Ms. Derryberry: Behind the next tab you will find a report from the Commission on Ethics regarding the filing of the required form by the Board. Pete, it looks like you have not filed your form yet. You want to get that done as soon as possible to avoid any potential penalties or fines. Other than that, everyone else is good to go.

Mr. Perry: Okay. I will take care of that.

Ms. Derryberry: The only other item to remind you is that based on the proposed meeting schedule we just approved, our next meeting would be on November 16th.

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

There not being any, the next item followed.

EIGHTH ORDER OF BUSINESS Financial Reports

- A. Approval of Check Register**
- B. Balance Sheet and Income Statement**

Ms. Derryberry: Next we have financial reports. In your packets we have the check register behind tab A, and then the balance sheet and income statement behind tab B. If there are any questions or discussion, we can take those at this time. If there are none, then a motion approving those would be in order.

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

NINTH ORDER OF BUSINESS Adjournment

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

On MOTION by Mr. Burchell seconded by Mr. Lorenzo with all in favor the meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

2700 North Military Trail • Suite 350
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

September 1, 2017

Board of Supervisors
Attn: Patti Powers
Reserve #2 Community Development District
5385 N. Nob Hill Road
Sunrise, FL 33351

We are pleased to confirm our understanding of the services we are to provide Reserve #2 Community Development District, St. Lucie County, Florida (the "District") for the fiscal year ended September 30, 2017. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Reserve #2 Community Development District as of and for the fiscal year ended September 30, 2017. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2017 audit.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedule

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Examination Objective

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a

written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

Other Services

We will assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for designing, implementing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the audit's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Our fee for these services will not exceed \$3,300 for the September 30, 2017 audit, respectively, unless there is a change in activity by the District which results in additional audit work or if Bonds are issued.

We will complete the audit within prescribed statutory deadlines, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.


This agreement may be renewed each year thereafter subject to the mutual agreement by both parties to all terms and fees. The fee for each annual renewal will be agreed upon separately.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2016 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Reserve #2 Community Development District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



Antonio J. Grau

RESPONSE:

This letter correctly sets forth the understanding of Reserve #2 Community Development District.

By: _____

Title: _____

Date: _____



PEER REVIEW PROGRAM

is proud to present this

Certificate of Recognition

to

Grau & Associates

For having a system of quality control for its accounting and auditing practice in effect for the year ended June 30, 2016 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

A handwritten signature in cursive script, reading "Anita Ford", written over a horizontal line.

Anita Ford, Chair
AICPA Peer Review Board
2016

Reserve
Community Development District #2

Check Run Summary
November 16, 2017

<u>Date</u>	<u>Check Numbers</u>	<u>Amount</u>
07/25/17	988-991	\$3,425.67
08/04/17	992-994	\$10,169.40
08/17/17	995-998	\$3,901.23
09/14/17	999-1001	\$12,423.40
10/24/17	1002-1004	\$3,234.84
11/08/17	1005-1006	\$1,175.00
Total		<u><u>\$34,329.54</u></u>

*** CHECK DATES 07/07/2017 - 11/08/2017 ***

GF - RESERVE CDD #2

BANK A RESERVE CDD #2 GF

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #	
7/25/17	00004	7/18/17	58689097	201707	310	51300	42000			*	170.13			
			DELIVERIES THRU 07/18/17											
								FEDEX				170.13	000988	
7/25/17	00005	6/30/17	1439-001	201706	310	51300	31500			*	105.00			
			JUN 2017 - LEGAL SERVICES											
								GONANO & HARRELL				105.00	000989	
7/25/17	00028	7/03/17	143	201707	310	51300	34000			*	2,684.17			
			JUL 17 - MGMT FEES											
		7/03/17	143	201707	310	51300	35100			*	20.83			
			JUL 17 - COMPUTER TIME											
		7/03/17	143	201707	310	51300	44000			*	200.00			
			JUL 17 - RENT											
		7/03/17	143	201707	310	51300	35101			*	41.67			
			JUL 17 - WEBSITE ADMIN											
		7/03/17	143	201707	310	51300	42000			*	3.87			
			JUL 17 - POSTAGE											
								GMS - SO FLORIDA, LLC				2,950.54	000990	
7/25/17	00009	7/01/17	JUL-17	201707	310	51300	44001			*	200.00			
			RENT UNIT 1 - JUL 2017											
								RESERVE CDD				200.00	000991	
8/04/17	00004	7/25/17	58762462	201707	310	51300	42000			*	51.15			
			DELIVERIES THRU 07/25/17											
								FEDEX				51.15	000992	
8/04/17	00048	8/04/17	08042017	201708	300	20700	10000			*	9,918.25			
			TXFER OF TAX RECEIPTS											
								RESERVE CDD #2				9,918.25	000993	
8/04/17	00009	8/01/17	AUG-2017	201708	310	51300	44001			*	200.00			
			RENT UNIT 1 - AUG 2017											
								RESERVE CDD				200.00	000994	
8/17/17	00005	7/31/17	1439-001	201707	310	51300	31500			*	357.00			
			JUL 17-LEGAL SERVICES											
								GONANO & HARRELL				357.00	000995	
8/17/17	00028	8/01/17	144	201708	310	51300	34000			*	2,684.17			
			MANAGEMENT FEES-AUG 17											
		8/01/17	144	201708	310	51300	35100			*	20.83			
			COMPUTER TIME-AUG 17											
		8/01/17	144	201708	310	51300	44000			*	200.00			
			RENT-AUG 17											

RES2 RESERVE 2 IARAUJO

*** CHECK DATES 07/07/2017 - 11/08/2017 ***

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 #
8/01/17	144	201708	310-51300-35101	WEBSITE ADMIN-AUG 17		*	41.67		
8/01/17	144	201708	310-51300-51000	OFFICE SUPPLIES-AUG 17		*	17.50		
8/01/17	144	201708	310-51300-42000	POSTAGE-AUG 17		*	.46		
8/01/17	144	201708	310-51300-42500	COPIES-AUG 17		*	76.00		
								GMS - SO FLORIDA, LLC	3,040.63 000996
8/17/17	00009	9/01/17	SEP-17	201709 310-51300-44001	RENT-UNIT 1 COMMERCE CNTR	*	200.00		
								RESERVE CDD	200.00 000997
8/17/17	00015	7/03/17	1612154	201707 310-51300-48000	MEETING:7/20/17:RESERVE	*	303.60		
								TREASURE COAST NEWSPAPERS	303.60 000998
9/14/17	00044	8/29/17	6050	201709 300-15500-10000	FY 2018 INSURANCE	*	5,750.00		
								EGIS INSURANCE ADVISORS LLC	5,750.00 000999
9/14/17	00028	9/01/17	145	201709 310-51300-34000	SEPT 2017 - MGMT FEES	*	2,684.17		
9/01/17	145	201709	310-51300-35100	SEPT 2017 - COMPUTER TIME		*	20.83		
9/01/17	145	201709	310-51300-44000	SEPT 2017 - RENT		*	200.00		
9/01/17	145	201709	310-51300-35101	SEPT 2017 - WEBSITE ADMIN		*	41.67		
9/01/17	145	201709	310-51300-42000	SEPT 2017 - POSTAGE		*	5.98		
9/01/17	145	201709	310-51300-41000	SEPT 2017 - TELEPHONE		*	3.37		
								GMS - SO FLORIDA, LLC	2,956.02 001000
9/14/17	00046	5/25/17	4644830	201705 310-51300-32300	SERIES 2010 TRUSTEE FEES	*	3,717.38		
								US BANK	3,717.38 001001
10/24/17	00053	9/18/17	123	201709 310-51300-49100	3 NIGHT RENTAL PGA VILL	*	180.00		
								THOMAS CANN	180.00 001002
10/24/17	00028	10/02/17	148	201710 310-51300-34000	OCT 17 - MGMT FEES	*	2,684.17		

RES2 RESERVE 2 IARAUJO

*** CHECK DATES 07/07/2017 - 11/08/2017 ***

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 #
10/02/17		148		201710	310-51300-35100					*	20.83		
			OCT 17 - COMPUTER TIME										
10/02/17		148		201710	310-51300-44000					*	200.00		
			OCT 17 - RENT										
10/02/17		148		201710	310-51300-35101					*	41.67		
			OCT 17 - WEBSITE ADMIN										
10/02/17		148		201710	310-51300-42000					*	2.42		
			OCT 17 - POSTAGE										
10/02/17		148		201710	310-51300-42500					*	3.45		
			OCT 17 - COPIES										
GMS - SO FLORIDA, LLC											2,952.54	001003	
10/24/17	00015	9/05/17	1708460	201709	310-51300-48000					*	102.30		
			NOTICE OF MTG DATES										
TREASURE COAST NEWSPAPERS											102.30	001004	
11/08/17	00026	10/02/17	70499	201710	310-51300-54000					*	175.00		
			SPECIAL DISTRICT FEE FY18										
DEPARTMENT OF ECONOMIC OPPORTUNITY											175.00	001005	
11/08/17	00022	10/27/17	10272017	201710	310-51300-31400					*	1,000.00		
			BUDGET PREP SVCS - 10/27										
ROBERT L. FROMM & ASSOCIATES											1,000.00	001006	
TOTAL FOR BANK A											34,329.54		
TOTAL FOR REGISTER											34,329.54		

**RESERVE #2
COMMUNITY DEVELOPMENT DISTRICT
Long Term Debt Report
FY 2017**

Series 2010A, Special Assessment Bonds

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

<i>Bonds outstanding - 9/30/2016</i>	<i>\$2,025,000.00</i>
<i>Less: May 01, 2017 (Mandatory)</i>	<i>(\$185,000.00)</i>
<i>Current Bonds Outstanding</i>	<i>\$1,840,000.00</i>

<i>Total Current Bonds Outstanding</i>	<i>\$1,840,000.00</i>
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Reserve CDD #2
Special Assessment Receipts
 Fiscal Year Ending September 30, 2017

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 79.72%	Total 100%
11/9/2016	11/01/16-11/01/16	\$ 2,852.52	\$ 54.13	\$ 146.17	\$ -	\$ 2,652.22	\$ 537.89	\$ 2,114.33	\$ 2,652.22
11/9/2016	11/01/16-11/04/16	\$ 5,890.00	\$ 113.09	\$ 235.60	\$ -	\$ 5,541.31	\$ 1,123.81	\$ 4,417.50	\$ 5,541.31
11/17/2016	11/05/16-11/10/16	\$ 35,057.28	\$ 701.14	\$ -	\$ -	\$ 34,356.14	\$ 6,967.65	\$ 27,388.49	\$ 34,356.14
11/22/2016	11/11/16-11/17/16	\$ 77,200.42	\$ 1,544.01	\$ -	\$ -	\$ 75,656.41	\$ 15,343.61	\$ 60,312.80	\$ 75,656.41
12/1/2016	11/18/16-11/24/16	\$ 85,542.14	\$ 1,710.84	\$ -	\$ -	\$ 83,831.30	\$ 17,001.53	\$ 66,829.77	\$ 83,831.30
12/8/2016	11/25/16-12/01/16	\$ 79,744.40	\$ 1,531.22	\$ 3,183.58	\$ -	\$ 75,029.60	\$ 15,216.49	\$ 59,813.11	\$ 75,029.60
12/15/2016	12/02/16-12/08/16	\$ 12,396.81	\$ 238.70	\$ 461.81	\$ -	\$ 11,696.30	\$ 2,372.09	\$ 9,324.21	\$ 11,696.30
12/21/2016	12/09/16-12/15/16	\$ 2,170.00	\$ 42.04	\$ 68.20	\$ -	\$ 2,059.76	\$ 417.73	\$ 1,642.03	\$ 2,059.76
12/29/2016	12/16/16-12/22/16	\$ 3,410.00	\$ 66.14	\$ 102.30	\$ -	\$ 3,241.56	\$ 657.41	\$ 2,584.15	\$ 3,241.56
1/6/2017	12/23/16-12/29/16	\$ 4,340.00	\$ 84.19	\$ 130.20	\$ -	\$ 4,125.61	\$ 836.70	\$ 3,288.91	\$ 4,125.61
1/6/2017	11/02/16-12/31/16	\$ 1,454.95	\$ 28.29	\$ 41.04	\$ -	\$ 1,385.62	\$ 281.01	\$ 1,104.61	\$ 1,385.62
1/12/2017	12/30/16-01/05/17	\$ 5,893.19	\$ 114.45	\$ 170.59	\$ -	\$ 5,608.15	\$ 1,137.37	\$ 4,470.78	\$ 5,608.15
1/19/2017	01/06/17-01/12/17	\$ 1,550.00	\$ 30.32	\$ 34.10	\$ -	\$ 1,485.58	\$ 301.29	\$ 1,184.29	\$ 1,485.58
1/26/2017	01/13/17-01/19/17	\$ 2,480.00	\$ 48.61	\$ 49.60	\$ -	\$ 2,381.79	\$ 483.04	\$ 1,898.75	\$ 2,381.79
2/2/2017	01/20/17-01/26/17	\$ 1,860.00	\$ 36.45	\$ 37.20	\$ -	\$ 1,786.35	\$ 362.28	\$ 1,424.07	\$ 1,786.35
2/9/2017	01/27/17-02/02/17	\$ 3,720.00	\$ 72.99	\$ 71.30	\$ -	\$ 3,575.71	\$ 725.18	\$ 2,850.53	\$ 3,575.71
2/15/2017	02/03/17-02/09/17	\$ 2,170.00	\$ 42.90	\$ 24.80	\$ -	\$ 2,102.30	\$ 426.36	\$ 1,675.94	\$ 2,102.30
2/22/2017	02/10/17-02/16/17	\$ 930.00	\$ 18.41	\$ 9.30	\$ -	\$ 902.29	\$ 182.99	\$ 719.30	\$ 902.29
3/1/2017	02/17/17-02/23/17	\$ 1,550.00	\$ 30.69	\$ 15.50	\$ -	\$ 1,503.81	\$ 304.98	\$ 1,198.83	\$ 1,503.81
3/9/2017	02/24/17-03/02/17	\$ 2,480.00	\$ 49.17	\$ 21.70	\$ -	\$ 2,409.13	\$ 488.59	\$ 1,920.54	\$ 2,409.13
3/15/2017	03/03/17-03/09/17	\$ 1,860.00	\$ 37.20	\$ -	\$ -	\$ 1,822.80	\$ 369.68	\$ 1,453.12	\$ 1,822.80
3/23/2017	03/10/17-03/16/17	\$ 620.00	\$ 12.40	\$ -	\$ -	\$ 607.60	\$ 123.23	\$ 484.37	\$ 607.60
3/29/2017	03/17/17-03/23/17	\$ 2,170.00	\$ 43.40	\$ -	\$ -	\$ 2,126.60	\$ 431.29	\$ 1,695.31	\$ 2,126.60
4/6/2017	03/24/17-03/30/17	\$ 2,170.00	\$ 43.15	\$ 12.40	\$ -	\$ 2,114.45	\$ 428.82	\$ 1,685.63	\$ 2,114.45
4/13/2017	03/31/17-04/06/17	\$ 2,480.00	\$ 50.16	\$ (27.90)	\$ -	\$ 2,457.74	\$ 498.45	\$ 1,959.29	\$ 2,457.74
4/17/2017	01/01/17-03/31/17	\$ 1,430.02	\$ 28.55	\$ 2.30	\$ -	\$ 1,399.17	\$ 283.76	\$ 1,115.41	\$ 1,399.17
4/27/2017	04/14/17-04/20/17	\$ 310.00	\$ 6.38	\$ (9.30)	\$ -	\$ 312.92	\$ 63.46	\$ 249.46	\$ 312.92
5/4/2017	04/21/17-04/27/17	\$ 310.00	\$ 6.38	\$ (9.30)	\$ -	\$ 312.92	\$ 63.46	\$ 249.46	\$ 312.92
5/12/2017	04/28/17-05/04/17	\$ 310.00	\$ 6.38	\$ (9.30)	\$ -	\$ 312.92	\$ 63.46	\$ 249.46	\$ 312.92
5/18/2017	05/05/17-05/11/2017	\$ 310.00	\$ 6.39	\$ (9.30)	\$ -	\$ 312.91	\$ 63.46	\$ 249.45	\$ 312.91
6/2/2017	05/19/17-05/25/17	\$ 7,514.40	\$ 154.80	\$ (225.43)	\$ -	\$ 7,585.03	\$ 1,538.29	\$ 6,046.74	\$ 7,585.03
6/12/2017	05/26/17-05/31/17	\$ 4,811.20	\$ 99.11	\$ (144.34)	\$ -	\$ 4,856.43	\$ 984.92	\$ 3,871.51	\$ 4,856.43
6/22/2017	06/01/17-06/16/17	\$ 1,860.00	\$ 38.31	\$ (55.80)	\$ -	\$ 1,877.49	\$ 1,877.49	\$ -	\$ 1,877.49
7/5/2017	04/01/17-05/31/17	\$ 152.51	\$ 3.11	\$ (2.28)	\$ -	\$ 151.68	\$ 151.68	\$ -	\$ 151.68
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 358,999.84	\$ 7,093.50	\$ 4,324.74	\$ -	\$ 347,581.60	\$ 72,109.44	\$ 275,472.16	\$ 347,581.60

Due to DSF

\$ 0.00 001.300.20700.10000 V#48

Gross Assessments Levied	\$367,241.50
Net Amount Collected	\$ 347,581.60
8% Collection Fees/Discounts	\$ 11,418.24
Total Gross Amount	\$ 358,999.84
Gross Amount Collected	97.76%
Gross Balance Due	\$8,241.66

Transfer From Debt Service Fund		
Date	Ch. No.	Amount
11/28/2016	944	\$ 94,233.12
12/14/2016	946	\$ 126,642.89
12/23/2016	947	\$ 9,324.21
1/5/2017	949	\$ 4,226.18
1/27/2017	954	\$ 11,947.34
2/16/2017	958	\$ 1,424.07
2/23/2017	960	\$ 1,675.94
3/3/2017	963	\$ 1,198.82
3/24/2017	965	\$ 5,022.96
3/30/2017	967	\$ 484.37
4/10/2017	969	\$ 3,615.86
4/21/2017	972	\$ 1,685.63
5/8/2017	976	\$ 498.91
5/8/2017	979	\$ 1,959.30
5/19/2017	980	\$ 1,364.86
5/26/2017	982	\$ 249.45
8/4/2017	993	\$ 9,918.25
		\$ 275,472.16

RESERVE
COMMUNITY DEVELOPMENT DISTRICT #2
COMBINED BALANCE SHEET
September 30, 2017

	<u>Major Funds</u>		<u>Total Governmental Funds</u>
	<u>General</u>	<u>Debt Service</u>	
ASSETS:			
Cash	\$23,038	---	\$23,038
Prepaid items	\$5,750	---	\$5,750
Investments:			
<u>SERIES 2010</u>			
Reserve A	---	\$27,542	\$27,542
Revenue A	---	\$63,449	\$63,449
TOTAL ASSETS	<u>\$28,788</u>	<u>\$90,991</u>	<u>\$119,779</u>
LIABILITIES:			
Accounts Payable	\$282	---	\$282
TOTAL LIABILITIES	<u>\$282</u>	<u>\$0</u>	<u>\$282</u>
FUND BALANCES:			
Nonspendable:			
Prepaid items	\$5,750	---	\$5,750
Restricted:			
Debt Service	---	\$90,991	\$90,991
Assigned	\$26,122	---	\$26,122
Unassigned	(\$3,366)	---	(\$3,366)
TOTAL FUND BALANCES	<u>\$28,506</u>	<u>\$90,991</u>	<u>\$119,497</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$28,788</u>	<u>\$90,991</u>	<u>\$119,779</u>

RESERVE

COMMUNITY DEVELOPMENT DISTRICT #2

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending September 30, 2017

	ADOPTED BUDGET	PRORATED BUDGET THRU 09/30/2017	ACTUAL THRU 09/30/2017	VARIANCE
REVENUES:				
Assessment - Levy	\$70,010	\$70,010	\$72,111	\$2,101
TOTAL REVENUES	\$70,010	\$70,010	\$72,111	\$2,101
EXPENDITURES:				
ADMINISTRATIVE:				
Supervisor Fees	\$4,000	\$4,000	\$3,800	\$200
FICA Expense	\$306	\$306	\$291	\$15
Engineering	\$500	\$500	\$0	\$500
Attorney	\$1,500	\$1,500	\$105	\$1,395
Trustee Fees	\$3,750	\$3,750	\$3,717	\$33
Property Appraiser	\$7,345	\$7,345	\$7,345	\$0
Collection Agent	\$6,000	\$6,000	\$6,500	(\$500)
Assessment Roll	\$2,500	\$2,500	\$2,500	\$0
Annual Audit	\$3,200	\$3,200	\$3,200	\$0
Management Fees	\$32,210	\$32,210	\$32,210	(\$0)
Computer Time	\$250	\$250	\$250	\$0
Telephone	\$50	\$50	\$3	\$46
Postage	\$1,000	\$1,000	\$877	\$123
Printing & Binding	\$250	\$250	\$273	(\$23)
Rentals & Leases	\$2,400	\$2,400	\$2,400	\$0
Meeting Room Rental	\$2,400	\$2,400	\$2,400	\$0
Insurance	\$5,885	\$5,885	\$5,457	\$428
Legal Advertising	\$1,250	\$1,250	\$406	\$844
Other Current Charges	\$360	\$360	\$365	(\$5)
Contingency	\$5,000	\$5,000	\$180	\$4,820
Office Supplies	\$150	\$150	\$53	\$98
Dues, Licenses & Subscriptions	\$175	\$175	\$175	\$0
Operating Reserve	\$15,151	\$15,151	\$0	\$15,151
Website Compliance	\$500	\$500	\$500	(\$0)
TOTAL EXPENDITURES	\$96,131	\$96,131	\$73,007	\$23,125
EXCESS REVENUES (EXPENDITURES)	(\$26,121)		(\$896)	
FUND BALANCE - Beginning	\$26,122		\$29,401	
FUND BALANCE - Ending	<u>\$0</u>		<u>\$28,506</u>	

RESERVE
COMMUNITY DEVELOPMENT DISTRICT #2
DEBT SERVICE FUND
SERIES 2010

*Statement of Revenues, Expenditures, and Changes in Fund Balance
For The Period Ending September 30, 2017*

	ADOPTED BUDGET	PRORATED THRU 09/30/2017	ACTUAL THRU 09/30/2017	VARIANCE
--	-------------------	-----------------------------	---------------------------	----------

REVENUES:

Interest Income	\$0	\$0	\$820	\$820
Assessments	\$275,197	\$275,197	\$275,472	\$276
TOTAL REVENUES	\$275,197	\$275,197	\$276,292	\$1,096

EXPENDITURES:

Series 2010

Interest - 11/1	\$45,644	\$45,644	\$45,644	\$0
Interest - 5/1	\$44,899	\$44,899	\$44,899	\$0
Principal - 5/1	\$185,000	\$185,000	\$185,000	\$0
TOTAL EXPENDITURES	\$275,543	\$275,543	\$275,543	\$0
FUND BALANCE - Beginning	\$62,744		\$90,242	
FUND BALANCE - Ending	\$62,398		\$90,991	