

JPWard and Associates, LLC

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

REGULAR MEETING

AGENDA

June 7, 2018



James P. Ward
District Manager
2900 NE 12th Terrace, Suite 1
Oakland Park, FL. 33334

Phone: 954-658-4900

E-mail:

JimWard@JPWardAssociates.com



Prepared by:
JPWard and Associates, LLC
TOTAL Commitment to Excellence

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

May 29, 2018

Board of Supervisors
Artisan Lakes Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Artisan Lakes Community Development District will be held on **Thursday, June 7, 2017 at 3:30 p.m.** at the **Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.**

1. Call to Order & Roll Call.
2. Consideration of Board Member Resignation and Replacement.
 - a) Board Member Replacements
 - b) Administration of Oath of Office
 - c) Guide to the Sunshine Amendment and Code of Ethics
 - d) Form 1 – Statement of Financial Interests
3. Consideration of Resolution 2018-5 Re-Designating the Officer's of the District.
4. Consideration of Minutes.
 - a) February 2, 2018 - Regular Meeting
5. Consideration of Resolution 2018-6 Approving the Proposed Budget for Fiscal Year 2019 and setting a Public Hearing for **Tuesday, September 6, 2018 at 3:30 P.M. at the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.**
6. Consideration of Resolution 2018-7 adopting an electronic records policy for the Artisan Lakes Community Development District.
7. Consideration of acceptance of the Audited Financial Statements for the year ended September 30, 2017.
8. Consideration of Resolution 2018-8 recinding special assessments previously levied by Resolution 2018-1.
9. Staff Reports
 - a) District Attorney
 - b) District Engineer
 - c) District Manager
 - I. Report on the Number of Registered Voters as of April 15, 2018.
 - II. Financial Statements for the period ending April 30, 2018.



James P. Ward
District Manager

2900 NORTHEAST 12TH TERRACE, SUITE 1
OAKLAND PARK, FLORIDA 33334
PHONE (954) 658-4900
E-MAIL JimWard@JPWardAssociates.com

10. Supervisor's Requests and Audience Comments

11. Adjournment

The second order of business is to accept the resignation of Mr. David Truxton from Seat 3 of the Board of Supervisor's. The resignation is effective as a matter of law on the day noted in the letter (copy attached) and the Board is being requested to accept the resignation for inclusion in the record only.

The statute also provides that the balance of the Board may determine in their sole discretion an individual to fill the unexpired term of office. The individual must be a U.S. Citizen and a resident of the State of Florida. Seat 3 term runs through November, 2018.

This seat will be up for election in November, 2018 and will become a qualified elector seat.

The third order of business is consideration of resolution 2018-5 which re-designates the officer's of the District. The current officer's are as follows:

Chairman:	Michael Bachman
Vice Chairman:	Tracy Briones
Assistant Secretary:	J.D. Humphreys
Assistant Secretary:	Andrew Miller
Assistant Secretary:	VACANT
Secretary/Treasurer	James Ward

The Secretary/Treasurer position is administrative in nature, and as such, the District Manager generally fills that position.

The fourth order of business is consideration of the minutes of the minutes of the February 8, 2018 Regular Meeting.

The fifth order of business is consideration of Resolution 2018-6 which approves the proposed budget for Fiscal Year 2019 and sets the public hearing date, time and location.

The District's enabling legislation requires the District Manager to submit a Proposed Budget to the Board by June 15th of each year for your review and approval. The approval of the Budget is only intended to permit the District to move through the process towards adopting the Budget at the Public Hearing scheduled for the September 6, 2018 meeting of the Board of Supervisor's.

The approval of the Budget does not bind the Board to any of the costs contained in the Budget, nor any of the programs contained in the Budget.



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The budget includes two (2) funds, the first is the general fund, which contains the regular occurring charges incurred by the CDD for the administrative operations of the District. There are no significant changes to the proposed Fiscal Year 2019 budget. The assessment rates for both the General Fund, and the Debt Service Fund remain the same as in Fiscal Year 2019.

The Debt Service Fund budget includes the principal and interest due on the Series 2013 A-1, A-2, and A-3 Bonds.

The public hearing is set for Tuesday, September 6, 2018 at 3:30 P.M. at the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.

The sixth order of business is consideration of Resolution 2018-7 adopting an electron records policy for the Artisan Lakes Community Development District.

The seventh order of business is consideration of the acceptance of the Audited Financial Statements for the year ended September 30, 2017. A representative of the firm of McDirmit Davis will be available by phone for the meeting to present the audited financial statements to the Board.

This eighth order of business is consideration of Resolution 2018-8 recinding the special assessment previously levied by Resolution 2018-1.

Under my report is the statutory requirement that the District determine as of April 15th of each year the number of registered voter's residing with the District. The Statute provides that the Supervisor of Elections in the County where the District is located (Manatee County) provides that information from the voter rolls of the County. The significance of the report is based on the transition date and number of qualified electors residing in the District which are enumerated in the Statute for the District to begin the transition from a landowner's election to a qualified elector based election.

The two thresholds are six years from the date of establishment which for the District is August 7, 2007, and accordingly the District has met this first threshold, and the second is at least 250 qualified electors. There is no required action of the Board for this item, it is provided as a matter of law and placed into the District's records. You will note that the District has met both thresholds, and beginning with the November, 2018 election, two seats (Seat 4 and 5) will be elected by qualified electors residing in the District.

Seat 1 (Ms. Briones) seat will also be up for election in November, and this seat by law will be the final four year landowner's seat.

Finally, Seats 2 (Mr. Humphrey) seat and Seat 3 (Mr. Bachman's) seat are scheduled for election in November, 2020, and both of those seats will become qualified elector seats at that time.



James P. Ward
District Manager

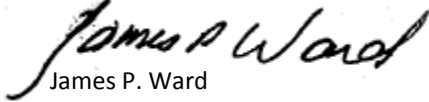
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PHONE (954) 658-4900

E-MAIL JimWard@JPWardAssociates.com

The balance of the Agenda is standard in nature and I look forward to seeing you at the meeting, and if you have any questions and/or comments, please do not hesitate to contact me directly at (954) 658-4900.

Artisan Lakes Community Development District



James P. Ward
District Manager

The Fiscal Year 2018 schedule is as follows

October 5, 2017	November 2, 2017
December 7, 2017	January 4, 2018
February 1, 2018	March 1, 2018
April 5, 2018	May 3, 2018
June 7, 2018	July 5, 2018
August 2, 2018	September 6, 2018



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E-MAIL JimWard@JPWardAssociates.com

David Truxton

13111 Swiftwater Way, Bradenton, Florida 34211

March 30, 2018

Sent via email: JimWard@JPWardAssociates.com

Artisan Lakes Community Development District
2900 Northeast 12th Terrace, Suite 1
Oakland Park, Florida 33334

Subject: David Truxton Resignation from Artisan Lakes Community Development District

Attention: Board of Supervisor's

Dear Board Members,

I hereby submit my resignation to the Board of Supervisor's, effective immediately.

Thank you,

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'D. Truxton', written over a horizontal line.

3/30/18

David Truxton

OATH OR AFFIRMATION OF OFFICE

I, _____, a citizen of the State of Florida and of the United States of America, and being an officer of the **Artisan Lakes Community Development District** and a recipient of public funds as such officer, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida, and will faithfully, honestly and impartially discharge the duties devolving upon me as a member of the Board of Supervisors of the **Artisan Lakes Community Development District**, Hillsborough County, Florida.

Signature

Printed Name: _____

STATE OF FLORIDA
COUNTY OF MANATEE

Sworn to (or affirmed) before me this _____ day of _____, 2018, by _____, whose signature appears hereinabove, who is personally known to me or who produced _____ as identification.

NOTARY PUBLIC
STATE OF FLORIDA

Print Name: _____

My Commission Expires: _____

FORM 1

STATEMENT OF FINANCIAL INTERESTS

2017

Please print or type your name, mailing address, agency name, and position below:

FOR OFFICE USE ONLY:

LAST NAME -- FIRST NAME -- MIDDLE NAME :

MAILING ADDRESS :

CITY : ZIP : COUNTY :

NAME OF AGENCY :

NAME OF OFFICE OR POSITION HELD OR SOUGHT :

You are not limited to the space on the lines on this form. Attach additional sheets, if necessary.

CHECK ONLY IF CANDIDATE OR NEW EMPLOYEE OR APPOINTEE

****** BOTH PARTS OF THIS SECTION MUST BE COMPLETED ******

DISCLOSURE PERIOD:

THIS STATEMENT REFLECTS YOUR FINANCIAL INTERESTS FOR THE PRECEDING TAX YEAR, WHETHER BASED ON A CALENDAR YEAR OR ON A FISCAL YEAR. PLEASE STATE BELOW WHETHER THIS STATEMENT IS FOR THE PRECEDING TAX YEAR ENDING EITHER (must check one):

DECEMBER 31, 2017 OR SPECIFY TAX YEAR IF OTHER THAN THE CALENDAR YEAR: _____

MANNER OF CALCULATING REPORTABLE INTERESTS:

FILERS HAVE THE OPTION OF USING REPORTING THRESHOLDS THAT ARE ABSOLUTE DOLLAR VALUES, WHICH REQUIRES FEWER CALCULATIONS, OR USING COMPARATIVE THRESHOLDS, WHICH ARE USUALLY BASED ON PERCENTAGE VALUES (see instructions for further details). CHECK THE ONE YOU ARE USING (must check one):

COMPARATIVE (PERCENTAGE) THRESHOLDS OR **DOLLAR VALUE THRESHOLDS**

PART A -- PRIMARY SOURCES OF INCOME [Major sources of income to the reporting person - See instructions]

(If you have nothing to report, write "none" or "n/a")

NAME OF SOURCE OF INCOME	SOURCE'S ADDRESS	DESCRIPTION OF THE SOURCE'S PRINCIPAL BUSINESS ACTIVITY

PART B -- SECONDARY SOURCES OF INCOME

[Major customers, clients, and other sources of income to businesses owned by the reporting person - See instructions]

(If you have nothing to report, write "none" or "n/a")

NAME OF BUSINESS ENTITY	NAME OF MAJOR SOURCES OF BUSINESS' INCOME	ADDRESS OF SOURCE	PRINCIPAL BUSINESS ACTIVITY OF SOURCE

PART C -- REAL PROPERTY [Land, buildings owned by the reporting person - See instructions]

(If you have nothing to report, write "none" or "n/a")

FILING INSTRUCTIONS for when and where to file this form are located at the bottom of page 2.

INSTRUCTIONS on who must file this form and how to fill it out begin on page 3.

PART D — INTANGIBLE PERSONAL PROPERTY [Stocks, bonds, certificates of deposit, etc. - See instructions]
 (If you have nothing to report, write "none" or "n/a")

TYPE OF INTANGIBLE	BUSINESS ENTITY TO WHICH THE PROPERTY RELATES

PART E — LIABILITIES [Major debts - See instructions]
 (If you have nothing to report, write "none" or "n/a")

NAME OF CREDITOR	ADDRESS OF CREDITOR

PART F — INTERESTS IN SPECIFIED BUSINESSES [Ownership or positions in certain types of businesses - See instructions]
 (If you have nothing to report, write "none" or "n/a")

	BUSINESS ENTITY # 1	BUSINESS ENTITY # 2
NAME OF BUSINESS ENTITY		
ADDRESS OF BUSINESS ENTITY		
PRINCIPAL BUSINESS ACTIVITY		
POSITION HELD WITH ENTITY		
I OWN MORE THAN A 5% INTEREST IN THE BUSINESS		
NATURE OF MY OWNERSHIP INTEREST		

PART G — TRAINING

For **elected municipal officers** required to complete annual ethics training pursuant to section 112.3142, F.S.

I CERTIFY THAT I HAVE COMPLETED THE REQUIRED TRAINING.

IF ANY OF PARTS A THROUGH G ARE CONTINUED ON A SEPARATE SHEET, PLEASE CHECK HERE

SIGNATURE OF FILER:

Signature:

Date Signed:

CPA or ATTORNEY SIGNATURE ONLY

If a certified public accountant licensed under Chapter 473, or attorney in good standing with the Florida Bar prepared this form for you, he or she must complete the following statement:

I, _____, prepared the CE Form 1 in accordance with Section 112.3145, Florida Statutes, and the instructions to the form. Upon my reasonable knowledge and belief, the disclosure herein is true and correct.

CPA/Attorney Signature: _____

Date Signed: _____

FILING INSTRUCTIONS:

If you were mailed the form by the Commission on Ethics or a County Supervisor of Elections for your annual disclosure filing, return the form to that location. To determine what category your position falls under, see page 3 of instructions.

Local officers/employees file with the Supervisor of Elections of the county in which they permanently reside. (If you do not permanently reside in Florida, file with the Supervisor of the county where your agency has its headquarters.) Form 1 filers who file with the Supervisor of Elections may file by mail or email. Contact your Supervisor of Elections for the mailing address or email address to use. Do not email your form to the Commission on Ethics, it will be returned.

State officers or specified state employees who file with the Commission on Ethics may file by mail or email. To file by mail, send the completed form to P.O. Drawer 15709, Tallahassee, FL 32317-5709; physical address: 325 John Knox Rd, Bldg E, Ste 200, Tallahassee, FL 32303. To file with the Commission by email, scan your completed form and any attachments as a pdf (do not use any other format) and send it to CEForm1@leg.state.fl.us. Do not file by both mail and email. Choose only one filing method. Form 6s will not be accepted via email.

Candidates file this form together with their filing papers.

MULTIPLE FILING UNNECESSARY: A candidate who files a Form 1 with a qualifying officer is not required to file with the Commission or Supervisor of Elections.

WHEN TO FILE: Initially, each local officer/employee, state officer, and specified state employee must file **within 30 days** of the date of his or her appointment or of the beginning of employment. Appointees who must be confirmed by the Senate must file prior to confirmation, even if that is less than 30 days from the date of their appointment.

Candidates must file at the same time they file their qualifying papers.

Thereafter, file by July 1 following each calendar year in which they hold their positions.

Finally, file a final disclosure form (Form 1F) within 60 days of leaving office or employment. Filing a CE Form 1F (Final Statement of Financial Interests) does not relieve the filer of filing a CE Form 1 if the filer was in his or her position on December 31, 2017.

NOTICE

Annual Statements of Financial Interests are due July 1. If the annual form is not filed or postmarked by September 1, an automatic fine of \$25 for each day late will be imposed, up to a maximum penalty of \$1,500. Failure to file also can result in removal from public office or employment. [s. 112.3145, F.S.]

In addition, failure to make any required disclosure constitutes grounds for and may be punished by one or more of the following: disqualification from being on the ballot, impeachment, removal or suspension from office or employment, demotion, reduction in salary, reprimand, or a civil penalty not exceeding \$10,000. [s. 112.317, F.S.]

WHO MUST FILE FORM 1:

1) Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.

2) Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding members of solely advisory bodies, but including judicial nominating commission members; Directors of Enterprise Florida, Scripps Florida Funding Corporation, and Career Source Florida; and members of the Council on the Social Status of Black Men and Boys; the Executive Director, Governors, and senior managers of Citizens Property Insurance Corporation; Governors and senior managers of Florida Workers' Compensation Joint Underwriting Association; board members of the Northeast Fla. Regional Transportation Commission; board members of Triumph Gulf Coast, Inc; board members of Florida Is For Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.

3) The Commissioner of Education, members of the State Board of Education, the Board of Governors, the local Boards of Trustees and Presidents of state universities, and the Florida Prepaid College Board.

4) Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file Form 6.

5) Appointed members of the following boards, councils, commissions, authorities, or other bodies of county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; community college or junior college district boards of trustees; boards having the power to enforce local code provisions; boards of adjustment; community redevelopment agencies; planning or zoning boards having the power to recommend, create, or modify land planning or zoning within a political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, and except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; pension or retirement boards empowered to invest pension or retirement funds or determine entitlement to or amount of pensions or other retirement benefits.

6) Any appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.

7) Persons holding any of these positions in local government: mayor; county or city manager; chief administrative employee or finance

director of a county, municipality, or other political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$20,000 for the local governmental unit.

8) Officers and employees of entities serving as chief administrative officer of a political subdivision.

9) Members of governing boards of charter schools operated by a city or other public entity.

10) Employees in the office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.

11) The following positions in each state department, commission, board, or council: Secretary, Assistant or Deputy Secretary, Executive Director, Assistant or Deputy Executive Director, and anyone having the power normally conferred upon such persons, regardless of title.

12) The following positions in each state department or division: Director, Assistant or Deputy Director, Bureau Chief, Assistant Bureau Chief, and any person having the power normally conferred upon such persons, regardless of title.

13) Assistant State Attorneys, Assistant Public Defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel, Public Counsel, full-time state employees serving as counsel or assistant counsel to a state agency, administrative law judges, and hearing officers.

14) The Superintendent or Director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.

15) State agency Business Managers, Finance and Accounting Directors, Personnel Officers, Grant Coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$20,000.

16) The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.

INSTRUCTIONS FOR COMPLETING FORM 1:

INTRODUCTORY INFORMATION (Top of Form): If your name, mailing address, public agency, and position are already printed on the form, you do not need to provide this information unless it should be changed. To change any of this information, write the correct information on the form, and contact your agency's financial disclosure coordinator. You can find your coordinator on the Commission on Ethics website: www.ethics.state.fl.us.

NAME OF AGENCY: The name of the governmental unit which you serve or served, by which you are or were employed, or for which you are a candidate.

OFFICE OR POSITION HELD OR SOUGHT: The title of the office or position you hold, are seeking, or held during the disclosure period even if you have since left that position. If you are a candidate for office or are a new employee or appointee, check the appropriate box.

PUBLIC RECORD: The disclosure form and everything attached to it is a public record. Your Social Security Number is not required and you should redact it from any documents you file. If you are an active or former officer or employee listed in Section 119.071, F.S., whose home address is exempt from disclosure, the Commission will maintain that confidentiality if you submit a written request.

DISCLOSURE PERIOD: The tax year for most individuals is the calendar year (January 1 through December 31). If that is the case for you, then your financial interests should be reported for the calendar year 2017; check that box. If you file your IRS tax return based on a tax year that is not the calendar year, you should specify the dates of your tax year in this portion of the form and check the appropriate box. This is the "disclosure period" for your report.

MANNER OF CALCULATING REPORTABLE INTEREST

Filers have the option of reporting based on either thresholds that are comparative (usually, based on percentage values) or thresholds that are based on absolute dollar values. The instructions on the following pages specifically describe the different thresholds. Check the box that reflects the choice you have made. You must use the type of threshold you have chosen for each part of the form. In other words, if you choose to report based on absolute dollar value thresholds, you cannot use a percentage threshold on any part of the form.

IF YOU HAVE CHOSEN DOLLAR VALUE THRESHOLDS THE FOLLOWING INSTRUCTIONS APPLY

PART A — PRIMARY SOURCES OF INCOME

[Required by s. 112.3145(3)(b)1, F.S.]

Part A is intended to require the disclosure of your principal sources of income during the disclosure period. You do not have to disclose the amount of income received, and you need not list your public salary from serving in the position(s) which requires you to file this form. The income of your spouse need not be disclosed; however, if there is joint income to you and your spouse from property you own jointly (such as interest or dividends from a bank account or stocks), you should disclose the source of that income if it exceeded the threshold.

Please list in this part of the form the name, address, and principal business activity of each source of your income which exceeded \$2,500 of gross income received by you in your own name or by any other person for your use or benefit.

"Gross income" means the same as it does for income tax purposes, even if the income is not actually taxable, such as interest on tax-free bonds. Examples include: compensation for services, income from business, gains from property dealings, interest, rents, dividends, pensions, IRA distributions, social security, distributive share of partnership gross income, and alimony, but not child support.

Examples:

- If you were employed by a company that manufactures computers and received more than \$2,500, list the name of the company, its address, and its principal business activity (computer manufacturing).
- If you were a partner in a law firm and your distributive share of partnership gross income exceeded \$2,500, list the name of the firm, its address, and its principal business activity (practice of law).
- If you were the sole proprietor of a retail gift business and your gross income from the business exceeded \$2,500, list the name of the business, its address, and its principal business activity (retail gift sales).
- If you received income from investments in stocks and bonds, list each individual company from which you derived more than \$2,500. Do not aggregate all of your investment income.
- If more than \$2,500 of your gross income was gain from the sale of property (not just the selling price), list as a source of income the purchaser's name, address and principal business activity. If the purchaser's identity is unknown, such as where securities listed on an exchange are sold through a brokerage firm, the source of income should be listed as "sale of (name of company) stock," for example.
- If more than \$2,500 of your gross income was in the form of interest from one particular financial institution (aggregating interest from all CD's, accounts, etc., at that institution), list the name of the institution, its address, and its principal business activity.

PART B — SECONDARY SOURCES OF INCOME

[Required by s. 112.3145(3)(b)2, F.S.]

This part is intended to require the disclosure of major customers, clients, and other sources of income to businesses in which you own an interest. It is not for reporting income from second jobs. That kind of income should be reported in Part A "Primary Sources of Income," if it meets the reporting threshold. You will not have anything to report unless, during the disclosure period:

- (1) You owned (either directly or indirectly in the form of an equitable or beneficial interest) more than 5% of the total assets or capital stock of

a business entity (a corporation, partnership, LLC, limited partnership, proprietorship, joint venture, trust, firm, etc., doing business in Florida); **and,**

- (2) You received more than \$5,000 of your gross income during the disclosure period from that business entity.

If your interests and gross income exceeded these thresholds, then for that business entity you must list every source of income to the business entity which exceeded 10% of the business entity's gross income (computed on the basis of the business entity's most recently completed fiscal year), the source's address, and the source's principal business activity.

Examples:

- You are the sole proprietor of a dry cleaning business, from which you received more than \$5,000. If only one customer, a uniform rental company, provided more than 10% of your dry cleaning business, you must list the name of the uniform rental company, its address, and its principal business activity (uniform rentals).
- You are a 20% partner in a partnership that owns a shopping mall and your partnership income exceeded the above thresholds. List each tenant of the mall that provided more than 10% of the partnership's gross income and the tenant's address and principal business activity.

PART C — REAL PROPERTY

[Required by s. 112.3145(3)(b)3, F.S.]

In this part, list the location or description of all real property in Florida in which you owned directly or indirectly at any time during the disclosure period in excess of 5% of the property's value. You are not required to list your residences. You should list any vacation homes if you derive income from them.

Indirect ownership includes situations where you are a beneficiary of a trust that owns the property, as well as situations where you own more than 5% of a partnership or corporation that owns the property. The value of the property may be determined by the most recently assessed value for tax purposes, in the absence of a more current appraisal.

The location or description of the property should be sufficient to enable anyone who looks at the form to identify the property. A street address should be used, if one exists.

PART D — INTANGIBLE PERSONAL PROPERTY

[Required by s. 112.3145(3)(b)3, F.S.]

Describe any intangible personal property that, at any time during the disclosure period, was worth more than \$10,000 and state the business entity to which the property related. Intangible personal property includes things such as cash on hand, stocks, bonds, certificates of deposit, vehicle leases, interests in businesses, beneficial interests in trusts, money owed you, Deferred Retirement Option Program (DRO) accounts, the Florida Prepaid College Plan, and bank accounts. Intangible personal property also includes investment products held in IRAs, brokerage accounts, and the Florida College Investment Plan. Note that the product contained in a brokerage account, IRA, or the Florida College Investment Plan is your asset—not the account or plan itself. Things like automobiles and houses you own, jewelry, and paintings are not intangible property. Intangibles relating to the same business entity may be aggregated; for example, CDs and savings accounts with the same bank. Property owned as tenants by the entirety or as joint tenants with right of survivorship should be valued at 100%. The value of a leased vehicle is the vehicle's present value minus the lease residual (a number found on the lease document).

PART E — LIABILITIES

[Required by s. 112.3145(3)(b)4, F.S.]

List the name and address of each creditor to whom you owed more than \$10,000 at any time during the disclosure period. The amount of the liability of a vehicle lease is the sum of any past-due payments and all unpaid prospective lease payments. You are not required to list the amount of any debt. You do not have to disclose credit card and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. A "contingent liability" is one that will become an actual liability only when one or more future events occur or fail to occur, such as where you are liable only as a guarantor, surety, or endorser on a promissory note. If you are a "co-maker" and are jointly liable or jointly and severally liable, then it is not a contingent liability.

PART F — INTERESTS IN SPECIFIED BUSINESSES

[Required by s. 112.3145(5), F.S.]

The types of businesses covered in this disclosure include: state and federally chartered banks; state and federal savings and loan associations; cemetery companies; insurance companies; mortgage companies; credit unions; small loan companies; alcoholic beverage licensees; pari-mutuel wagering companies, utility companies, entities controlled by the Public Service Commission; and entities granted a franchise to operate by either a city or a county government.

Disclose in this part the fact that you owned during the disclosure period an interest in, or held any of certain positions with the types of businesses listed above. You must make this disclosure if you own or owned (either directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of one of the types of business entities listed above. You also must complete this part of the form for each of these types of businesses for which you are, or were at any time during the disclosure period, an officer, director, partner, proprietor, or agent (other than a resident agent solely for service of process).

If you have or held such a position or ownership interest in one of these types of businesses, list the name of the business, its address and principal business activity, and the position held with the business (if any). If you own(ed) more than a 5% interest in the business, indicate that fact and describe the nature of your interest.

PART G — TRAINING CERTIFICATION

[Required by s. 112.3142, F.S.]

If you are a Constitutional or elected municipal officer whose service began before March 31 of the year for which you are filing, you are required to complete four hours of ethics training which addresses Article II, Section 8 of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and open meetings laws of the state. You are required to certify on this form that you have taken such training.

(End of Dollar Value Thresholds Instructions.)

IF YOU HAVE CHOSEN COMPARATIVE (PERCENTAGE) THRESHOLDS THE FOLLOWING INSTRUCTIONS APPLY

PART A — PRIMARY SOURCES OF INCOME

[Required by s. 112.3145(3)(a)1, F.S.]

Part A is intended to require the disclosure of your principal sources of income during the disclosure period. You do not have to disclose the amount of income received, and you need not list your public salary received from serving in the position(s) which requires you to file this form, but this amount should be included when calculating your gross income for the disclosure period. The income of your spouse need not be disclosed; however, if there is joint income to you and your spouse from property you own jointly (such as interest or dividends from a bank account or stocks), you should include all of that income when calculating your gross income and disclose the source of that income if it exceeded the threshold.

Please list in this part of the form the name, address, and principal business activity of each source of your income which exceeded 5% of the gross income received by you in your own name or by any other person for your benefit or use during the disclosure period.

"Gross income" means the same as it does for income tax purposes, even if the income is not actually taxable, such as interest on tax-free bonds. Examples include: compensation for services, income from business, gains from property dealings, interest, rents, dividends, pensions, IRA distributions, social security, distributive share of partnership gross income, and alimony, but not child support.

Examples:

— If you were employed by a company that manufactures computers and received more than 5% of your gross income from the company, list the name of the company, its address, and its principal business activity (computer manufacturing).

— If you were a partner in a law firm and your distributive share of partnership gross income exceeded 5% of your gross income, then list the name of the firm, its address, and its principal business activity (practice of law).

— If you were the sole proprietor of a retail gift business and your gross income from the business exceeded 5% of your total gross income, list the name of the business, its address, and its principal business activity (retail gift sales).

— If you received income from investments in stocks and bonds, list each individual company from which you derived

more than 5% of your gross income. Do not aggregate all of your investment income.

— If more than 5% of your gross income was gain from the sale of property (not just the selling price), list as a source of income the purchaser's name, address, and principal business activity. If the purchaser's identity is unknown, such as where securities listed on an exchange are sold through a brokerage firm, the source of income should be listed as "sale of (name of company) stock," for example.

— If more than 5% of your gross income was in the form of interest from one particular financial institution (aggregating interest from all CD's, accounts, etc., at that institution), list the name of the institution, its address, and its principal business activity.

PART B — SECONDARY SOURCES OF INCOME

[Required by s. 112.3145(3)(a)2, F.S.]

This part is intended to require the disclosure of major customers, clients, and other sources of income to businesses in which you own an interest. It is not for reporting income from second jobs. That kind of income should be reported in Part A, "Primary Sources of Income," if it meets the reporting threshold. You will **not** have anything to report **unless** during the disclosure period:

(1) You owned (either directly or indirectly in the form of an equitable or beneficial interest) more than 5% of the total assets or capital stock of a business entity (a corporation, partnership, LLC, limited partnership, proprietorship, joint venture, trust, firm, etc., doing business in Florida); **and**,

(2) You received more than 10% of your gross income from that business entity; **and**,

(3) You received more than \$1,500 in gross income from that business entity.

If your interests and gross income exceeded these thresholds, then for that business entity you must list every source of income to the business entity which exceeded 10% of the business entity's gross income (computed on the basis of the business entity's most recently completed fiscal year), the source's address, and the source's principal business activity.

Examples:

- You are the sole proprietor of a dry cleaning business, from which you received more than 10% of your gross income—an amount that was more than \$1,500. If only one customer, a uniform rental company, provided more than 10% of your dry cleaning business, you must list the name of the uniform rental company, its address, and its principal business activity (uniform rentals).
- You are a 20% partner in a partnership that owns a shopping mall and your partnership income exceeded the thresholds listed above. You should list each tenant of the mall that provided more than 10% of the partnership's gross income, and the tenant's address and principal business activity.

PART C — REAL PROPERTY

[Required by s. 112.3145(3)(a)3, F.S.]

In this part, list the location or description of all real property in Florida in which you owned directly or indirectly at any time during the disclosure period in excess of 5% of the property's value. You are not required to list your residences. You should list any vacation homes, if you derive income from them.

Indirect ownership includes situations where you are a beneficiary of a trust that owns the property, as well as situations where you own more than 5% of a partnership or corporation that owns the property. The value of the property may be determined by the most recently assessed value for tax purposes, in the absence of a more current appraisal.

The location or description of the property should be sufficient to enable anyone who looks at the form to identify the property. A street address should be used, if one exists.

PART D — INTANGIBLE PERSONAL PROPERTY

[Required by s. 112.3145(3)(a)3, F.S.]

Describe any intangible personal property that, at any time during the disclosure period, was worth more than 10% of your total assets, and state the business entity to which the property related. Intangible personal property includes things such as cash on hand, stocks, bonds, certificates of deposit, vehicle leases, interests in businesses, beneficial interests in trusts, money owed you, Deferred Retirement Option Program (DROP) accounts, the Florida Prepaid College Plan, and bank accounts. Intangible personal property also includes investment products held in IRAs, brokerage accounts, and the Florida College Investment Plan. Note that the product contained in a brokerage account, IRA, or the Florida College Investment Plan is your asset—not the account or plan itself. Things like automobiles and houses you own, jewelry, and paintings are not intangible property. Intangibles relating to the same business entity may be aggregated; for example, CD's and savings accounts with the same bank.

Calculations: To determine whether the intangible property exceeds 10% of your total assets, total the fair market value of all of your assets (including real property, intangible property, and tangible personal property such as jewelry, furniture, etc.). When making this calculation, do not subtract any liabilities (debts) that may relate to the property. Multiply the total figure by 10% to arrive at the disclosure threshold. List only the intangibles that exceed this threshold amount. The value of a leased vehicle is the vehicle's present value minus the lease residual (a number which can be found on the lease document). Property that is only jointly owned property should be valued according to the percentage of your joint ownership. Property owned as tenants by the entirety or as joint tenants with right of survivorship should be valued at 100%. None of your calculations or the value of the property have to be disclosed on the form.

Example: You own 50% of the stock of a small corporation that is worth \$100,000, the estimated fair market value of your home and other property (bank accounts, automobile, furniture, etc.) is \$200,000. As your total assets are worth \$250,000, you must disclose intangibles worth over \$25,000. Since the value of the stock exceeds this threshold, you should list "stock" and the name of the corporation. If your accounts with a particular bank exceed \$25,000, you should list "bank accounts" and bank's name.

PART E — LIABILITIES

[Required by s. 112.3145(3)(b)4, F.S.]

List the name and address of each creditor to whom you owed any amount that, at any time during the disclosure period, exceeded your net worth. You are not required to list the amount of any debt or your net worth. You do not have to disclose: credit card and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. A "contingent liability" is one that will become an actual liability only when one or more future events occur or fail to occur, such as where you are liable only as a guarantor, surety, or endorser on a promissory note. If you are a "co-maker" and are jointly liable or jointly and severally liable, it is not a contingent liability.

Calculations: To determine whether the debt exceeds your net worth, total all of your liabilities (including promissory notes, mortgages, credit card debts, judgments against you, etc.). The amount of the liability of a vehicle lease is the sum of any past-due payments and all unpaid prospective lease payments. Subtract the sum total of your liabilities from the value of all your assets as calculated above for Part D. This is your "net worth." List each creditor to whom your debt exceeded this amount unless it is one of the types of indebtedness listed in the paragraph above (credit card and retail installment accounts, etc.). Joint liabilities with others for which you are "jointly and severally liable," meaning that you may be liable for either your part or the whole of the obligation, should be included in your calculations at 100% of the amount owed.

Example: You owe \$15,000 to a bank for student loans, \$5,000 for credit card debts, and \$60,000 (with spouse) to a savings and loan for a home mortgage. Your home (owned by you and your spouse) is worth \$80,000 and your other property is worth \$20,000. Since your net worth is \$20,000 (\$100,000 minus \$80,000), you must report only the name and address of the savings and loan.

PART F — INTERESTS IN SPECIFIED BUSINESSES

[Required by s. 112.3145, F.S.]

The types of businesses covered in this disclosure include: state and federally chartered banks; state and federal savings and loan associations; cemetery companies; insurance companies; mortgage companies; credit unions; small loan companies; alcoholic beverage licensees; pari-mutuel wagering companies, utility companies, entities controlled by the Public Service Commission; and entities granted a franchise to operate by either a city or a county government.

Disclose in this part the fact that you owned during the disclosure period an interest in, or held any of certain positions with, the types of businesses listed above. You are required to make this disclosure if you own or owned (either directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of one of the types of business entities listed above. You also must complete this part of the form for each of these types of businesses for which you are, or were at any time during the disclosure period, an officer, director, partner, proprietor, or agent (other than a resident agent solely for service of process).

If you have or held such a position or ownership interest in one of these types of businesses, list the name of the business, its address and principal business activity, and the position held with the business (if any). If you own(ed) more than a 5% interest in the business, indicate that fact and describe the nature of your interest.

PART G — TRAINING CERTIFICATION

[Required by s. 112.3142, F.S.]

If you are a Constitutional or elected municipal officer whose service began before March 31 of the year for which you are filing, you are required to complete four hours of ethics training which addresses Article II, Section 8 of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and open meetings laws of the state. You are required to certify on this form that you have taken such training.

(End of Percentage Thresholds Instructions.)

FLORIDA COMMISSION ON ETHICS



GUIDE
to the
SUNSHINE AMENDMENT
and
CODE of ETHICS
for Public Officers and Employees

2018

State of Florida
COMMISSION ON ETHICS

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I. HISTORY OF FLORIDA'S ETHICS LAWS

Florida has been a leader among the states in establishing ethics standards for public officials and recognizing the right of citizens to protect the public trust against abuse. Our state Constitution was revised in 1968 to require a code of ethics, prescribed by law, for all state employees and non-judicial officers prohibiting conflict between public duty and private interests.

Florida's first successful constitutional initiative resulted in the adoption of the Sunshine Amendment in 1976, providing additional constitutional guarantees concerning ethics in government. In the area of enforcement, the Sunshine Amendment requires that there be an independent commission (the Commission on Ethics) to investigate complaints concerning breaches of public trust by public officers and employees other than judges.

The Code of Ethics for Public Officers and Employees is found in Chapter 112 (Part III) of the Florida Statutes. Foremost among the goals of the Code is to promote the public interest and maintain the respect of the people for their government. The Code is also intended to ensure that public officials conduct themselves independently and impartially, not using their offices for private gain other than compensation provided by law. While seeking to protect the integrity of government, the Code also seeks to avoid the creation of unnecessary barriers to public service.

Criminal penalties, which initially applied to violations of the Code, were eliminated in 1974 in favor of administrative enforcement. The Legislature created the Commission on Ethics that year "to serve as guardian of the standards of conduct" for public officials, state and local. Five of the Commission's nine members are appointed by the Governor, and two each are appointed by the President of the Senate and Speaker of the House of Representatives. No more than five Commission members may be members of the same political party, and none may be lobbyists, or hold any public employment during their two-year terms of office. A chair is selected from among the members to serve a one-year term and may not succeed himself or herself.

II. ROLE OF THE COMMISSION ON ETHICS

In addition to its constitutional duties regarding the investigation of complaints, the Commission:

- Renders advisory opinions to public officials;
- Prescribes forms for public disclosure;
- Prepares mailing lists of public officials subject to financial disclosure for use by Supervisors of Elections and the Commission in distributing forms and notifying delinquent filers;
- Makes recommendations to disciplinary officials when appropriate for violations of ethics and disclosure laws, since it does not impose penalties;

- Administers the Executive Branch Lobbyist Registration and Reporting Law;
- Maintains financial disclosure filings of constitutional officers and state officers and employees; and,
- Administers automatic fines for public officers and employees who fail to timely file required annual financial disclosure.

III. THE ETHICS LAWS

The ethics laws generally consist of two types of provisions, those prohibiting certain actions or conduct and those requiring that certain disclosures be made to the public. The following descriptions of these laws have been simplified in an effort to provide notice of their requirements. Therefore, we suggest that you also review the wording of the actual law. Citations to the appropriate laws are in brackets.

The laws summarized below apply generally to all public officers and employees, state and local, including members of advisory bodies. The principal exception to this broad coverage is the exclusion of judges, as they fall within the jurisdiction of the Judicial Qualifications Commission.

Public Service Commission (PSC) members and employees, as well as members of the PSC Nominating Council, are subject to additional ethics standards that are enforced by the Commission on Ethics under Chapter 350, Florida Statutes. Further, members of the governing boards of charter schools are subject to some of the provisions of the Code of Ethics [Sec. 1002.33(26), Fla. Stat.], as are the officers, directors, chief executive officers and some employees of business entities that serve as the chief administrative or executive officer or employee of a political subdivision. [Sec. 112.3136, Fla. Stat.].

A. PROHIBITED ACTIONS OR CONDUCT

1. *Solicitation and Acceptance of Gifts*

Public officers, employees, local government attorneys, and candidates are prohibited from soliciting or accepting anything of value, such as a gift, loan, reward, promise of future employment, favor, or service that is based on an understanding that their vote, official action, or judgment would be influenced by such gift. [Sec. 112.313(2), Fla. Stat.]

Persons required to file financial disclosure FORM 1 or FORM 6 (see Part III F of this brochure), and state procurement employees, are prohibited from **soliciting** any gift from a political committee, lobbyist who has lobbied the official or his or her agency within the past 12 months, or the partner, firm, employer, or principal of such a lobbyist or from a vendor doing business with the official's agency. [Sec. 112.3148, Fla. Stat.]

Persons required to file FORM 1 or FORM 6, and state procurement employees are prohibited from directly or indirectly **accepting** a gift worth more than \$100 from such a lobbyist, from a partner, firm, employer, or principal of the lobbyist, or from a political committee or vendor doing business with their agency. [Sec.112.3148, Fla. Stat.]

However, effective in 2006 and notwithstanding Sec. 112.3148, Fla. Stat., no Executive Branch lobbyist or principal shall make, directly or indirectly, and no Executive Branch agency official who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.] Typically, this would include gifts valued at less than \$100 that formerly were permitted under Section 112.3148, Fla. Stat. Similar rules apply to members and employees of the Legislature. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.]

Also, effective May 1, 2013, persons required to file Form 1 or Form 6, and state procurement employees and members of their immediate families, are prohibited from accepting any gift from a political committee. [Sec. 112.31485, Fla. Stat.]

2. Unauthorized Compensation

Public officers or employees, local government attorneys, and their spouses and minor children are prohibited from accepting any compensation, payment, or thing of value when they know, or with the exercise of reasonable care should know, that it is given to influence a vote or other official action. [Sec. 112.313(4), Fla. Stat.]

3. Misuse of Public Position

Public officers and employees, and local government attorneys are prohibited from corruptly using or attempting to use their official positions or the resources thereof to obtain a special privilege or benefit for themselves or others. [Sec. 112.313(6), Fla. Stat.]

4. Disclosure or Use of Certain Information

Public officers and employees and local government attorneys are prohibited from disclosing or using information not available to the public and obtained by reason of their public position, for the personal benefit of themselves or others. [Sec. 112.313(8), Fla. Stat.]

5. *Solicitation or Acceptance of Honoraria*

Persons required to file financial disclosure FORM 1 or FORM 6 (see Part III F of this brochure), and state procurement employees, are prohibited from **soliciting** honoraria related to their public offices or duties. [Sec. 112.3149, Fla. Stat.]

Persons required to file FORM 1 or FORM 6, and state procurement employees, are prohibited from knowingly **accepting** an honorarium from a political committee, lobbyist who has lobbied the person's agency within the past 12 months, or the partner, firm, employer, or principal of such a lobbyist, or from a vendor doing business with the official's agency. However, they may accept the payment of expenses related to an honorarium event from such individuals or entities, provided that the expenses are disclosed. See Part III F of this brochure. [Sec. 112.3149, Fla. Stat.]

Lobbyists and their partners, firms, employers, and principals, as well as political committees and vendors, are prohibited from **giving** an honorarium to persons required to file FORM 1 or FORM 6 and to state procurement employees. Violations of this law may result in fines of up to \$5,000 and prohibitions against lobbying for up to two years. [Sec. 112.3149, Fla. Stat.]

However, notwithstanding Sec. 112.3149, Fla. Stat., no Executive Branch or legislative lobbyist or principal shall make, directly or indirectly, and no Executive Branch agency official who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.] This may include honorarium event related expenses that formerly were permitted under Sec. 112.3149, Fla. Stat. Similar rules apply to members and employees of the Legislature. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.]

B. PROHIBITED EMPLOYMENT AND BUSINESS RELATIONSHIPS

1. *Doing Business With One's Agency*

(a) A public employee acting as a purchasing agent, or public officer acting in an official capacity, is prohibited from purchasing, renting, or leasing any realty, goods, or services for his or her agency from a business entity in which the officer or employee or his or her spouse or child owns more than a 5% interest. [Sec. 112.313(3), Fla. Stat.]

(b) A public officer or employee, acting in a private capacity, also is prohibited from renting, leasing, or selling any realty, goods, or services to his or her own agency if the officer or employee is a state officer or employee, or, if he or she is an officer or employee of a political subdivision, to that subdivision or any of its agencies. [Sec. 112.313(3), Fla. Stat.]

2. *Conflicting Employment or Contractual Relationship*

(a) A public officer or employee is prohibited from holding any employment or contract with any business entity or agency regulated by or doing business with his or her public agency. [Sec. 112.313(7), Fla. Stat.]

(b) A public officer or employee also is prohibited from holding any employment or having a contractual relationship which will pose a frequently recurring conflict between the official's private interests and public duties or which will impede the full and faithful discharge of the official's public duties. [Sec. 112.313(7), Fla. Stat.]

(c) Limited exceptions to this prohibition have been created in the law for legislative bodies, certain special tax districts, drainage districts, and persons whose professions or occupations qualify them to hold their public positions. [Sec. 112.313(7)(a) and (b), Fla. Stat.]

3. *Exemptions—Pursuant to Sec. 112.313(12), Fla. Stat., the prohibitions against doing business with one's agency and having conflicting employment may not apply:*

(a) When the business is rotated among all qualified suppliers in a city or county.

(b) When the business is awarded by sealed, competitive bidding and neither the official nor his or her spouse or child have attempted to persuade agency personnel to enter the contract. NOTE: Disclosure of the interest of the official, spouse, or child and the nature of the business must be filed prior to or at the time of submission of the bid on Commission FORM 3A with the Commission on Ethics or Supervisor of Elections, depending on whether the official serves at the state or local level.

(c) When the purchase or sale is for legal advertising, utilities service, or for passage on a common carrier.

(d) When an emergency purchase must be made to protect the public health, safety, or welfare.

(e) When the business entity is the only source of supply within the political subdivision and there is full disclosure of the official's interest to the governing body on Commission FORM 4A.

(f) When the aggregate of any such transactions does not exceed \$500 in a calendar year.

(g) When the business transacted is the deposit of agency funds in a bank of which a county, city, or district official is an officer, director, or stockholder, so long as agency records show that the governing body has determined that the member did not favor his or her bank over other qualified banks.

(h) When the prohibitions are waived in the case of ADVISORY BOARD MEMBERS by the appointing person or by a two-thirds vote of the appointing body (after disclosure on Commission FORM 4A).

(i) When the public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) When the public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency where the price and terms of the transaction are available to similarly situated members of the general public and the officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

4. Additional Exemptions

No elected public officer is in violation of the conflicting employment prohibition when employed by a tax exempt organization contracting with his or her agency so long as the officer is not directly or indirectly compensated as a result of the contract, does not participate in any way in the decision to enter into the contract, abstains from voting on any matter involving the employer, and makes certain disclosures. [Sec. 112.313(15), Fla. Stat.] A qualified blind trust established pursuant to Sec. 112.31425, Fla. Stat., may afford an official protection from conflicts of interest arising from assets placed in the trust.

5. Legislators Lobbying State Agencies

A member of the Legislature is prohibited from representing another person or entity for compensation during his or her term of office before any state agency other than judicial tribunals. [Art. II, Sec. 8(e), Fla. Const., and Sec. 112.313(9), Fla. Stat.]

6. Employees Holding Office

A public employee is prohibited from being a member of the governing body which serves as his or her employer. [Sec. 112.313(10), Fla. Stat.]

7. Professional and Occupational Licensing Board Members

An officer, director, or administrator of a state, county, or regional professional or occupational organization or association, while holding such position, may not serve as a member of a state examining or licensing board for the profession or occupation. [Sec. 112.313(11), Fla. Stat.]

8. *Contractual Services: Prohibited Employment*

A state employee of the executive or judicial branch who participates in the decision-making process involving a purchase request, who influences the content of any specification or procurement standard, or who renders advice, investigation, or auditing, regarding his or her agency's contract for services, is prohibited from being employed with a person holding such a contract with his or her agency. [Sec. 112.3185(2), Fla. Stat.]

9. *Local Government Attorneys*

Local government attorneys, such as the city attorney or county attorney, and their law firms are prohibited from representing private individuals and entities before the unit of local government which they serve. A local government attorney cannot recommend or otherwise refer to his or her firm legal work involving the local government unit unless the attorney's contract authorizes or mandates the use of that firm. [Sec. 112.313(16), Fla. Stat.]

10. *Dual Public Employment*

Candidates and elected officers are prohibited from accepting public employment if they know or should know it is being offered for the purpose of influence. Further, public employment may not be accepted unless the position was already in existence or was created without the anticipation of the official's interest, was publicly advertised, and the officer had to meet the same qualifications and go through the same hiring process as other applicants. For elected public officers already holding public employment, no promotion given for the purpose of influence may be accepted, nor may promotions that are inconsistent with those given other similarly situated employees. [Sec. 112.3125, Fla. Stat.]

C. RESTRICTIONS ON APPOINTING, EMPLOYING, AND CONTRACTING WITH RELATIVES

1. *Anti-Nepotism Law*

A public official is prohibited from seeking for a relative any appointment, employment, promotion, or advancement in the agency in which he or she is serving or over which the official exercises jurisdiction or control. No person may be appointed, employed, promoted, or advanced in or to a position in an agency if such action has been advocated by a related public official who is serving in or exercising jurisdiction or control over the agency; this includes relatives of members of collegial government bodies. NOTE: This prohibition does not apply to school districts (except as provided in Sec. 1012.23, Fla. Stat.), community colleges and state universities, or to appointments of boards, other than those with land-planning or zoning responsibilities, in municipalities of fewer than 35,000 residents. Also, the approval of budgets does not constitute "jurisdiction or control" for the purposes

of this prohibition. This provision does not apply to volunteer emergency medical, firefighting, or police service providers. [Sec. 112.3135, Fla. Stat.]

2. Additional Restrictions

A state employee of the executive or judicial branch or the PSC is prohibited from directly or indirectly procuring contractual services for his or her agency from a business entity of which a relative is an officer, partner, director, or proprietor, or in which the employee, or his or her spouse, or children own more than a 5% interest. [Sec. 112.3185(6), Fla. Stat.]

D. POST OFFICE HOLDING AND EMPLOYMENT (REVOLVING DOOR) RESTRICTIONS

1. Lobbying by Former Legislators, Statewide Elected Officers, and Appointed State Officers

A member of the Legislature or a statewide elected or appointed state official is prohibited for two years following vacation of office from representing another person or entity for compensation before the government body or agency of which the individual was an officer or member. Former members of the Legislature are also prohibited for two years from lobbying the executive branch. [Art. II, Sec. 8(e), Fla. Const. and Sec. 112.313(9), Fla. Stat.]

2. Lobbying by Former State Employees

Certain employees of the executive and legislative branches of state government are prohibited from personally representing another person or entity for compensation before the agency with which they were employed for a period of two years after leaving their positions, unless employed by another agency of state government. [Sec. 112.313(9), Fla. Stat.] These employees include the following:

(a) Executive and legislative branch employees serving in the Senior Management Service and Selected Exempt Service, as well as any person employed by the Department of the Lottery having authority over policy or procurement.

(b) Persons serving in the following position classifications: the Auditor General; the director of the Office of Program Policy Analysis and Government Accountability (OPPAGA); the Sergeant at Arms and Secretary of the Senate; the Sergeant at Arms and Clerk of the House of Representatives; the executive director and deputy executive director of the Commission on Ethics; an executive director, staff director, or deputy staff director of each joint committee, standing committee, or select committee of the Legislature; an executive director, staff director, executive assistant, legislative analyst, or attorney serving in the Office of the President of the Senate, the Office of the Speaker of the House of Representatives, the Senate Majority Party Office, the Senate Minority Party Office, the

House Majority Party Office, or the House Minority Party Office; the Chancellor and Vice-Chancellors of the State University System; the general counsel to the Board of Regents; the president, vice presidents, and deans of each state university; any person hired on a contractual basis and having the power normally conferred upon such persons, by whatever title; and any person having the power normally conferred upon the above positions.

This prohibition does not apply to a person who was employed by the Legislature or other agency prior to July 1, 1989; who was a defined employee of the State University System or the Public Service Commission who held such employment on December 31, 1994; or who reached normal retirement age and retired by July 1, 1991. It does apply to OPS employees.

PENALTIES: Persons found in violation of this section are subject to the penalties contained in the Code (see PENALTIES, Part V) as well as a civil penalty in an amount equal to the compensation which the person received for the prohibited conduct. [Sec. 112.313(9)(a)5, Fla. Stat.]

3. Additional Restrictions on Former State Employees

A former executive or judicial branch employee or PSC employee is prohibited from having employment or a contractual relationship, at any time after retirement or termination of employment, with any business entity (other than a public agency) in connection with a contract in which the employee participated personally and substantially by recommendation or decision while a public employee. [Sec. 112.3185(3), Fla. Stat.]

A former executive or judicial branch employee or PSC employee who has retired or terminated employment is prohibited from having any employment or contractual relationship for two years with any business entity (other than a public agency) in connection with a contract for services which was within his or her responsibility while serving as a state employee. [Sec.112.3185(4), Fla. Stat.]

Unless waived by the agency head, a former executive or judicial branch employee or PSC employee may not be paid more for contractual services provided by him or her to the former agency during the first year after leaving the agency than his or her annual salary before leaving. [Sec. 112.3185(5), Fla. Stat.]

These prohibitions do not apply to PSC employees who were so employed on or before Dec. 31, 1994.

4. Lobbying by Former Local Government Officers and Employees

A person elected to county, municipal, school district, or special district office is prohibited from representing another person or entity for compensation before the government body or agency of

which he or she was an officer for two years after leaving office. Appointed officers and employees of counties, municipalities, school districts, and special districts may be subject to a similar restriction by local ordinance or resolution. [Sec. 112.313(13) and (14), Fla. Stat.]

E. VOTING CONFLICTS OF INTEREST

State public officers are prohibited from voting in an official capacity on any measure which they know would inure to their own special private gain or loss. A state public officer who abstains, or who votes on a measure which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate, must make every reasonable effort to file a memorandum of voting conflict with the recording secretary in advance of the vote. If that is not possible, it must be filed within 15 days after the vote occurs. The memorandum must disclose the nature of the officer's interest in the matter.

No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss, or which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate. The officer must publicly announce the nature of his or her interest before the vote and must file a memorandum of voting conflict on Commission Form 8B with the meeting's recording officer within 15 days after the vote occurs disclosing the nature of his or her interest in the matter. However, members of community redevelopment agencies and district officers elected on a one-acre, one-vote basis are not required to abstain when voting in that capacity.

No appointed state or local officer shall participate in any matter which would inure to the officer's special private gain or loss, the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate, without first disclosing the nature of his or her interest in the matter. The memorandum of voting conflict (Commission Form 8A or 8B) must be filed with the meeting's recording officer, be provided to the other members of the agency, and be read publicly at the next meeting.

If the conflict is unknown or not disclosed prior to the meeting, the appointed official must orally disclose the conflict at the meeting when the conflict becomes known. Also, a written memorandum of voting conflict must be filed with the meeting's recording officer within 15 days of the disclosure being made and must be provided to the other members of the agency, with the disclosure being read publicly at the next scheduled meeting. [Sec. 112.3143, Fla. Stat.]

A qualified blind trust established pursuant to Sec. 112.31425, Fla. Stat., may afford an official protection from voting conflicts of interest arising from assets placed in the trust.

F. DISCLOSURES

Conflicts of interest may occur when public officials are in a position to make decisions that affect their personal financial interests. This is why public officers and employees, as well as candidates who run for public office, are required to publicly disclose their financial interests. The disclosure process serves to remind officials of their obligation to put the public interest above personal considerations. It also helps citizens to monitor the considerations of those who spend their tax dollars and participate in public policy decisions or administration.

All public officials and candidates do not file the same degree of disclosure; nor do they all file at the same time or place. Thus, care must be taken to determine which disclosure forms a particular official or candidate is required to file.

The following forms are described below to set forth the requirements of the various disclosures and the steps for correctly providing the information in a timely manner.

1. FORM 1 - Limited Financial Disclosure

Who Must File:

Persons required to file FORM 1 include all state officers, local officers, candidates for local elective office, and specified state employees as defined below (other than those officers who are required by law to file FORM 6).

STATE OFFICERS include:

- 1) Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.

- 2) Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding members of solely advisory bodies; but including judicial nominating commission members; directors of Enterprise Florida, Scripps Florida Funding Corporation, and CareerSource Florida, and members of the Council on the Social Status of Black Men and Boys; the Executive Director, governors, and senior managers of Citizens Property Insurance Corporation; governors and senior managers of Florida Workers' Compensation Joint Underwriting Association, board members of the Northeast Florida Regional Transportation Commission, and members of the board of Triumph Gulf Coast, Inc.;

members of the board of Florida is for Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.

3) The Commissioner of Education, members of the State Board of Education, the Board of Governors, local boards of trustees and presidents of state universities, and members of the Florida Prepaid College Board.

LOCAL OFFICERS include:

1) Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.

2) Appointed members of the following boards, councils, commissions, authorities, or other bodies of any county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; a community college or junior college district board of trustees; a board having the power to enforce local code provisions; a planning or zoning board, board of adjustments or appeals, community redevelopment agency board, or other board having the power to recommend, create, or modify land planning or zoning within the political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; a pension board or retirement board empowered to invest pension or retirement funds or to determine entitlement to or amount of a pension or other retirement benefit.

3) Any other appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.

4) Persons holding any of these positions in local government: mayor; county or city manager; chief administrative employee or finance director of a county, municipality, or other political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$20,000 for the local governmental unit.

5) Members of governing boards of charter schools operated by a city or other public entity.

6) The officers, directors, and chief executive officer of a corporation, partnership, or other business entity that is serving as the chief administrative or executive officer or employee of a political subdivision, and any business entity employee who is acting as the chief administrative or executive officer or employee of the political subdivision. [Sec. 112.3136, Fla. Stat.]

SPECIFIED STATE EMPLOYEE includes:

1) Employees in the Office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.

2) The following positions in each state department, commission, board, or council: secretary or state surgeon general, assistant or deputy secretary, executive director, assistant or deputy executive director, and anyone having the power normally conferred upon such persons, regardless of title.

3) The following positions in each state department or division: director, assistant or deputy director, bureau chief, assistant bureau chief, and any person having the power normally conferred upon such persons, regardless of title.

4) Assistant state attorneys, assistant public defenders, criminal conflict and civil regional counsel, assistant criminal conflict and civil regional counsel, public counsel, full-time state employees serving as counsel or assistant counsel to a state agency, judges of compensation claims, administrative law judges, and hearing officers.

5) The superintendent or director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.

6) State agency business managers, finance and accounting directors, personnel officers, grant coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$20,000.

7) The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.

What Must Be Disclosed:

FORM 1 requirements are set forth fully on the form. In general, this includes the reporting person's sources and types of financial interests, such as the names of employers and addresses of real property holdings. NO DOLLAR VALUES ARE REQUIRED TO BE LISTED. In addition, the form requires the

disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

When to File:

CANDIDATES for elected local office must file FORM 1 together with and at the same time they file their qualifying papers.

STATE and LOCAL OFFICERS and SPECIFIED STATE EMPLOYEES are required to file disclosure by July 1 of each year. They also must file within thirty days from the date of appointment or the beginning of employment. Those appointees requiring Senate confirmation must file prior to confirmation.

Where to File:

Each LOCAL OFFICER files FORM 1 with the Supervisor of Elections in the county in which he or she permanently resides.

A STATE OFFICER or SPECIFIED STATE EMPLOYEE files with the Commission on Ethics. [Sec. 112.3145, Fla. Stat.]

2. *FORM 1F - Final Form 1 Limited Financial Disclosure*

FORM 1F is the disclosure form required to be filed within 60 days after a public officer or employee required to file FORM 1 leaves his or her public position. The form covers the disclosure period between January 1 and the last day of office or employment within that year.

3. *FORM 2 - Quarterly Client Disclosure*

The state officers, local officers, and specified state employees listed above, as well as elected constitutional officers, must file a FORM 2 if they or a partner or associate of their professional firm represent a client for compensation before an agency at their level of government.

A FORM 2 disclosure includes the names of clients represented by the reporting person or by any partner or associate of his or her professional firm for a fee or commission before agencies at the reporting person's level of government. Such representations do not include appearances in ministerial matters, appearances before judges of compensation claims, or representations on behalf of one's agency in one's official capacity. Nor does the term include the preparation and filing of forms and applications merely for the purpose of obtaining or transferring a license, so long as the issuance of the license does not require a variance, special consideration, or a certificate of public convenience and necessity.

When to File:

This disclosure should be filed quarterly, by the end of the calendar quarter following the calendar quarter during which a reportable representation was made. FORM 2 need not be filed merely to indicate that no reportable representations occurred during the preceding quarter; it should be filed ONLY when reportable representations were made during the quarter.

Where To File:

LOCAL OFFICERS file with the Supervisor of Elections of the county in which they permanently reside.

STATE OFFICERS and SPECIFIED STATE EMPLOYEES file with the Commission on Ethics. [Sec. 112.3145(4), Fla. Stat.]

4. *FORM 6 - Full and Public Disclosure*

Who Must File:

Persons required by law to file FORM 6 include all elected constitutional officers and candidates for such office; the mayor and members of the city council and candidates for these offices in Jacksonville; the Duval County Superintendent of Schools; judges of compensation claims (pursuant to Sec. 440.442, Fla. Stat.); members of the Florida Housing Finance Corporation Board and members of expressway authorities, transportation authorities (except the Jacksonville Transportation Authority), bridge authority, or toll authorities created pursuant to Ch. 348 or 343, or 349, or other general law.

What Must be Disclosed:

FORM 6 is a detailed disclosure of assets, liabilities, and sources of income over \$1,000 and their values, as well as net worth. Officials may opt to file their most recent income tax return in lieu of listing sources of income but still must disclose their assets, liabilities, and net worth. In addition, the form requires the disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

When and Where To File:

Incumbent officials must file FORM 6 annually by July 1 with the Commission on Ethics. CANDIDATES must file with the officer before whom they qualify at the time of qualifying. [Art. II, Sec. 8(a) and (i), Fla. Const., and Sec. 112.3144, Fla. Stat.]

5. *FORM 6F - Final Form 6 Full and Public Disclosure*

This is the disclosure form required to be filed within 60 days after a public officer or employee required to file FORM 6 leaves his or her public position. The form covers the disclosure period between January 1 and the last day of office or employment within that year.

6. *FORM 9 - Quarterly Gift Disclosure*

Each person required to file FORM 1 or FORM 6, and each state procurement employee, must file a FORM 9, Quarterly Gift Disclosure, with the Commission on Ethics on the last day of any calendar quarter following the calendar quarter in which he or she received a gift worth more than \$100, other than gifts from relatives, gifts prohibited from being accepted, gifts primarily associated with his or her business or employment, and gifts otherwise required to be disclosed. FORM 9 NEED NOT BE FILED if no such gift was received during the calendar quarter.

Information to be disclosed includes a description of the gift and its value, the name and address of the donor, the date of the gift, and a copy of any receipt for the gift provided by the donor. [Sec. 112.3148, Fla. Stat.]

7. *FORM 10 - Annual Disclosure of Gifts from Government Agencies and Direct-Support Organizations and Honorarium Event Related Expenses*

State government entities, airport authorities, counties, municipalities, school boards, water management districts, and the South Florida Regional Transportation Authority, may give a gift worth more than \$100 to a person required to file FORM 1 or FORM 6, and to state procurement employees, if a public purpose can be shown for the gift. Also, a direct-support organization for a governmental entity may give such a gift to a person who is an officer or employee of that entity. These gifts are to be reported on FORM 10, to be filed by July 1.

The governmental entity or direct-support organization giving the gift must provide the officer or employee with a statement about the gift no later than March 1 of the following year. The officer or employee then must disclose this information by filing a statement by July 1 with his or her annual financial disclosure that describes the gift and lists the donor, the date of the gift, and the value of the total gifts provided during the calendar year. State procurement employees file their statements with the Commission on Ethics. [Sec. 112.3148, Fla. Stat.]

In addition, a person required to file FORM 1 or FORM 6, or a state procurement employee, who receives expenses or payment of expenses related to an honorarium event from someone who is prohibited from giving him or her an honorarium, must disclose annually the name, address, and affiliation of the donor, the amount of the expenses, the date of the event, a description of the

expenses paid or provided, and the total value of the expenses on FORM 10. The donor paying the expenses must provide the officer or employee with a statement about the expenses within 60 days of the honorarium event.

The disclosure must be filed by July 1, for expenses received during the previous calendar year, with the officer's or employee's FORM 1 or FORM 6. State procurement employees file their statements with the Commission on Ethics. [Sec. 112.3149, Fla. Stat.]

However, notwithstanding Sec. 112.3149, Fla. Stat., no executive branch or legislative lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. This may include gifts or honorarium event related expenses that formerly were permitted under Sections 112.3148 and 112.3149. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts, which include anything not primarily related to political activities authorized under ch. 106, are prohibited from political committees. [Sec. 112.31485 Fla. Stat.]

8. *FORM 30 - Donor's Quarterly Gift Disclosure*

As mentioned above, the following persons and entities generally are prohibited from giving a gift worth more than \$100 to a reporting individual (a person required to file FORM 1 or FORM 6) or to a state procurement employee: a political committee; a lobbyist who lobbies the reporting individual's or procurement employee's agency, and the partner, firm, employer, or principal of such a lobbyist; and vendors. If such person or entity makes a gift worth between \$25 and \$100 to a reporting individual or state procurement employee (that is not accepted in behalf of a governmental entity or charitable organization), the gift should be reported on FORM 30. The donor also must notify the recipient at the time the gift is made that it will be reported.

The FORM 30 should be filed by the last day of the calendar quarter following the calendar quarter in which the gift was made. If the gift was made to an individual in the legislative branch, FORM 30 should be filed with the Lobbyist Registrar. [See page 35 for address.] If the gift was to any other reporting individual or state procurement employee, FORM 30 should be filed with the Commission on Ethics.

However, notwithstanding Section 112.3148, Fla. Stat., no executive branch lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. This may include gifts that formerly were permitted under Section 112.3148. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered

by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts from political committees are prohibited. [Sec. 112.31485, Fla. Stat.]

9. *FORM 1X AND FORM 6X - Amendments to Form 1 and Form 6*

These forms are provided for officers or employees to amend their previously filed Form 1 or Form 6.

IV. AVAILABILITY OF FORMS

LOCAL OFFICERS and EMPLOYEES who must file FORM 1 annually will be sent the form by mail from the Supervisor of Elections in the county in which they permanently reside not later than JUNE 1 of each year. Newly elected and appointed officials or employees should contact the heads of their agencies for copies of the form or download it from www.ethics.state.fl.us, as should those persons who are required to file their final disclosure statements within 60 days of leaving office or employment.

ELECTED CONSTITUTIONAL OFFICERS, OTHER STATE OFFICERS, and SPECIFIED STATE EMPLOYEES who must file annually FORM 1 or 6 will be sent these forms by mail from the Commission on Ethics by JUNE 1 of each year. Newly elected and appointed officers and employees should contact the heads of their agencies or the Commission on Ethics for copies of the form or download it from www.ethics.state.fl.us, as should those persons who are required to file their final disclosure statements within 60 days of leaving office or employment.

Any person needing one or more of the other forms described here may also obtain them from a Supervisor of Elections or from the Commission on Ethics, P.O. Drawer 15709, Tallahassee, Florida 32317-5709. They are also available on the Commission's website: www.ethics.state.fl.us.

V. PENALTIES

A. Non-criminal Penalties for Violation of the Sunshine Amendment and the Code of Ethics

There are no criminal penalties for violation of the Sunshine Amendment and the Code of Ethics. Penalties for violation of these laws may include: impeachment, removal from office or employment, suspension, public censure, reprimand, demotion, reduction in salary level, forfeiture of no more than one-third salary per month for no more than twelve months, a civil penalty not to exceed \$10,000, and restitution of any pecuniary benefits received, and triple the value of a gift from a political committee.

B. Penalties for Candidates

CANDIDATES for public office who are found in violation of the Sunshine Amendment or the Code of Ethics may be subject to one or more of the following penalties: disqualification from being on the

ballot, public censure, reprimand, or a civil penalty not to exceed \$10,000, and triple the value of a gift received from a political committee.

C. Penalties for Former Officers and Employees

FORMER PUBLIC OFFICERS or EMPLOYEES who are found in violation of a provision applicable to former officers or employees or whose violation occurred prior to such officer's or employee's leaving public office or employment may be subject to one or more of the following penalties: public censure and reprimand, a civil penalty not to exceed \$10,000, and restitution of any pecuniary benefits received, and triple the value of a gift received from a political committee.

D. Penalties for Lobbyists and Others

An executive branch lobbyist who has failed to comply with the Executive Branch Lobbying Registration law (see Part VIII) may be fined up to \$5,000, reprimanded, censured, or prohibited from lobbying executive branch agencies for up to two years. Lobbyists, their employers, principals, partners, and firms, and political committees and committees of continuous existence who give a prohibited gift or honorarium or fail to comply with the gift reporting requirements for gifts worth between \$25 and \$100, may be penalized by a fine of not more than \$5,000 and a prohibition on lobbying, or employing a lobbyist to lobby, before the agency of the public officer or employee to whom the gift was given for up to two years. Any agent or person acting on behalf of a political committee giving a prohibited gift is personally liable for a civil penalty of up to triple the value of the gift.

Executive Branch lobbying firms that fail to timely file their quarterly compensation reports may be fined \$50 per day per principal for each day the report is late, up to a maximum fine of \$5,000 per report.

E. Felony Convictions: Forfeiture of Retirement Benefits

Public officers and employees are subject to forfeiture of all rights and benefits under the retirement system to which they belong if convicted of certain offenses. The offenses include embezzlement or theft of public funds; bribery; felonies specified in Chapter 838, Florida Statutes; impeachable offenses; and felonies committed with intent to defraud the public or their public agency. [Sec. 112.3173, Fla. Stat.]

F. Automatic Penalties for Failure to File Annual Disclosure

Public officers and employees required to file either Form 1 or Form 6 annual financial disclosure are subject to automatic fines of \$25 for each day late the form is filed after September 1, up to a maximum penalty of \$1,500. [Sec. 112.3144 and 112.3145, Fla. Stat.]

VI. ADVISORY OPINIONS

Conflicts of interest may be avoided by greater awareness of the ethics laws on the part of public officials and employees through advisory assistance from the Commission on Ethics.

A. Who Can Request an Opinion

Any public officer, candidate for public office, or public employee in Florida who is in doubt about the applicability of the standards of conduct or disclosure laws to himself or herself, or anyone who has the power to hire or terminate another public employee, may seek an advisory opinion from the Commission about himself or herself or that employee.

B. How to Request an Opinion

Opinions may be requested by letter presenting a question based on a real situation and including a detailed description of the situation. Opinions are issued by the Commission and are binding on the conduct of the person who is the subject of the opinion, unless material facts were omitted or misstated in the request for the opinion. Published opinions will not bear the name of the persons involved unless they consent to the use of their names; however, the request and all information pertaining to it is a public record, made available to the Commission and to members of the public in advance of the Commission's consideration of the question.

C. How to Obtain Published Opinions

All of the Commission's opinions are available for viewing or download at its website:
www.ethics.state.fl.us.

VII. COMPLAINTS

A. Citizen Involvement

The Commission on Ethics cannot conduct investigations of alleged violations of the Sunshine Amendment or the Code of Ethics unless a person files a sworn complaint with the Commission alleging such violation has occurred, or a referral is received, as discussed below.

If you have knowledge that a person in government has violated the standards of conduct or disclosure laws described above, you may report these violations to the Commission by filing a sworn complaint on the form prescribed by the Commission and available for download at www.ethics.state.fl.us. The Commission is unable to take action based on learning of such misdeeds through newspaper reports, telephone calls, or letters.

You can obtain a complaint form (FORM 50), by contacting the Commission office at the address or phone number shown on the inside front cover of this booklet, or you can download it from the Commission's website:
www.ethics.state.fl.us.

B. Referrals

The Commission may accept referrals from: the Governor, the Florida Department of Law Enforcement, a State Attorney, or a U.S. Attorney. A vote of six of the Commission's nine members is required to proceed on such a referral.

C. Confidentiality

The complaint or referral, as well as all proceedings and records relating thereto, is confidential until the accused requests that such records be made public or until the matter reaches a stage in the Commission's proceedings where it becomes public. This means that unless the Commission receives a written waiver of confidentiality from the accused, the Commission is not free to release any documents or to comment on a complaint or referral to members of the public or press, so long as the complaint or referral remains in a confidential stage.

A COMPLAINT OR REFERRAL MAY NOT BE FILED WITH RESPECT TO A CANDIDATE ON THE DAY OF THE ELECTION, OR WITHIN THE 30 CALENDAR DAYS PRECEDING THE ELECTION DATE, UNLESS IT IS BASED ON PERSONAL INFORMATION OR INFORMATION OTHER THAN HEARSAY.

D. How the Complaint Process Works

Complaints which allege a matter within the Commission's jurisdiction are assigned a tracking number and Commission staff forwards a copy of the original sworn complaint to the accused within five working days of its receipt. Any subsequent sworn amendments to the complaint also are transmitted within five working days of their receipt.

Once a complaint is filed, it goes through three procedural stages under the Commission's rules. The first stage is a determination of whether the allegations of the complaint are legally sufficient: that is, whether they indicate a possible violation of any law over which the Commission has jurisdiction. If the

complaint is found not to be legally sufficient, the Commission will order that the complaint be dismissed without investigation, and all records relating to the complaint will become public at that time.

In cases of very minor financial disclosure violations, the official will be allowed an opportunity to correct or amend his or her disclosure form. Otherwise, if the complaint is found to be legally sufficient, a preliminary investigation will be undertaken by the investigative staff of the Commission. The second stage of the Commission's proceedings involves this preliminary investigation and a decision by the Commission as to whether there is probable cause to believe that there has been a violation of any of the ethics laws. If the Commission finds no probable cause to believe there has been a violation of the ethics laws, the complaint will be dismissed and will become a matter of public record. If the Commission finds probable cause to believe there has been a violation of the ethics laws, the complaint becomes public and usually enters the third stage of proceedings. This stage requires the Commission to decide whether the law was actually violated and, if so, whether a penalty should be recommended. At this stage, the accused has the right to request a public hearing (trial) at which evidence is presented, or the Commission may order that such a hearing be held. Public hearings usually are held in or near the area where the alleged violation occurred.

When the Commission concludes that a violation has been committed, it issues a public report of its findings and may recommend one or more penalties to the appropriate disciplinary body or official.

When the Commission determines that a person has filed a complaint with knowledge that the complaint contains one or more false allegations or with reckless disregard for whether the complaint contains false allegations, the complainant will be liable for costs plus reasonable attorney's fees incurred by the person complained against. The Department of Legal Affairs may bring a civil action to recover such fees and costs, if they are not paid voluntarily within 30 days.

E. Dismissal of Complaints At Any Stage of Disposition

The Commission may, at its discretion, dismiss any complaint at any stage of disposition should it determine that the public interest would not be served by proceeding further, in which case the Commission will issue a public report stating with particularity its reasons for the dismissal. [Sec. 112.324(12), Fla. Stat.]

F. Statute of Limitations

All sworn complaints alleging a violation of the Sunshine Amendment or the Code of Ethics must be filed with the Commission within five years of the alleged violation or other breach of the public trust. Time starts to run on the day AFTER the violation or breach of public trust is committed. The statute of limitations

is tolled on the day a sworn complaint is filed with the Commission. If a complaint is filed and the statute of limitations has run, the complaint will be dismissed. [Sec. 112.3231, Fla. Stat.]

VIII. EXECUTIVE BRANCH LOBBYING

Any person who, for compensation and on behalf of another, lobbies an agency of the executive branch of state government with respect to a decision in the area of policy or procurement may be required to register as an executive branch lobbyist. Registration is required before lobbying an agency and is renewable annually. In addition, each lobbying firm must file a compensation report with the Commission for each calendar quarter during any portion of which one or more of the firm's lobbyists were registered to represent a principal. As noted above, no executive branch lobbyist or principal can make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 can knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.]

Paying an executive branch lobbyist a contingency fee based upon the outcome of any specific executive branch action, and receiving such a fee, is prohibited. A violation of this prohibition is a first degree misdemeanor, and the amount received is subject to forfeiture. This does not prohibit sales people from receiving a commission. [Sec. 112.3217, Fla. Stat.]

Executive branch departments, state universities, community colleges, and water management districts are prohibited from using public funds to retain an executive branch (or legislative branch) lobbyist, although these agencies may use full-time employees as lobbyists. [Sec. 11.062, Fla. Stat.]

Online registration and filing is available at www.floridalobbyist.gov. Additional information about the executive branch lobbyist registration system may be obtained by contacting the Lobbyist Registrar at the following address:

Executive Branch Lobbyist Registration
Room G-68, Claude Pepper Building
111 W. Madison Street
Tallahassee, FL 32399-1425
Phone: 850/922-4987

IX. WHISTLE-BLOWER'S ACT

In 1986, the Legislature enacted a "Whistle-blower's Act" to protect employees of agencies and government contractors from adverse personnel actions in retaliation for disclosing information in a sworn complaint alleging certain types of improper activities. Since then, the Legislature has revised this law to afford greater protection to these employees.

While this language is contained within the Code of Ethics, the Commission has no jurisdiction or authority to proceed against persons who violate this Act. Therefore, a person who has disclosed information alleging improper conduct governed by this law and who may suffer adverse consequences as a result should contact one or more of the following: the Office of the Chief Inspector General in the Executive Office of the Governor; the Department of Legal Affairs; the Florida Commission on Human Relations; or a private attorney. [Sec. 112.3187 - 112.31895, Fla. Stat.]

X. ADDITIONAL INFORMATION

As mentioned above, we suggest that you review the language used in each law for a more detailed understanding of Florida's ethics laws. The "Sunshine Amendment" is Article II, Section 8, of the Florida Constitution. The Code of Ethics for Public Officers and Employees is contained in Part III of Chapter 112, Florida Statutes.

Additional information about the Commission's functions and interpretations of these laws may be found in Chapter 34 of the Florida Administrative Code, where the Commission's rules are published, and in The Florida Administrative Law Reports, which until 2005 published many of the Commission's final orders. The Commission's rules, orders, and opinions also are available at www.ethics.state.fl.us.

If you are a public officer or employee concerned about your obligations under these laws, the staff of the Commission will be happy to respond to oral and written inquiries by providing information about the law, the Commission's interpretations of the law, and the Commission's procedures.

XI. TRAINING

Constitutional officers and elected municipal officers are required to receive a total of four hours training, per calendar year, in the area of ethics, public records, and open meetings. The Commission on Ethics does not track compliance or certify providers.

Visit the training page on the Commission's website for up-to-date rules, opinions, audio/video training, and opportunities for live training conducted by Commission staff. A comprehensive online training course addressing Florida's Code of Ethics, as well as Sunshine Law, and Public Records Act is available via a link on the Commission's homepage.

RESOLUTION 2018-5

A RESOLUTION RE-DESIGNATING THE OFFICERS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR SEVERABILITY AND INVALID PROVISIONS; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of the Artisan Lakes Community Development District desire to appoint the below recited person(s) to the offices specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1: DESIGNATION OF OFFICER'S OF THE DISTRICT. The following persons are appointed to the offices shown:

Chairman	<u>Michael Bachman</u>
Vice Chairman	<u>Tracy Briones</u>
Secretary	<u>James P. Ward</u>
Treasurer	<u>James P. Ward</u>
Assistant Secretary	_____
Assistant Secretary	<u>Andrew Miller</u>
Assistant Secretary	<u>J.D. Humphreys</u>

SECTION 2: SEVERABILITY AND INVALID PROVISIONS. If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

RESOLUTION 2018-5

A RESOLUTION RE-DESIGNATING THE OFFICERS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR SEVERABILITY AND INVALID PROVISIONS; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 3: CONFLICT. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

SECTION 4: PROVIDING FOR AN EFFECTIVE DATE. This Resolution shall become effective immediately upon passage.

PASSED AND ADOPTED this 7th day of June, 2018

ATTEST:

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Michael Bachman, Chairman

**MINUTES OF MEETING
ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of Artisan Lakes Community Development District was held on Thursday, February 08, 2018, at 3:00 p.m. at the Artisan Lakes Clubhouse, located at 4725 Los Robles Court, Palmetto, Florida 34221.

Present and constituting a quorum:

Michael Bachman	Chairperson
Tracy Briones	Vice-Chairperson
Andrew Miller	Assistant Secretary
JD Humpherys	Assistant Secretary
David Truxton	Assistant Secretary

Also present were:

James Ward	District Manager
Lindsay Whelan	District Counsel, Hopping Green & Sams
Jeremy Fireline	District Engineer

Audience present:

Jeff Deason	Taylor Morrison
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FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 3:15 p.m., and all members were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Board Resignations and Replacements

Mr. Ward stated the Board needed to accept the resignations of Mr. Kenneth Stokes and Mr. Adam Painter; a copy of these had been placed in the agenda packets. He said as a matter of law the resignations were effective as of the date of the resignation. He asked the Board to approve them for their inclusion in the record.

On MOTION made by Mr. Truxton, seconded by Mr. Humpherys, with all in favor, the resignations of Kenneth Stokes and Adam Painter were accepted.

Mr. Ward stated the Board must now replace these two members. He said the statute stated the balance of the Board now needed to appoint two individuals to fill the unexpired terms of Mr. Stokes and Mr. Painter.

On MOTION made by Mr. Truxton, seconded by Mr. Miller, with all in favor, Michael Bachman and Tracy Briones as appointees to fill the vacant seats, was approved.

Mr. Bachman and Ms. Briones were present at the meeting and were sworn in by Mr. Ward, who is a Notary for the State of Florida and authorized to administer the Oath of Office. Mr. Bachman and Ms. Briones signed the Oath. Mr. Ward then provided a Guide to the Sunshine Amendments and Code of Ethics and Form 1- Statement of Financial Interest. He explained Form 1 and urged them to file this form within the 30 day period required as there was a possible fine for not doing so in time.

Ms. Whelan then explained the Sunshine Amendment and advised them accordingly. Mr. Ward stated if they had any questions or issues outside of an open-noticed public meeting to please give him or Mr. Earlywine or Ms. Whelan a call.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2018-3

Mr. Ward stated this resolution re-designated the officers of the District. He said the current Chairperson was Mr. Miller, and he acted as the secretary-treasurer. He said it was the Board's decision to select a Chair and Vice Chair. Mr. Truxton put forth the following designation of individuals:

Mr. Bachman, Chairperson
Ms. Briones, Vice Chairperson
Mr. Truxton, Assistant Secretary
Andrew Miller, Assistant Secretary
JD Humpherys, Assistant Secretary

On MOTION made by Mr. Truxton, seconded by Mr. Miller, with all in favor, the Officers of the Board were approved.

FOURTH ORDER OF BUSINESS

Consideration of Minutes

Mr. Ward asked if there were any additions, corrections or deletions to the minutes of the August 22, 2017, meeting. Hearing none, he called for a motion for their approval.

On MOTION made by Mr. Miller, seconded by Mr. Humpherys, with all in favor, the minutes of the August 22, 2017 meeting were approved.

Mr. Ward asked if there were any additions, corrections or deletions to the minutes of the November 2, 2017, meeting. Hearing none, he called for a motion for their approval.

On MOTION made by Mr. Humpherys, seconded by Mr. Truxton, with all in favor, the minutes of the November 2, 2017 meeting were approved.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2018-4

Mr. Ward said the primary purpose of the meeting was the consideration of Resolution 2018-4, which was a request from the primary developer in order to amend the boundaries of the District and remove a portion of the District that was currently within its boundaries. This boundary was identified on Exhibit A of the Resolution. He said out of the existing Artisan Lakes CDD, the obvious intent was to establish a new CDD, which was currently being worked on. He asked if the developer, present in the audience, had any comments.

Hearing none, Mr. Ward continued that the process was relatively simple; Hopping Green and Sams would handle the petition to amend the boundaries and to remove basically all of the undeveloped tracts. Mr. Ward called for questions.

Ms. Whelan added that the Resolution be approved in substantial form. She said the surveyor was still reviewing the sketch and legal for the contraction parcel to add in the fire station parcel, which had been excluded from the District boundary originally.

Mr. Ward was asked how many units was the total for the Artisan Lakes CDD for the current O & M that was being expended. Mr. Ward responded that it was reduced to 807, and it was agreed that was the current number.

Hearing no further questions, Mr. Ward called for a motion.

On MOTION made by Mr. Miller, seconded by Mr. Humpherys, with all in favor, Resolution 2018-4 as described above and in substantial form, was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

- a) District Attorney No report.
- b) District Engineer No report.
- c) District Manager No report.

SEVENTH ORDER OF BUSINESS

**Supervisors' Requests and Audience
Comments**

Mr. Ward asked if there were any comments from the Board, and hearing none, stated there was no audience present.

EIGHTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned at 3:28 p.m.

**On MOTION made by Mr. Truxton, seconded by Ms. Briones,
with all in favor, the meeting was adjourned.**

**Artisan Lakes Community Development
District**

James P. Ward, Secretary

Michael Bachman, Chairman

RESOLUTION 2018-6

A RESOLUTION OF THE BOARD OF SUPERVISORS OF ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2019 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors of the Artisan Lakes Community Development District (the "Board"), a proposed Budget for Fiscal Year 2019; and

WHEREAS, the Board has considered the proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. That the foregoing whereas clauses are true and correct and incorporated herein as if written into this Section.

SECTION 2. The proposed Budget submitted by the District Manager for Fiscal Year 2019 and attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said budget.

SECTION 3. A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

DATE:	Thursday, September 6, 2018
HOUR:	3:30 P.M.
LOCATION:	Artisan Lakes Clubhouse 4725 Los Robles Court Palmetto, Florida 34221

SECTION 4. The District Manager is hereby directed to submit a copy of the proposed budget to Manatee County at least 60 days prior to the hearing set above. In accordance with Section 189.016, Florida Statutes, the District's Secretary is further directed to post the proposed budget on the District's website at least two days before the budget hearing date.

SECTION 5. Notice of this public hearing on the budget shall be published in a newspaper of general circulation in the area of the district once a week for two (2) consecutive weeks, except that the first publication shall not be fewer than 15 days prior to the date of the hearing. The notice shall further contain a designation of the day, time, and place of the public hearing. At the time and place designated in the notice, the Board shall hear all objections to the budget as proposed and may make such changes as the board deems necessary.

SECTION 6. If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

RESOLUTION 2018-6

A RESOLUTION OF THE BOARD OF SUPERVISORS OF ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2019 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 7. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

SECTION 8. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 7th day of June, 2018.

ATTEST:

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

James P. Ward, Secretary

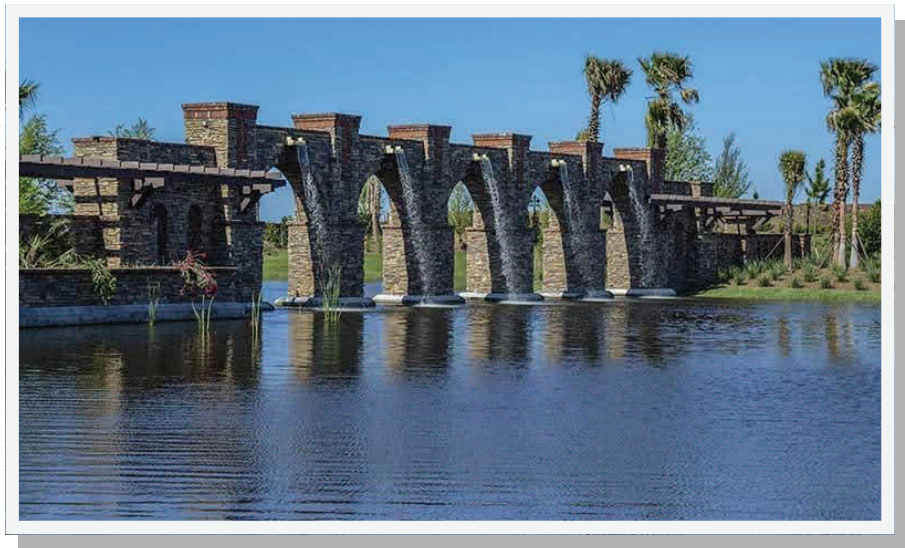
Michael Bachman, Chairman

JPWard and Associates, LLC

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

PROPOSED BUDGET

FISCAL YEAR 2019



James P. Ward
District Manager
2900 Northeast 12th Terrace
Suite 1
Oakland Park, Florida 33334

Phone: 954-658-4900
E-mail:
JimWard@JPWardAssociates.com



Prepared by:
JPWard and Associates, LLC
TOTAL Commitment to Excellence



Artisan Lakes

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Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2019

Description	Fiscal Year	Actual at	Anticipated	Fiscal Year
	2018 Budget	02/28/2018	Year End 09/30/2018	2019 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income - General Account	\$ -	\$ -	\$ -	\$ -
Assessment Revenue				
Assessments - On-Roll	\$ 38,164	\$ 21,218	\$ 38,164	\$ 79,378
Assessments - Off-Roll	\$ 38,517	\$ 53,226	\$ 53,226	\$ -
Contributions - Private Sources				
Taylor Morrison		\$ -	\$ -	
Total Revenue & Other Sources	\$ 76,682	\$ 74,444	\$ 91,390	\$ 79,378
Appropriations				
Legislative				
Board of Supervisor's Fees	\$ -	\$ -	\$ -	\$ -
Board of Supervisor's - FICA	\$ -	\$ -	\$ -	\$ -
Executive				
Professional - Management	\$ 20,000	\$ 13,333	\$ 20,000	\$ 20,000
Financial and Administrative				
Audit Services	\$ 4,100	\$ -	\$ 4,100	\$ 4,200
Accounting Services	\$ -	\$ -	\$ -	\$ -
Assessment Roll Preparation	\$ -	\$ -	\$ -	\$ -
Arbitrage Rebate Fees	\$ 500	\$ -	\$ 500	\$ 500
Other Contractual Services				
Recording and Transcription	\$ -	\$ -	\$ -	\$ -
Legal Advertising	\$ 2,500	\$ 355	\$ 3,500	\$ 5,000
Trustee Services	\$ 8,250	\$ -	\$ 5,725	\$ 5,725
Dissemination Agent Services	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Property Appraiser Fees	\$ -	\$ -	\$ -	\$ -
Bank Service Fees	\$ 360	\$ 110	\$ 340	\$ 360
Travel and Per Diem	\$ -			\$ -
Communications and Freight Services				
Telephone	\$ -	\$ -	\$ -	\$ -
Postage, Freight & Messenger	\$ 750	\$ 189	\$ 400	\$ 750
Rentals and Leases				
Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -
Computer Services (Web Site)	\$ 800	\$ -	\$ 1,000	\$ 875
Insurance	\$ 6,000	\$ 4,282	\$ 4,950	\$ 5,000
Subscriptions and Memberships	\$ 175	\$ 175	\$ 175	\$ 175
Printing and Binding	\$ 750	\$ 330	\$ 600	\$ 750
Office Supplies	\$ -	\$ -	\$ -	\$ -
Legal Services				
General Counsel	\$ 13,000	\$ 3,313	\$ 7,500	\$ 13,000
Other General Government Services				
Engineering Services	\$ 2,000	\$ 126	\$ 2,000	\$ 2,850
Contingencies		\$ -	\$ -	
Capital Outlay	\$ -	\$ -	\$ -	\$ -

Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2019

Description	Fiscal Year 2018 Budget	Actual at 02/28/2018	Anticipated Year End 09/30/2018	Fiscal Year 2019 Budget
Reserves				
Operational Reserve (Future Years)	\$ 10,000	\$ -	\$ -	\$ 10,000
Other Fees and Charges				
Discounts, Tax Collector Fee and Property Appraiser Fee	\$ 1,467	\$ -	\$ -	\$ 5,193
Total Appropriations	\$ 75,652	\$ 27,214	\$ 55,790	\$ 79,378
Fund Balances:				
Change from Current Year Operations	\$ -	\$ 47,230	\$ 35,600	\$ -
Fund Balance - Beginning				
Restricted for Future Operations	\$ 30,000	\$ 30,000	\$ 30,000	\$ 40,000
Unassigned	\$ 29,057	\$ 29,057	\$ 29,057	\$ 29,057
Total Fund Balance	\$ 59,057	\$ 106,287	\$ 59,057	\$ 69,057
Assessment Rate	\$ 98.36			\$ 98.36

Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2019

Revenues and Other Sources

Carryforward	\$	-
Interest Income - General Account	\$	-

Appropriations

Legislative

Board of Supervisor's Fees	\$	-
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The Board's fees are statutorily set at \$200 for each meeting of the Board of Supervisor's not to exceed \$4,800 for each Fiscal Year. The Budgeted amount reflects that the anticipated meetings for the District. The current Board has waived the statutory authorized fees.

Executive

Professional - Management	\$	20,000
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The District retains the services of a professional management company - **JPWard and Associates, LLC** - which specializes in Community Development Districts. The firm brings a wealth of knowledge and expertise to Flow Wav CDD.

Financial and Administrative

Audit Services	\$	4,200
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Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures, if it's Revenues or Expenditures reach a certain threshold.

Accounting Services	\$	-
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For the Maintenance of the District's books and records on a daily basis.

Assessment Roll Preparation	\$	-
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For the preparation by the Financial Advisor of the Methodology for the General Fund and the Assessment Rolls including transmittal to the Collier County Property Appraiser.

Arbitrage Rebate Fees	\$	500
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For required Federal Compliance - this fee is paid for an in-depth analysis of the District's earnings on all of the funds in trust for the benefit of the Bondholder's to insure that the earnings rate does not exceed the interest rate on the Bond's.

Other Contractual Services \$ -

Recording and Transcription	\$	-
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Legal Advertising	\$	5,000
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Trustee Services	\$	5,725
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With the issuance of the District's Bonds, the District is required to maintain the accounts established for the Bond Issue with a bank that holds trust powers in the State of Florida. The primary purpose of the trustee is to safeguard the assets of the Bondholder's, to insure the timely payment of the principal and interest due on the Bonds, and to insure the investment of the funds in the trust are made pursuant to the requirements of the trust.

Dissemination Agent Services	\$	5,000
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With the issuance of the District's Bonds, the District is required to report on a periodic basis the same information that is contained in the Official Statement that was issued for the Bonds. These requirements are pursuant to requirements of the Securities and Exchange Commission and sent to national repositories.

Property Appraiser Fees	\$	-
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Bank Service Fees	\$	360
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Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2019

Travel and Per Diem	\$ -
Communications and Freight Services	
Telephone	\$ -
Postage, Freight & Messenger	\$ 750
Rentals and Leases	
Miscellaneous Equipment	\$ -
Computer Services (Web Site Maintenance)	\$ 875
Insurance	\$ 5,000
Subscriptions and Memberships	\$ 175
Printing and Binding	\$ 750
Office Supplies	\$ -
Legal Services	
General Counsel	\$ 13,000
The District's general council provides on-going legal representation relating to issues such as public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, they provide services as "local government lawyers".	
Other General Government Services	
Engineering Services	\$ 2,850
The District's engineering firm provides a broad array of engineering, consulting and construction services, which assists the District in crafting solutions with sustainability for the long term interests of the Community while recognizing the needs of government, the environment and maintenance of the District's facilities.	
Contingencies	\$ -
Reserves	
Operational Reserve (Future Years)	\$ 10,000
The District has established an operational reserve to cover expenses that occur before assessment monies are received, and/or other expenses that may arise that are not anticipated in the Budget.	
Other Fees and Charges	
Discounts and Tax Collector Fees	\$ 5,193
4% Discount permitted by Law for early payment and 3% Tax Collector Fee and Property Appraiser Fee	
Total Appropriations:	\$ 79,378

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 Bonds - Budget

Fiscal Year 2019

Description	Fiscal Year 2018 Budget	Actual at 02/28/2018	Anticipated Year End 09/30/2018	Fiscal Year 2019 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income				
Revenue Account	\$ -	\$ 146	\$ 146	\$ -
Reserve Account	\$ -	\$ 610	\$ 610	\$ -
Interest Account	\$ -	\$ -	\$ -	\$ -
Prepayment Account	\$ -	\$ 215	\$ 215	\$ -
Special Assessment Revenue				
Special Assessment - On-Roll				
Series 2013 A-1	\$ 194,618	\$ 183,194	\$ 183,194	\$ 292,057
Series 2013 A-2			\$ -	
Series 2013 A-3			\$ -	
Special Assessment - Off-Roll				
Series 2013 A-1	\$ 90,343	\$ 204,062	\$ 204,062	\$ -
Series 2013 A-2	\$ 161,625	\$ -	\$ -	\$ 99,313
Series 2013 A-3	\$ 207,625	\$ -	\$ -	\$ 205,450
Special Assessment - Prepayment				
Series 2013 A-1		\$ 10,000	\$ 10,000	
Series 2013 A-2	\$ -	\$ 369,990	\$ 369,990	\$ -
Debt Proceeds				
Series 2013 Issuance Proceeds	\$ -	\$ -	\$ -	\$ -
Total Revenue & Other Sources	\$ 654,211	\$ 768,218	\$ 768,218	\$ 596,819
Expenditures and Other Uses				
Debt Service				
Principal Debt Service - Mandatory				
Series 2013 A-1	\$ 40,000	\$ 40,000	\$ 40,000	\$ 45,000
Series 2013 A-2	\$ 30,000	\$ 30,000	\$ 30,000	\$ 20,000
Series 2013 A-3	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Principal Debt Service - Early Redemptions				
Series 2013 A-1	\$ -	\$ 10,000	\$ 10,000	\$ -
Series 2013 A-2	\$ -	\$ 545,000	\$ 545,000	\$ -
Interest Expense				
Series 2013 A-1	\$ 231,338	\$ 231,338	\$ 231,338	\$ 227,950
Series 2013 A-2	\$ 131,625	\$ 123,019	\$ 123,019	\$ 79,313
Series 2013 A-3	\$ 177,625	\$ 177,625	\$ 177,625	\$ 175,450
Other Fees and Charges				
Discounts for Early Payment	\$ 13,624	\$ -	\$ -	\$ 19,107
Total Expenditures and Other Uses	\$ 654,211	\$ 1,186,981	\$ 1,186,981	\$ 596,819
Net Increase/(Decrease) in Fund	\$ -	\$ (418,763)	\$ (418,763)	\$ -
Fund Balance - Beginning	\$ 984,675	\$ 1,210,513	\$ 1,210,513	\$ 791,750
Fund Balance - Ending	\$ 984,675	\$ 791,750	\$ 791,750	\$ 791,750

Restricted Fund Balance:

Reserve Account Requirement	\$ 266,669
Restricted for November 1, 2018 Interest Payment	\$ 231,325
Total - Restricted Fund Balance:	\$ 497,994

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-1

Description	Principal Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service
Par Amount Issued:		\$ 3,430,000	6.75%		
11/1/2014				\$ 118,200.00	
5/1/2015		\$ 35,000	6.75%	\$ 118,200.00	\$ 271,400
11/1/2015				\$ 117,018.75	
5/1/2016		\$ 40,000	6.75%	\$ 117,018.75	\$ 269,038
11/1/2016				\$ 115,668.75	
5/1/2017	\$ 10,000.00	\$ 40,000	6.75%	\$ 115,668.75	\$ 271,338
11/1/2017				\$ 113,975.00	
5/1/2018		\$ 45,000	6.75%	\$ 113,975.00	\$ 267,950
11/1/2018				\$ 112,456.25	
5/1/2019		\$ 50,000	6.75%	\$ 112,456.25	\$ 269,913
11/1/2019				\$ 110,768.75	
5/1/2020		\$ 50,000	6.75%	\$ 110,768.75	\$ 271,538
11/1/2020				\$ 109,081.25	
5/1/2021		\$ 55,000	6.75%	\$ 109,081.25	\$ 268,163
11/1/2021				\$ 107,225.00	
5/1/2022		\$ 60,000	6.75%	\$ 107,225.00	\$ 269,450
11/1/2022				\$ 105,200.00	
5/1/2023		\$ 60,000	6.75%	\$ 105,200.00	\$ 270,400
11/1/2023				\$ 103,175.00	
5/1/2024		\$ 65,000	6.75%	\$ 103,175.00	\$ 266,350
11/1/2024				\$ 100,981.25	
5/1/2025		\$ 70,000	6.75%	\$ 100,981.25	\$ 266,963
11/1/2025				\$ 98,618.75	
5/1/2026		\$ 75,000	6.75%	\$ 98,618.75	\$ 267,238
11/1/2026				\$ 96,087.50	
5/1/2027		\$ 80,000	6.75%	\$ 96,087.50	\$ 267,175
11/1/2027				\$ 93,387.50	
5/1/2028		\$ 85,000	6.75%	\$ 93,387.50	\$ 266,775
11/1/2028				\$ 90,518.75	
5/1/2029		\$ 95,000	6.75%	\$ 90,518.75	\$ 266,038
11/1/2029				\$ 87,312.50	
5/1/2030		\$ 100,000	6.75%	\$ 87,312.50	\$ 269,625
11/1/2030				\$ 83,937.50	
5/1/2031		\$ 105,000	6.75%	\$ 83,937.50	\$ 267,875
11/1/2031				\$ 80,393.75	
5/1/2032		\$ 115,000	6.75%	\$ 80,393.75	\$ 265,788
11/1/2032				\$ 76,512.50	
5/1/2033		\$ 120,000	6.75%	\$ 76,512.50	\$ 268,025
11/1/2033				\$ 72,462.50	
5/1/2034		\$ 130,000	6.75%	\$ 72,462.50	\$ 264,925
11/1/2034				\$ 68,075.00	
5/1/2035		\$ 140,000	7.00%	\$ 68,075.00	\$ 266,150
11/1/2035				\$ 63,175.00	
5/1/2036		\$ 150,000	7.00%	\$ 63,175.00	\$ 266,350
11/1/2036				\$ 57,925.00	

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-1

Description	Principal Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service
5/1/2037		\$ 160,000	7.00%	\$ 57,925.00	\$ 265,850
11/1/2037				\$ 52,325.00	
5/1/2038		\$ 170,000	7.00%	\$ 52,325.00	\$ 264,650
11/1/2038				\$ 46,375.00	
5/1/2039		\$ 185,000	7.00%	\$ 46,375.00	\$ 262,750
11/1/2039				\$ 39,900.00	
5/1/2040		\$ 200,000	7.00%	\$ 39,900.00	\$ 264,800
11/1/2040				\$ 32,900.00	
5/1/2041		\$ 210,000	7.00%	\$ 32,900.00	\$ 265,800
11/1/2041				\$ 25,550.00	
5/1/2042		\$ 225,000	7.00%	\$ 25,550.00	\$ 261,100
11/1/2042				\$ 17,675.00	
5/1/2043		\$ 245,000	7.00%	\$ 17,675.00	\$ 260,350
11/1/2043				\$ 9,100.00	
5/1/2044		\$ 260,000		\$ 9,100.00	\$ 263,200

Artisan Lakes Community Development District

Description	Principal Prepayments	Principal Mandatory	Coupon Rate	Interest	Annual Debt Service
Par Amount Issued:		\$ 2,585,000	6.75%		
11/1/2014				\$ 87,243.75	
5/1/2015		\$ 30,000	6.75%	\$ 87,243.75	\$ 204,488
11/1/2015	\$ 410,000			\$ 86,231.25	
5/1/2016	\$ 170,000	\$ 25,000	6.75%	\$ 86,231.25	\$ 202,463
11/1/2016	\$ 255,000			\$ 65,812.50	
5/1/2017	\$ 290,000	\$ 30,000	6.75%	\$ 65,812.50	\$ 156,625
11/1/2017	\$ 400,000			\$ 46,406.25	
5/1/2018		\$ 20,000	6.75%	\$ 32,906.25	\$ 109,313
11/1/2018				\$ 32,231.25	
5/1/2019		\$ 15,000	6.75%	\$ 32,231.25	\$ 84,463
11/1/2019				\$ 31,725.00	
5/1/2020		\$ 15,000	6.75%	\$ 31,725.00	\$ 78,450
11/1/2020				\$ 31,218.75	
5/1/2021		\$ 15,000	6.75%	\$ 31,218.75	\$ 77,438
11/1/2021				\$ 30,712.50	
5/1/2022		\$ 15,000	6.75%	\$ 30,712.50	\$ 76,425
11/1/2022				\$ 30,206.25	
5/1/2023		\$ 20,000	6.75%	\$ 30,206.25	\$ 75,413
11/1/2023				\$ 29,531.25	
5/1/2024		\$ 20,000	6.75%	\$ 29,531.25	\$ 79,063
11/1/2024				\$ 28,856.25	
5/1/2025		\$ 20,000	6.75%	\$ 28,856.25	\$ 77,713
11/1/2025				\$ 28,181.25	
5/1/2026		\$ 25,000	6.75%	\$ 28,181.25	\$ 76,363
11/1/2026				\$ 27,337.50	
5/1/2027		\$ 25,000	6.75%	\$ 27,337.50	\$ 79,675
11/1/2027				\$ 26,493.75	
5/1/2028		\$ 25,000	6.75%	\$ 26,493.75	\$ 77,988
11/1/2028				\$ 25,650.00	
5/1/2029		\$ 25,000	6.75%	\$ 25,650.00	\$ 76,300
11/1/2029				\$ 24,806.25	
5/1/2030		\$ 30,000	6.75%	\$ 24,806.25	\$ 74,613
11/1/2030				\$ 23,793.75	
5/1/2031		\$ 30,000	6.75%	\$ 23,793.75	\$ 77,588
11/1/2031				\$ 22,781.25	
5/1/2032		\$ 35,000	6.75%	\$ 22,781.25	\$ 75,563
11/1/2032				\$ 21,600.00	
5/1/2033		\$ 35,000	6.75%	\$ 21,600.00	\$ 78,200
11/1/2033				\$ 20,418.75	
5/1/2034		\$ 40,000	6.75%	\$ 20,418.75	\$ 75,838
11/1/2034				\$ 19,068.00	
5/1/2035		\$ 40,000	6.75%	\$ 19,068.00	\$ 78,136
11/1/2035				\$ 17,718.75	
5/1/2036		\$ 45,000	6.75%	\$ 17,718.75	\$ 75,438
11/1/2036				\$ 16,200.00	
5/1/2037		\$ 45,000	6.75%	\$ 16,200.00	\$ 77,400
11/1/2037				\$ 14,681.25	
5/1/2038		\$ 50,000	6.75%	\$ 14,681.25	\$ 74,363
11/1/2038				\$ 12,993.75	
5/1/2039		\$ 55,000	6.75%	\$ 18,225.00	\$ 81,219
11/1/2039				\$ 11,137.50	
5/1/2040		\$ 60,000	6.75%	\$ 11,137.50	\$ 77,275
11/1/2040				\$ 9,112.50	

Artisan Lakes Community Development District

Description	Principal Prepayments	Principal Mandatory	Coupon Rate	Interest	Annual Debt Service
5/1/2041		\$ 60,000	6.75%	\$ 9,112.50	\$ 78,225
11/1/2041				\$ 7,087.50	
5/1/2042	\$	65,000	6.75%	\$ 7,087.50	\$ 74,175
11/1/2042				\$ 4,893.75	
5/1/2043	\$	70,000	6.75%	\$ 4,893.75	\$ 74,788
11/1/2043				\$ 2,531.25	
5/1/2044	\$	75,000	6.750%	\$ 2,531.25	\$ 75,063

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-3

Description	Principal Mandatory	Coupon Rate	Interest	Annual Debt Service
Par Amount Issued:	\$ 2,500,000	7.25%		
11/1/2014			\$ 90,625.00	
5/1/2015	\$ 25,000	7.25%	\$ 90,625.00	\$ 206,250
11/1/2015			\$ 89,718.75	
5/1/2016	\$ 25,000	7.25%	\$ 89,718.75	\$ 204,438
11/1/2016			\$ 88,812.50	
5/1/2017	\$ 30,000	7.25%	\$ 88,812.50	\$ 202,625
11/1/2017			\$ 87,725.00	
5/1/2018	\$ 30,000	7.25%	\$ 87,725.00	\$ 205,450
11/1/2018			\$ 86,637.50	
5/1/2019	\$ 30,000	7.25%	\$ 86,637.50	\$ 203,275
11/1/2019			\$ 85,550.00	
5/1/2020	\$ 35,000	7.25%	\$ 85,550.00	\$ 201,100
11/1/2020			\$ 84,281.25	
5/1/2021	\$ 35,000	7.25%	\$ 84,281.25	\$ 203,563
11/1/2021			\$ 83,012.50	
5/1/2022	\$ 40,000	7.25%	\$ 83,012.50	\$ 201,025
11/1/2022			\$ 81,562.50	
5/1/2023	\$ 45,000	7.25%	\$ 81,562.50	\$ 203,125
11/1/2023			\$ 79,931.25	
5/1/2024	\$ 45,000	7.25%	\$ 79,931.25	\$ 204,863
11/1/2024			\$ 78,300.00	
5/1/2025	\$ 50,000	7.25%	\$ 78,300.00	\$ 201,600
11/1/2025			\$ 76,487.50	
5/1/2026	\$ 55,000	7.25%	\$ 76,487.50	\$ 202,975
11/1/2026			\$ 74,493.75	
5/1/2027	\$ 60,000	7.25%	\$ 74,493.75	\$ 203,988
11/1/2027			\$ 72,318.75	
5/1/2028	\$ 60,000	7.25%	\$ 72,318.75	\$ 204,638
11/1/2028			\$ 70,143.75	
5/1/2029	\$ 65,000	7.25%	\$ 70,143.75	\$ 200,288
11/1/2029			\$ 67,787.50	
5/1/2030	\$ 70,000	7.25%	\$ 67,787.50	\$ 200,575
11/1/2030			\$ 65,250.00	
5/1/2031	\$ 75,000	7.25%	\$ 65,250.00	\$ 200,500
11/1/2031			\$ 62,531.25	
5/1/2032	\$ 85,000	7.25%	\$ 62,531.25	\$ 200,063
11/1/2032			\$ 59,450.00	
5/1/2033	\$ 90,000	7.25%	\$ 59,450.00	\$ 203,900
11/1/2033			\$ 56,187.50	
5/1/2034	\$ 95,000	7.25%	\$ 56,187.50	\$ 202,375
11/1/2034			\$ 52,743.75	
5/1/2035	\$ 105,000	7.25%	\$ 52,743.75	\$ 200,488
11/1/2035			\$ 48,937.50	
5/1/2036	\$ 110,000	7.25%	\$ 48,937.50	\$ 202,875
11/1/2036			\$ 44,950.00	

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-3

Description	Principal Mandatory	Coupon Rate	Interest	Annual Debt Service
5/1/2037	\$ 120,000	7.25%	\$ 44,950.00	\$ 199,900
11/1/2037			\$ 40,600.00	
5/1/2038	\$ 130,000	7.25%	\$ 40,600.00	\$ 201,200
11/1/2038			\$ 35,887.50	
5/1/2039	\$ 135,000	7.25%	\$ 35,887.50	\$ 201,775
11/1/2039			\$ 30,993.75	
5/1/2040	\$ 145,000	7.25%	\$ 30,993.75	\$ 196,988
11/1/2040			\$ 25,737.50	
5/1/2041	\$ 160,000	7.25%	\$ 25,737.50	\$ 196,475
11/1/2041			\$ 19,937.50	
5/1/2042	\$ 170,000	7.25%	\$ 19,937.50	\$ 199,875
11/1/2042			\$ 13,775.00	
5/1/2043	\$ 185,000	7.25%	\$ 13,775.00	\$ 197,550
11/1/2043			\$ 7,068.75	
5/1/2044	\$ 195,000	7.25%	\$ 7,068.75	\$ 199,138

Principal Balance - September 30, 2017 \$ 2,420,000

Artisan Lakes Community Development District

Assessment Comparison - Budget
Fiscal Year 2019

Lot Size	Number of Units Assessed				Allocation of O&M Assessment					Total			Per Lot Annual Assessment					
	O&M (1)	Series 2013 A-1 Debt Service (1)	Series 2013 A-2 Debt Service	Series 2013 A-3 Debt Service	EAU Factor	Total EAU's	On Roll Units	% Total EAU's	Total O&M Budget	Series 2013 A-1 Debt Service Assessment (7)	Series 2013A-2 Debt Service Assessment	Series 2013A-3 Debt Service Assessment	General Fund (All On Roll)	Series 2013A-1 Debt Service (3)	Series 2013A-2 Debt Service (3)	Series 2013A-3 Debt Service (3)	Total	
Single Family 40' (Phases 1-1 / 1-2	99	99	Series 2013 A-2 bonds are being prepaid at closing - and A-3 bonds are being paid when Debt Service is Due - as such bill developer debt service when due during the Fiscal Year		1	99	99	12.27%	\$ 9,737.82	\$ 70,171.20			\$ 98.36	\$ 708.80	\$ 489.67		\$ 1,296.83	
Single Family 50' (Phases 1-1 / 1-2 (5) (6)	75	74			1	75	75	9.29%	\$ 7,377.13	\$ 62,487.27			\$ 98.36	\$ 855.99	\$ 612.09		\$ 1,566.44	
Single Family 60' (Phases 1-1 / 1-2	38	38			1	38	38	4.71%	\$ 3,737.75	\$ 40,401.22			\$ 98.36	\$ 1,063.19	\$ 734.50		\$ 1,896.06	
Single Family 70' (Phases 1-1 / 1-2	16	16			1	16	16	1.98%	\$ 1,573.79	\$ 19,846.24			\$ 98.36	\$ 1,240.39	\$ 856.92		\$ 2,195.67	
Single Family 40' (Phase 1-3)	82	36			1	82	82	10.16%	\$ 8,065.67	\$ 25,516.80			\$ 98.36	\$ 708.80	\$ 489.67	\$ 340.13	\$ 1,636.96	
Single Family 50' (Phase 1-3)	35	35			1	35	35	4.34%	\$ 3,442.66	\$ 29,959.65			\$ 98.36	\$ 855.99	\$ 612.09	\$ 425.17	\$ 1,991.61	
Single Family 60' (Phase 1-3)	43	43			1	43	43	5.33%	\$ 4,229.56	\$ 45,717.17			\$ 98.36	\$ 1,063.19	\$ 734.50	\$ 510.20	\$ 2,406.25	
Single Family 70' (Phase 1-3)	0	0			1	0	0	0.00%	\$ -	\$ -				\$ 1,240.39	\$ 856.92	\$ 595.23	\$ 2,692.54	
Single Family 40' Future Development																		
Single Family 50' Future Development																		
Single Family 60' Future Development																		
Single Family 70' Future Development																		
Clubhouse - (Phase 1)																		
Clubhouse - (Future Dev)																		
Unplatted units Assigned for GF Assessment																		
Debt Service - Billed for Series 2013 A-2 and A-3 bonds directly		419				419	419	51.92%	\$ 41,213.58				\$ 98.36					
Total:	807	341	N/A	N/A		807	388	100.00%	\$ 79,377.95	\$ 294,099.55			\$ 99,312.50	\$ 205,450.00				

(1) - Reflects the total number of units subject to assessment -- All general fund and Series 2013 A-1 assessments are on-roll. The number of units corresponds to units assigned A-1 debt. There is (1) prepayment on the A-1 bonds - as such total 50; units for A-1 bonds is 74

(3) Reflects the adopted assessment per lots in connection with the issuance of the Series 2013 A-1 Bonds, including the discounts/collections costs - and the Series 2013 A-2 and A-3 Bonds, the rate does NOT include the discounts and collection costs

(4) - There are 807 units PLANNED for the Series 11-1, 1-2 and 1-3 Phases - as units assigned to the Unplatted Acres for the General Fund are the total planned units less the platted units

(5) - All units for the Series 2013 A-1 Bonds are fully allocated with the Plat of Phase 3, as such the review the assessment at MADS

RESOLUTION 2018-7

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT ADOPTING AN ELECTRONIC RECORDS
POLICY AND ADDRESSING SEVERABILITY, CONFLICTS AND AN EFFECTIVE
DATE.**

WHEREAS, the Artisan lakes Community Development District (“**District**”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated in Manatee County, Florida; and

WHEREAS, Chapter 190, *Florida Statutes*, authorizes the District to adopt rules to govern the administration of the District and to adopt resolutions as may be necessary for the conduct of district business; and

WHEREAS, Section 1.2(2) of the District’s Rules of Procedure appoints the Secretary of the District as the District’s records custodian; and

WHEREAS, the District maintains an active and continuing program for the economical and efficient management of records and provides for the appointment of a records management liaison officer as required by Section 257.36(5), *Florida Statutes*; and

WHEREAS, the District previously adopted Resolution 2010-02 and thereby appointed the Secretary of the District as the records management liaison officer and both Resolution 2008-02 and 2010-02 adopted a records retention policy; and

WHEREAS, Rule 1B-26.003, *Florida Administrative Code*, allows the District’s records custodian to designate an electronic copy of an original paper record as the record (master) copy and designate the original paper copy as a duplicate; and

WHEREAS, the District desires to authorize the District’s records custodian to adopt an electronic records policy as described more fully in **Exhibit A (“Electronic Records Policy”)**, as such policy may be amended from time to time, for creating electronic copies of original paper records, designating such electronic copies as the record (master) copy, designating such original paper copies as duplicates and destroying, or otherwise disposing of, such originals in accordance with the applicable general schedule once such originals are obsolete, superseded or the administrative value is lost; and

WHEREAS, consistent with Rule 1B-26.003, *Florida Administrative Code*, the District has undertaken a cost benefit analysis to determine that the adoption of the Electronic Records Policy would be cost-effective by, among other things, obviating the need to store paper records; and

WHEREAS, the District’s Board of Supervisors (“**Board**”) finds that it is in the best interests of the District, and most cost-effective, to adopt by resolution the Electronic Records Policy for immediate use and application;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE
ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT:**

1. RECITALS. The foregoing recitals are true and correct and incorporated herein as findings of the District’s Board of Supervisors.

2. ADOPTION OF ELECTRONIC RECORDS POLICY. The District hereby authorizes the District’s records custodian to implement the Electronic Records Policy substantially in the form of **Exhibit A** attached hereto and by reference incorporated herein.

3. SEVERABILITY. If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

4. CONFLICTS. Upon its passage, this resolution is intended to supplement the District's prior rules and policies regarding records management, including but not limited to Resolutions 2008-02 and 2010-02 referenced above, and, accordingly, all such prior rules and policies remain in full force and effect, except to the extent modified by this resolution.

5. EFFECTIVE DATE. This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 7th day of June, 2018.

ATTEST:

ARTISAN LAKESCOMMUNITY DEVELOPMENT DISTRICT

James P. Ward, Secretary

Michael Bachman, Chairperson

Exhibit A: Electronic Records Policy

**ELECTRONIC RECORDS POLICY FOR
THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT**

1. PURPOSE OF ELECTRONIC RECORDS POLICY. The purpose of this Electronic Records Policy (“Policy”) is to create a more efficient and cost effective means for retaining and managing District records by authorizing the District to designate electronic copies of original paper records as record, “master” copies, and to dispose of the duplicate original paper records.

2. DESIGNATION OF ELECTRONIC COPIES AS MASTER COPIES. It is the policy of the District to retain and manage records in accordance with, and pursuant to, Rule 1B-26.003, *Florida Administrative Code*, and, more specifically, to: (i) create electronic copies of original paper records, (ii) designate all such electronic copies as the record (master) copies; and (iii) destroy, or otherwise dispose of, such originals in accordance with the applicable general schedule once such originals are obsolete, superseded or the administrative value is lost. The District records custodian in his or her sole discretion may select which original paper records, if any, shall be subject to the implementation of this Policy.

All District Supervisors, officers, managers, staff, employees, and other personnel and contractors (where applicable) shall manage, protect, and maintain all records in accordance with the applicable retention schedule approved by the Division of Library and Information Services, the District’s applicable records retention rules and policies, Rule 1B-26.003, *Florida Administrative Code*, a copy of which is attached hereto, and this Policy.

3. DISTRICT DUTIES AND RESPONSIBILITIES. The District and the District’s record custodian shall develop and implement this Policy, all in compliance with Rule 1B-26.003(6), *Florida Administrative Code*, the terms of which are incorporated herein. Among other things, the District shall ensure that all records are included within records retention schedules, integrate the management of electronic records with other records and information resources management programs, incorporate electronic records management objectives, responsibilities, and authorities in pertinent District directives, establish procedures for addressing records management requirements, provide training as appropriate, etc.

4. PUBLIC RECORDS. The District shall ensure that the electronic recordkeeping systems meet all requirements for public access to records in accordance with Chapter 119, *Florida Statutes*. Toward that end, the District shall provide copies of electronic records to any person making a public records request, shall ensure that all District contracts do not impair the right of the public to access District records, shall maintain the confidentiality of records exempt from disclosure, and otherwise shall satisfy the requirements of Chapter 119, *Florida Statutes*, and Rule 1B-26.003(6)(g), *Florida Administrative Code*, the terms of which are incorporated herein.

5. DOCUMENTATION STANDARDS. The District shall develop and maintain adequate and up-to-date technical and descriptive documentation for each electronic recordkeeping system in compliance with Rule 1B-26.003(7), *Florida Administrative Code*, the terms of which are incorporated herein. Among other things, and without intending to limit the requirements of Rule 1B-26.003(7), *Florida Administrative Code*, the documentation shall include a narrative description of the system, the physical and technical characteristics of the system, and any other technical information needed to read or process the records.

6. CREATION AND USE OF ELECTRONIC RECORDS. The District shall comply with Rule 1B-26.003(8), *Florida Administrative Code*, the terms of which are incorporated herein, with respect to the creation and use of electronic records. Among other things, the District shall provide a method for authorized users to retrieve desired records, shall provide an appropriate level of security in order to maintain the integrity of the records, shall identify the open format or standard interchange format when necessary to permit the exchange of records on electronic media, and shall provide for the disposition of the records, including, when appropriate, transfer to the Florida State Archives. Before a record (master) copy is created on an electronic recordkeeping system, the record shall be uniquely identified to enable authorized personnel to retrieve, protect, and carry out the disposition of records in the system.

7. LEGAL AUTHENTICATION. Pursuant to Rule 1B-26.003(9), *Florida Administrative Code*, the terms of which are incorporated herein, the District shall implement the following procedures to enhance the legal admissibility of electronic records:

- a. Document that similar kinds of records generated and stored electronically are created by the same processes each time and have a standardized retrieval approach.
- b. Substantiate that security procedures prevent unauthorized addition, modification, or deletion of a record and ensure systems are protected against such problems as power interruptions.
- c. Identify the electronic media on which records are stored throughout their life cycle, the maximum time span that records remain on each storage media, and the official retention requirements as approved by the Division of Library and Information Services.

8. SELECTION OF ELECTRONIC RECORDS STORAGE MEDIA. The District shall select appropriate media and systems for the storage of electronic records throughout their life cycle pursuant to Rule 1B-26.003(10), *Florida Administrative Code*, the terms of which are incorporated herein. Among other things, such media and systems shall permit easy and accurate retrieval, shall retain the records in a usable format, and shall meet the standards, and be selected based on the factors, set forth in Rule 1B-26.003(10), *Florida Administrative Code*.

9. MAINTENANCE OF ELECTRONIC RECORDS. The District shall maintain electronic records in a manner consistent with the standards set forth in Rule 1B-26.003(11), *Florida Administrative Code*, the terms of which are incorporated herein.

10. RETENTION OF ELECTRONIC RECORDS. The District shall ensure that all electronic records are retained and accessible for as long as required by law and pursuant to Rule 1B-26.003(12), *Florida Administrative Code*, the terms of which are incorporated herein. Specifically, the District records custodian shall schedule the retention and disposition of all electronic documents, shall establish a process for recopying, reformatting and other necessary maintenance to ensure the retention and usability of electronic records throughout their authorized life cycle, and shall transfer a copy of the electronic records to the Florida State Archives at the time specified in the record retention schedule, if applicable.

11. DESTRUCTION OF ELECTRONIC RECORDS. The District shall destroy electronic records only in a manner consistent with the standards set forth in Rule 1B-26.003(13), *Florida Administrative Code*, the terms of which are incorporated herein. At a minimum, the District shall destroy electronic records in a manner such that any confidential or exempt information cannot practicably be read or reconstructed, and shall ensure that recording media previously used for electronic records containing confidential or exempt information are not reused if the previously recorded information can be comprised in any way by reuse.

Rule 1B-26.003, Florida Administrative Code

1B-26.003 Electronic Recordkeeping.

(1) Purpose. These rules provide standards for record (master) copies of public records which reside in electronic recordkeeping systems. Recordkeeping requirements must be incorporated in the system design and implementation of new systems and enhancements to existing systems. Public records are those as defined by section 119.011(11), F.S.

(2) Authority. The authority for the establishment of this rule is sections 257.14 and 257.36(1) and (6), F.S.

(3) Scope.

(a)1. These rules are applicable to all agencies as defined by section 119.011(2), F.S.

2. These rules establish minimum requirements for the creation, utilization, maintenance, retention, preservation, storage and disposition of electronic record (master) copies, regardless of the media.

3. Electronic records include numeric, graphic, audio, video, and textual information which is recorded or transmitted in analog or digital form.

4. These rules apply to all electronic recordkeeping systems, including, but not limited to, microcomputers, minicomputers, main-frame computers, and image recording systems (regardless of storage media) in network or stand-alone configurations.

(b) Before existing records are committed to an electronic recordkeeping system, the agency shall conduct a cost benefit analysis to insure that the project or system contemplated is cost effective.

(4) Intent. Electronic recordkeeping systems in use at the effective date of this rule, that are not in compliance with the requirements of this rule, may be used until the systems are replaced or upgraded. New and upgraded electronic recordkeeping systems created after the effective date of this rule shall comply with the requirements contained herein. The Department is aware that it may not be possible to implement this rule in its entirety immediately upon its enactment, and it is not the intent by this rule to disrupt existing recordkeeping practices provided that agencies make no further disposition of public records without approval of the Division of Library and Information Services of the Department of State.

(5) Definitions. For the purpose of these rules:

(a) "ASCII" means the American Standard Code for Information Interchange, a 7-bit coded character set for information interchange which was formerly ANSI (American National Standards Institute) Standard X3.4 and has since been incorporated into the Unicode standard as the first 128 Unicode characters.

(b) "Database" means an organized collection of automated information.

(c) "Database management system" means a set of software programs that controls the organization, storage and retrieval of data (fields, records and files) in a database. It also controls the security and integrity of the database.

(d) "Digital signature" means a type of electronic signature (any letters, characters, or symbols executed with an intent to authenticate) that can be used to authenticate the identity of the sender of a message or the signer of a document and to ensure that the original content of the message or document that has been sent is unchanged. Digital signatures can be created through hashing algorithms.

(e) "Electronic record" means any information that is recorded in machine readable form.

(f) "Electronic recordkeeping system" means an automated information system for the organized collection, processing, transmission, and dissemination of information in accordance with defined procedures.

(g) "Hashing algorithm" (hash function, checksum) means a formula or procedure for checking that electronically transmitted messages or documents have not been altered by transforming a string of characters into a usually shorter fixed-length "hash value" or key that represents the original string. The receiver of the message can execute the same hashing algorithm as the sender and compare the resulting hash values; any difference in the hash values indicates an alteration of the message or document sent. Hashing algorithms can be used to create digital signatures.

(h) "System design" means the design of the nature and content of input, files, procedures, and output and their interrelationships.

(i) "Permanent or long-term records" means any public records as defined by section 119.011(11), F.S., which have an established retention period of more than 10 years.

(j) "Record (master) copy" means public records specifically designated by the custodian as the official record.

(k) "Geographic information system" means a computer system for capturing, storing, checking, integrating, manipulating, analyzing and displaying data related to positions on the Earth's surface.

(l) "Open format" means a data format that is defined in complete detail, allows transformation of the data to other formats without loss of information, and is open and available to the public free of legal restrictions on use. An open format may be either standards-based or proprietary.

(m) "Unicode" means the universal character encoding standard maintained by the Unicode Consortium, providing the basis for processing, storage, and interchange of text data in any language in all modern software and information technology protocols.

(6) Agency duties and responsibilities. Each agency shall:

(a) Develop and implement a program for the management of electronic records.

(b) Ensure that all records are included within records retention schedules, either by being included within an applicable General Records Schedule, or by developing and obtaining approval for an individual agency-specific records retention schedule in accordance with Rule 1B-24.003, F.A.C., Records Retention Scheduling and Dispositioning.

(c) Integrate the management of electronic records with other records and information resources management programs of the agency.

(d) Incorporate electronic records management objectives, responsibilities, and authorities in pertinent agency directives, or rules, as applicable.

(e) Establish procedures for addressing records management requirements, including recordkeeping requirements and disposition, before approving, recommending, adopting, or implementing new electronic recordkeeping systems or enhancements to existing systems.

(f) Provide training for users of electronic recordkeeping systems in the operation, care, and handling of the equipment, software, and media used in the system.

(g) Ensure that agency electronic recordkeeping systems meet state requirements for public access to records in accordance with chapter 119, F.S.

1. Standard. Each agency which maintains public records in an electronic recordkeeping system shall provide, to any person making a public records request pursuant to chapter 119, F.S., a copy of any data in such records which is not exempt from disclosure by statute. Said copy shall be on paper, disk, tape, optical disk, or any other electronic storage device or media requested by the person, if the agency currently maintains the record in that form, or as otherwise required by chapter 119, F.S. Except as otherwise provided by state statute, the cost for providing a copy of such data shall be in accordance with the provisions of sections 119.07(4), F.S.

2. Standard. Except as otherwise provided by law, no agency shall enter into a contract with, or otherwise obligate itself to, any person or entity for electronic recordkeeping hardware, software, systems, or services if such contract or obligation impairs the right of the public under state law to inspect or copy the agency's nonexempt public records, or impairs the agency's ability to retain the records in accordance with established records retention schedules.

3. Standard. In providing access to electronic records, agencies shall ensure that procedures and controls are in place to maintain confidentiality for information which is exempt from public disclosure.

(7) Documentation standards.

Standard. Agencies shall develop and maintain adequate and up-to-date technical and descriptive documentation for each electronic recordkeeping system to specify characteristics necessary for reading or processing the records. Documentation for electronic records systems shall be maintained in electronic or printed form as necessary to ensure access to the records. The minimum documentation required is:

(a) A narrative description of the system, including all inputs and outputs of the system; the organization and contents of the files and records; policies on access and use; security controls; purpose and function of the system; update cycles or conditions and rules for adding information to the system, changing information in it, or deleting

information; and the location and media in which electronic records are maintained and their retention requirements to ensure appropriate disposition of records in accordance with Chapter 1B-24, F.A.C.

(b) The physical and technical characteristics of the records, including a record layout or markup language that describes each file or field including its name, size, starting or relative position, and description of the form of the data (such as alphabetic, decimal, or numeric), or a data dictionary or the equivalent information associated with a database management system including a description of the relationship between data elements in databases;

(c) For information coming from geographic information systems, the physical and technical characteristics of the records must be described including a data dictionary, a quality and accuracy report and a description of the graphic data structure, such as recommended by the federal Spatial Data Transfer Standards; and,

(d) Any other technical information needed to read or process the records.

(8) Creation and use of electronic records. Electronic recordkeeping systems that maintain record (master) copies of public records on electronic media shall meet the following minimum requirements:

(a)1. Provide a method for all authorized users of the system to retrieve desired records;

2. Provide an appropriate level of security to ensure the integrity of the records, in accordance with the requirements of chapter 282, F.S. Security controls should include, at a minimum, physical and logical access controls, backup and recovery procedures, and training for custodians and users. Automated methods for integrity checking should be incorporated in all systems that generate and use official file copies of records. Hashing algorithms and digital signatures should be considered for all official file copies of electronic records. The use of automated integrity controls, such as hashing algorithms and digital signatures, can reduce the need for other security controls. Hashing algorithms used to protect the integrity of official file copies of records should meet the requirements of US Federal Information Processing Standard Publication 180-2 (FIPS-PUB 180-2) (August 1, 2002) entitled "Secure Hash Standard," (or "Secure Hash Signature Standard") which is hereby incorporated by reference, and made a part of this rule. This publication is available from the National Technical Information Service (NTIS), 5285 Port Royal Road, U.S. Department of Commerce, Springfield, VA 22161, and at the Internet Uniform Resource Locator: <http://csrc.nist.gov/publications/fips/fips180-2/fips180-2.pdf>. Agencies utilizing hashing algorithms shall only use validated implementations of hashing algorithms.

3. Identify the open format or standard interchange format when necessary to permit the exchange of records on electronic media between agency electronic recordkeeping systems using different software/operating systems and the conversion or migration of records on electronic media from one system to another. For text records in the absence of other conversion capabilities, the word processing or text creation system should be able to import and export files in the ASCII or Unicode format as prescribed by the Unicode 5.0 Standard (or successor Unicode Standard), which is hereby incorporated by reference, and made a part of this rule. This publication is available from the Unicode Consortium, P.O. Box 391476, Mountain View, CA 94039-1476, and at the Internet Uniform Resource Locator: <http://www.unicode.org/book/bookform.html>; and

4. Provide for the disposition of the records including, when appropriate, transfer to the Florida State Archives.

(b) Standard. Before a record (master) copy is created on an electronic recordkeeping system, the record shall be uniquely identified to enable authorized personnel to retrieve, protect, and carry out the disposition of records in the system. Agencies shall ensure that records maintained in such systems can be correlated with any existing related records on paper, microfilm, or other media.

(9) Legal authentication. Agencies shall implement the following procedures to enhance the legal admissibility of electronic records:

(a) Document that similar kinds of records generated and stored electronically are created by the same processes each time and have a standardized retrieval approach.

(b) Substantiate that security procedures prevent unauthorized addition, modification, or deletion of a record and ensure systems are protected against such problems as power interruptions.

(c) Identify the electronic media on which records are stored throughout their life cycle, the maximum time span that records remain on each storage media, and the official retention requirements as approved by the Division of Library and Information Services.

(d) State agencies shall, and other agencies are encouraged to, establish and maintain integrity controls for record (master) copies of electronic records in accordance with the requirements of chapter 282, F.S.

(10) Selection of electronic records storage media. For storing record (master) copies of electronic public records throughout their life cycle, agencies shall select appropriate media and systems which meet the following requirements:

(a) Permit easy and accurate retrieval in a timely fashion;

(b) Retain the records in a usable format until their authorized disposition and, when appropriate, meet the requirements necessary for transfer to the Florida State Archives.

(c) Standard. Agencies shall not use floppy disks, audio cassettes, or VHS-format video cassettes for the storage of record (master) copies of permanent or long-term records. Permanent or long-term records on magnetic tape shall be stored on polyester-based media. Agencies shall use only previously unrecorded audio or video tape for record (master) copies of permanent or long-term audio or video recordings.

(d) Standard. A scanning density with a minimum of 300 dots per inch is required for scanned images created by the agency from hard copy permanent or long-term records.

(e) Standard. Record (master) copies of scanned images created by the agency from hard copy permanent or long-term records must be stored in accordance with a published International Organization for Standardization (ISO) open standard image format.

(f) The following factors are to be considered before selecting a storage media or converting from one media to another:

1. The authorized retention of the records as determined during the scheduling process;
2. The maintenance necessary to retain the records;
3. The cost of storing and retrieving the records;
4. The access time to retrieve stored records;
5. The portability of the medium (that is, selecting a medium that can be read by equipment offered by multiple manufacturers); and,
6. The ability to transfer the information from one medium to another, such as from optical disk to magnetic tape.

(11) Maintenance of electronic records.

(a) Standard. Agencies shall back up electronic records on a regular basis to safeguard against the loss of information due to equipment malfunctions, human error, or other disaster. Agencies shall maintain backup electronic recording media created for disaster recovery purposes, and all preservation duplicates of permanent or long-term records, in an off-site storage facility, with constant temperature (below 68 degrees Fahrenheit) and relative humidity (20 to 30 percent) controls. Storage and handling of permanent or long-term records on magnetic tape shall conform to the standards contained in Standard AES22-1997 (r2003) "AES recommended practice for audio preservation and restoration – Storage and handling – Storage of polyester-base magnetic tape" (published 1997, reaffirmed 2003) which is hereby incorporated by reference and made a part of this rule. This publication is available from the Audio Engineering Society, Incorporated, 60 East 42nd Street, Room 2520, New York, New York 10165-2520, and at the Internet Uniform Resource Locator: <http://www.aes.org/publications/standards/search.cfm>. If an agency cannot practicably maintain backups and preservation duplicates as required in this section, the agency shall document the reasons why it cannot do so. Other electronic records media should be stored in a cool, dry, dark environment when possible (maximum temperature 73 degrees Fahrenheit, relative humidity 20-50 percent).

(b) Standard. Agencies shall annually read a statistical sample of all electronic media containing permanent or long-term records to identify any loss of information and to discover and correct the cause of data loss.

(c) Standard. Agencies shall test all permanent or long-term electronic records at least every 10 years and verify that the media are free of permanent errors. More frequent testing (e.g. at least every 5 years) is highly recommended.

(d) Standard. Agencies shall only rewind tapes immediately before use to restore proper tension. When tapes with extreme cases of degradation are discovered, they should be rewound to avoid more permanent damage and

copied to new media as soon as possible. Tapes shall be played continuously from end to end to ensure even packing. Tapes shall be stored so that the tape is all on one reel or hub.

(e) Standard. Agencies shall prohibit smoking, eating, and drinking in areas where electronic records are created, stored, used, or tested.

(f) Standard. External labels (or the equivalent automated management system) for electronic recording media used to store permanent or long term records shall provide unique identification for each storage media, including:

1. The name of the organizational unit responsible for the data;
2. System title, including the version number of the application;
3. Special security requirements or restrictions on access, if any; and,
4. Software in use at the time of creation.

(g) Standard. For all media used to store permanent or long-term electronic records, agencies shall maintain human readable information specifying recording methods, formats, languages, dependencies, and schema sufficient to ensure continued access to, and intellectual control over, the records. Additionally, the following information shall be maintained for each media used to store permanent or long-term electronic records:

1. File title;
2. Dates of creation;
3. Dates of coverage; and,
4. Character code/software dependency.

(h) Standard. Electronic records shall not be stored closer than 2 meters (about 6 feet, 7 inches) from sources of magnetic fields, including generators, elevators, transformers, loudspeakers, microphones, headphones, magnetic cabinet latches and magnetized tools.

(i) Standard. Electronic records on magnetic tape or disk shall not be stored in metal containers unless the metal is non-magnetic. Storage containers shall be resistant to impact, dust intrusion and moisture. Compact disks shall be stored in hard cases, and not in cardboard, paper or flimsy sleeves.

(j) Standard. Agencies shall ensure that record (master) copies of electronic records are maintained by personnel properly trained in the use and handling of the records and associated equipment.

(k) Agencies shall establish and adopt procedures for external labeling of the contents of diskettes, disks, tapes, or optical disks so that all authorized users can identify and retrieve the stored information.

(l) Agencies shall convert storage media to provide compatibility with the agency's current hardware and software to ensure that information is not lost due to changing technology or deterioration of storage media. Before conversion of information to different media, agencies must determine that authorized disposition of the electronic records can be implemented after conversion. Permanent or long-term electronic records stored on magnetic tape shall be transferred to new media as needed to prevent loss of information due to changing technology or deterioration of storage media.

(12) Retention of electronic records. Each agency is responsible for ensuring the continued accessibility and readability of public records throughout the entire life cycle regardless of the format or media in which the records are maintained.

Agencies shall establish policies and procedures to ensure that electronic records and their documentation are retained and accessible as long as needed. These procedures shall include provisions for:

(a) Standard. Scheduling the retention and disposition of all electronic records, as well as related access documentation and indexes, in accordance with the provisions of Chapter 1B-24, F.A.C.

(b) Standard. Establishing procedures for regular recopying, reformatting, and other necessary maintenance to ensure the retention and usability of the electronic records throughout their authorized life cycle.

(c) Standard. Transferring a copy of the electronic records and any related documentation and indexes to the Florida State Archives at the time specified in the records retention schedule, if applicable. Transfer may take place at an earlier date if convenient for both the agency and the Archives.

(13) Destruction of electronic records. Electronic records may be destroyed only in accordance with the provisions of Chapter 1B-24, F.A.C. At a minimum each agency shall ensure that:

(a) Electronic records scheduled for destruction are disposed of in a manner that ensures that any information that is confidential or exempt from disclosure, including proprietary or security information, cannot practicably be read or reconstructed; and,

(b) Recording media previously used for electronic records containing information that is confidential or exempt from disclosure, including proprietary or security information are not reused if the previously recorded information can be compromised in any way by reuse.

Rulemaking Authority 257.14, 257.36(1), 257.36(6) FS. Law Implemented 257.36(1)(a) FS. History—New 8-16-92, Amended 5-13-03, 5-21-08.

To the Board of Supervisors
Artisan Lakes Community Development District

We have audited the financial statements of Artisan Lakes Community Development District (the "District") as of and for the year ended September 30, 2017, and have issued our report thereon dated May 22, 2018. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 28, 2016, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in the notes to the financial statements. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2017. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

Management's estimate of depreciation is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no identified misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated May 22, 2018.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Supervisors and management of the District and is not intended to be and should not be used by anyone other than these specific parties.

McDiernit Davis & Company, LLC

Orlando, Florida

May 22, 2018



ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

FINANCIAL REPORT
Year Ended September 30, 2017

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

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Year Ended September 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Artisan Lakes Community Development District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the *Artisan Lakes Community Development District* (the "District"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 22, 2018, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

McDiarmid Davis & Company, LLC

Orlando, Florida
May 22, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the *Artisan Lakes Community Development District's* (the "District") financial performance provides an overview of the District's financial activities for the fiscal years ended September 30, 2017 and 2016. Please read it in conjunction with the District's financial statements which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2017:

- The District's total assets exceeded its liabilities at September 30, 2017 by \$681,923, an increase of \$543,831 in the government wide statement on page 8, in comparison with the prior year. This increase is primarily attributable to property owner's prepaying the entire special assessment for their property. Government wide statements do not consider principal to be an expense.
- At September 30, 2017, the District's governmental funds reported a combined fund balance of \$1,440,049, an increase of \$170,479 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 7 and 8 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one fund type: Governmental Funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on pages 9 through 12 of this report.

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 26 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statements of net position as of September 30, 2017 and 2016:

Artisan Lakes Community Development District
Statement of Net Position

	September 30, 2017	September 30, 2016
Assets, excluding capital assets	\$ 1,446,974	\$ 1,277,315
Capital Assets, net of depreciation	6,548,629	6,848,768
Total assets	7,995,603	8,126,083
Liabilities, excluding long-term liabilities	213,680	232,991
Long-term Liabilities	7,100,000	7,755,000
Total liabilities	7,313,680	7,987,991
Net Position		
Net investment in capital assets	(551,371)	(906,232)
Restricted for debt service	1,150,749	985,266
Unrestricted	82,545	59,058
Total net position	\$ 681,923	\$ 138,092

Governmental activities for the year ended September 30, 2017 increased the District's net position by \$543,831, as reflected in the table below:

Changes in Net Position
Year ended September 30,

	2017	2016
Revenues:		
Program revenues	\$ 1,408,493	\$ 1,153,666
General revenues	-	3
Total revenues	1,408,493	1,153,669
Expenses:		
General government	351,172	356,191
Interest on long-term debt	513,490	553,206
Total expenses	864,662	909,397
Change in net position	543,831	244,272
Net position - beginning	138,092	(106,180)
Net position - ending	\$ 681,923	\$ 138,092

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, an unassigned fund balance may serve as a useful measure of a District's net resources available for spending at the end of the fiscal year. The General and Debt Service Funds comprise the total governmental funds. The fund balance of the Debt Service Fund increased by \$146,992 in the current year because assessment revenue exceeded debt service payments. The fund balance of the General Fund increased \$23,487 from the prior year.

Capital Asset and Debt Administration

The District's investment in capital assets, net of accumulated depreciation, for its governmental activities as of September 30, 2017, amounts to \$6,548,629 and consists of land and improvements and infrastructure.

At the end of the year, the District had total bonded debt outstanding of \$7,100,000. The District's debt represents bonds secured solely by a specified revenue source (i.e., revenue bonds).

Additional information on the District's long-term debt can be found in Note 5 on pages 24 through 25 of this report.

General Fund Budgetary Highlights

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. There were no amendments to the general fund budget. The legal level of budgetary control is at the fund level.

Requests for Information

This financial report is designed to provide a general overview of *Artisan Lakes Community Development District's* finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Artisan Lakes Community Development District; JPWard & Associates, LLC, 2900 Northeast 12th Terrace, Suite 1, Oakland Park, Florida 33334.

FINANCIAL STATEMENTS

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF NET POSITION

September 30, 2017

	Governmental Activities
Assets:	
Cash	\$ 89,394
Assessments receivable	370,058
Restricted assets:	
Temporarily restricted investments	987,522
Capital assets:	
Capital assets being depreciated, net	<u>6,548,629</u>
Total assets	<u>7,995,603</u>
Liabilities:	
Accounts payable and accrued expenses	6,925
Accrued interest payable	206,755
Noncurrent liabilities:	
Due within one year	95,000
Due in more than one year	<u>7,005,000</u>
Total liabilities	<u>7,313,680</u>
Net Position:	
Net investment in capital assets	(551,371)
Restricted for debt service	1,150,749
Unrestricted	<u>82,545</u>
Total net position	<u><u>\$ 681,923</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF ACTIVITIES

Year Ended September 30, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		Net (Expense)
		<u>Charges for</u>	<u>Operating</u>	Revenue and
		<u>Services</u>	<u>and</u>	Changes in Net
			<u>Contributions</u>	Position
				Governmental
				Activities
Governmental Activities:				
General government	\$ 351,172	\$ 74,520	\$ -	\$ (276,652)
Interest on long-term debt	513,490	1,289,338	44,635	820,483
Total governmental activities	<u>\$ 864,662</u>	<u>\$ 1,363,858</u>	<u>\$ 44,635</u>	<u>543,831</u>
General Revenues:				-
Change in net position				543,831
Net Position - beginning				<u>138,092</u>
Net Position - ending				<u>\$ 681,923</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Cash	\$ 89,394	\$ -	\$ 89,394
Investments	-	987,522	987,522
Assessments receivable	370,058	-	370,058
Due from other funds	-	369,982	369,982
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 459,452</u>	<u>\$ 1,357,504</u>	<u>\$ 1,816,956</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	\$ 6,925	\$ -	\$ 6,925
Due to other funds	369,982	-	369,982
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>376,907</u>	<u>-</u>	<u>376,907</u>
Fund Balances:			
Restricted for debt service	-	1,357,504	1,357,504
Unassigned	82,545	-	82,545
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>82,545</u>	<u>1,357,504</u>	<u>1,440,049</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 459,452</u>	<u>\$ 1,357,504</u>	<u> </u>

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 6,548,629

Liabilities not due and payable from current available resources are not reported in governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.

Accrued interest payable	(206,755)	
Bonds payable	(7,100,000)	(7,306,755)
	<u> </u>	<u> </u>
Net Position of Governmental Activities		<u>\$ 681,923</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Year Ended September 30, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Revenues:			
Special assessments	\$ 74,520	\$ 757,239	\$ 831,759
Special assessments - prepayments	-	532,099	532,099
Investment income	-	44,635	44,635
Total revenues	<u>74,520</u>	<u>1,333,973</u>	<u>1,408,493</u>
Expenditures:			
Current:			
General government	51,033	-	51,033
Debt service:			
Interest	-	531,981	531,981
Principal	-	655,000	655,000
Total expenditures	<u>51,033</u>	<u>1,186,981</u>	<u>1,238,014</u>
Excess (Deficit) of Revenues Over Expenditures	23,487	146,992	170,479
Fund Balances - beginning of year	<u>59,058</u>	<u>1,210,512</u>	<u>1,269,570</u>
Fund Balances - end of year	<u>\$ 82,545</u>	<u>\$ 1,357,504</u>	<u>\$ 1,440,049</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

Year Ended September 30, 2017

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balances - total governmental funds (page 10)	\$ 170,479
Depreciation on capital assets is not recognized in the governmental fund statement, however, depreciation is reported as an expense in the statement of net position.	(300,139)
Governmental funds report outlays for capital assets as expenditure because such outlays use current financial resources; however, in the statement of net position the cost of those assets is recorded as capital assets.	-
Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.	655,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in accrued interest	<u>18,491</u>
Change in Net Position of Governmental Activities (page 8)	<u><u>\$ 543,831</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND

Year Ended September 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 75,652	\$ 75,652	\$ 74,520	\$ (1,132)
Total revenues	<u>75,652</u>	<u>75,652</u>	<u>74,520</u>	<u>(1,132)</u>
Expenditures:				
Current:				
General government	<u>75,652</u>	<u>75,652</u>	<u>51,033</u>	<u>24,619</u>
Total expenditures	<u>75,652</u>	<u>75,652</u>	<u>51,033</u>	<u>24,619</u>
Net change in fund balance	-	-	23,487	23,487
Fund Balance - beginning	<u>59,058</u>	<u>59,058</u>	<u>59,058</u>	<u>-</u>
Fund Balance - ending	<u>\$ 59,058</u>	<u>\$ 59,058</u>	<u>\$ 82,545</u>	<u>\$ 23,487</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2017

Note 1 - Organization and Operations

The Artisan Lakes Community Development District (the "District") was established on August 16, 2007, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190 of the Florida Statutes by Manatee County Ordinance 07-64. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purpose of planning, financing, constructing, operating and maintaining certain portions of community-wide infrastructure. The District consists of 664 acres of land and is located entirely within Manatee County, Florida.

The District is governed by a Board of Supervisors (the "Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of property within the District, and ownership of land within the District entitles the owner to one vote per acre. Three of the Board members are affiliated with Taylor Woodrow Communities at Artisan Lakes, LLC (the "Developer") at September 30, 2017. The District is economically dependent on the Developer. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has a final responsibility for:

- Assessing and levying special assessments
- Approving and adopting budgets
- Exercising control over facilities and property
- Controlling the use of funds generated by the District
- Hiring the District Manager, District Engineer and District Attorney
- Financing, operating and maintaining improvements.

Note 2 - Summary of Significant Accounting Policies:

The accounting policies of the District conform to Generally Accepted Accounting Principles (GAAP) as applicable to governments in accordance with those promulgated by the Governmental Accounting Standards Board (GASB). The District's more significant accounting policies are described below:

The Financial Reporting Entity

The criteria used for including component units consist of identification of legally separate organizations for which the Board of Supervisors of the District are financially accountable. This criteria also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting district's financial statements to be misleading or incomplete. Based upon this review, there were no potential component units of the District.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Basis of Presentation

Financial Statements - Government-Wide and Fund Financial Statements

The financial statements include both government-wide and fund financial statements.

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the district's activities are classified as governmental activities.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2017, the District did not have any business-type activities and therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use or directly benefit from goods or services) are reported as general revenues. In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full-accrual, economic resource basis, which recognizes all noncurrent assets and receivables as well as all noncurrent debt and obligations, when and if applicable.

The government-wide statement of activities reports both the gross and net cost of each of the District's functions. The net costs, by function, are also supported by general revenues. The statement of activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is more on the ability to sustain the District as an entity and the change in the District's net position resulting from the current year's activities.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Basis of Presentation (Continued)

Financial Statements - Fund Financial Statements

The accounts of the District are organized on the basis of funds. The operations of the funds are accounted for with separate self-balancing accounts that comprise their assets, liabilities, fund equity, revenues and expenditures.

The District reports the following governmental funds:

General Fund - This fund is used to account for all operating activities of the District. At this time, revenues are derived principally from non-ad valorem assessments and interest income.

Debt Service Fund - This fund is used to account for the accumulation of resources for and the payment of long-term debt principal, interest and other financing costs.

For the year ended September 30, 2017, the District does not report any proprietary funds.

Measurement Focus, Basis of Accounting and Presentation

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statements use the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current year.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Budget

A budget is adopted for the General Fund on an annual basis. Appropriations lapse at fiscal year-end. Changes or amendments to the total budgeted expenditures of the District must be approved by the District Board of Supervisors.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b. A public hearing is conducted to obtain property owner's comments.
- c. Prior to October 1, the budget is legally adopted by the District Board.
- d. The budgets are adopted on a basis consistent with generally accepted accounting principles.

Cash, Cash Equivalents and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Capital Assets

Capital assets, which include land and improvements, infrastructure and machinery and equipment, are reported in the governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Stormwater Improvements	25
Parkway Improvements	20

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2017.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2017.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Special Assessments

The District's Assessments are included on the property tax bill that all landowners receive. The Florida Statutes provide that special assessments may be collected by using the Uniform Method. Under the Uniform Method, the District's Assessments will be collected together with County and other taxes. These Assessments will appear on a single tax bill issued to each landowner subject to such. The statutes relating to enforcement of County taxes provided that County taxes become due and payable on November 1 of the year when assessed or as soon thereafter as certified tax roll is received by the Tax Collector and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes (together with any assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the District's Assessments. Upon any receipt of moneys by the Tax Collector from the Assessments, such moneys will be delivered to the District.

All city, county, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal and interest on bonds, including the District Assessments, that are collected by the Uniform Method are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full and such partial payment is not to be accepted and is to be returned to the taxpayer, provided, however that a taxpayer may contest a tax assessment pursuant to certain conditions in Florida Statutes and other applicable law.

Under the Uniform Method, if the Assessments are paid during November when due or at any time within thirty (30) days after mailing of the original tax notice or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. March payments are without discount. Pursuant to Section 197.222, Florida Statutes, taxpayers may elect to pay estimated taxes, which may include non-ad valorem special assessments such as the District's Assessments in quarterly installments with a variable discount equal to 6% on June 30 decreasing to 3% on December 31, with no discount on March 31. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of the notices to taxpayers may result in a delay throughout this process.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Special Assessments (Continued)

Certain taxpayers that are entitled to claim homestead tax exemption under Section 196.031(1), Florida Statutes may defer payment of a portion of the taxes and non-ad valorem assessments and interest accumulated on a tax certificate, which may include non-ad valorem special assessments. Deferred taxes and assessments bear interest at a variable rate not to exceed 7%. The amount that may be deferred varies based on whether the applicant is younger than 65 or is 65 years old or older; provided that applicants with a household income for the previous calendar year of less than \$10,000 or applicants with less than the designated amount for the additional homestead exemption under Section 196.075, Florida Statutes that are 65 year old or older may defer taxes and assessments in their entirety.

Collection of Delinquent Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Assessment due.

Equity Classifications

Government-wide statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation, if applicable, and reduced by the outstanding balances of any bonds, or other borrowings that are attributable to the acquisition, construction or improvement of those assets
- b. Restricted net position - consist of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Fund Statements

The District presents fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement requires that governmental fund financial statements presents fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has no Nonspendable fund balances as of September 30, 2017.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants.

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board of Supervisors (the "Board"). These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed fund balance as of September 30, 2017.

Assigned - This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the District Manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District did not have any assigned fund balances as of September 30, 2017.

Unassigned - This classification includes the residual fund balance for the General Fund.

When the District has expenditures for which committed, assigned or unassigned fund balance is available, the District would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 2 - Summary of Significant Accounting Policies (Continued):

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 - Deposits and Investments:

Deposits

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by Governmental Accounting Standards Board, Statement Number 40, *Deposits and Investment Disclosures (an Amendment of Governmental Accounting Standards Board, Statement Number 3)*.

Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District adopted GASB 72 during the fiscal year.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 3 - Deposits and Investments (Continued):

The following is a summary of the District's investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
First American Government Obligation Fund Class Y	\$ 987,522	AAAm	18 days

The District has the following recurring fair value measurements as of September 30, 2017:

- Money market mutual funds of \$987,522 are valued using Level 2 inputs.

These deposits and investments are reflected in the accompanying statement of net position and balance sheet - governmental funds in cash and cash equivalents.

Credit Risk

Florida Statutes require the money market mutual funds held by the District to have the highest credit quality rating from a nationally recognized rating agency. The money market mutual funds held by the District are rated AAAm by Standard and Poor's and AAA-mf by Moody's Investors Service.

Custodial Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The money market mutual funds are not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk

Florida Statutes provide that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due.

Concentration Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2017, the District's investments were not subject to custodial credit risk.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 4 - Capital Assets:

Capital asset activity for the year ended September 30, 2017 was as follows:

	Beginning Balance October 1, 2016	Additions	Disposals	Balance at September 30, 2017
Governmental Activities:				
Capital Assets Being Depreciated:				
Stormwater improvements	\$ 3,966,480	\$ -	\$ -	\$ 3,966,480
Parkway improvements	3,489,593	-	-	3,489,593
Total capital assets being depreciated	<u>7,456,073</u>	<u>-</u>	<u>-</u>	<u>7,456,073</u>
Total capital assets	<u>7,456,073</u>	<u>-</u>	<u>-</u>	<u>7,456,073</u>
Less Accumulated Depreciation for:				
Stormwater improvements	(316,818)	(158,659)	-	(475,477)
Parkway improvements	(290,487)	(141,480)	-	(431,967)
Total accumulated depreciation	<u>(607,305)</u>	<u>(300,139)</u>	<u>-</u>	<u>(907,444)</u>
Total capital assets being depreciated, net	<u>6,848,768</u>	<u>(300,139)</u>	<u>-</u>	<u>6,548,629</u>
Governmental activities capital assets, net	<u>\$ 6,848,768</u>	<u>\$ (300,139)</u>	<u>\$ -</u>	<u>\$ 6,548,629</u>

Provision for depreciation was charged to functions as follows:

Governmental Activities:

General government	<u>\$ 300,139</u>
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ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 5 - Long-Term Debt:

Summary of Long-Term Debt of Governmental Activities

Long-term debt of the governmental activities at September 30, 2017 is comprised of the following:

\$8,515,000 Capital Improvement Revenue Bonds, Series 2013; due in annual installments commencing 2015 through 2044; interest payable semi-annually ranging from 6.75% to 7.25%. \$ 7,100,000

The following is a summary of changes in governmental activities long-term debt for the year ended September 30, 2017:

	<u>Balance October 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2017</u>	<u>Due Within One Year</u>
Special Assessment Revenue Bonds, Series 2013	\$ 7,755,000	\$ -	\$ (655,000)	\$ 7,100,000	\$ 95,000
Total	<u>\$ 7,755,000</u>	<u>\$ -</u>	<u>\$ (655,000)</u>	<u>\$ 7,100,000</u>	<u>\$ 95,000</u>

Summary of Significant Debt Terms of Governmental Activities

In December 2013, the District issued \$8,515,000 Series 2013 Capital Improvement Revenue Bonds consisting of Series 2013A-1 \$1,480,000 due May 1, 2034 at 6.75% interest, Series 2013A-2 \$1,950,000 due May 1, 2044 at 7.0% interest, Series 2013A-3 \$2,585,000 due May 1, 2044 at 6.75% interest, and Series 2013A-4 \$2,500,000 due May 1, 2044 at 7.25% interest. The Bonds were issued for the purpose of funding certain capital projects within the boundaries of the District. Interest is payable semi-annually on the first day of each May and November. The bonds are secured by a pledge of revenues derived from the collection of non-ad valorem special assessments.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 5 - Long-Term Debt (Continued):

Summary of Significant Debt Terms of Governmental Activities (Continued)

The District is required by the Bond Indenture to levy and collect special assessments pursuant to Florida Statutes, Section 190.022. The collection of these assessments is restricted and applied to the debt service requirements of the Bond issue. Further, the District covenants to levy special assessments in annual amounts adequate to provide for the payment of principal and interest on the Bonds as they become due.

The Bonds are subject to redemption at the option of the District prior to their maturity and on or after May 1, 2024. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture requires a reserve fund requirement as well as other restrictions and requirements related principally to the use of proceeds to pay for the infrastructure improvement and the procedures to be followed by the District on assessments to property owners. As of September 30, 2017, the reserve fund account balance was sufficient to satisfy this requirement.

Total principal and interest remaining the Bonds is \$16,047,826. For the current year ended September 30, 2017, total principal and interest paid on the Bonds was \$1,186,981 and special assessment revenue pledged was \$1,289,338.

The annual debt service requirements for the Series 2013 Capital Improvement Revenue Bonds consist of:

Year Ending September 30,	Principal	Interest	Total
2018	\$ 95,000	\$ 496,213	\$ 591,213
2019	100,000	489,650	589,650
2020	105,000	482,750	587,750
2021	115,000	475,488	590,488
2022	125,000	467,550	592,550
2023 - 2027	755,000	2,197,712	2,952,712
2028 - 2032	1,065,000	1,897,488	2,962,488
2033 - 2037	1,515,000	1,469,150	2,984,150
2038 - 2042	2,135,000	855,663	2,990,663
2043 - 2046	1,090,000	116,162	1,206,162
	<u>\$ 7,100,000</u>	<u>\$ 8,947,826</u>	<u>\$ 16,047,826</u>

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2017

Note 6 - Risk Management:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. To mitigate this risk, the District purchases an insurance policy that provides coverage for the cost of general liability for the year ending September 30, 2017. Another insurance policy carried by the District during the year includes public official's liability. Deductible amounts ranged from \$0 to \$2,500. There have been no claims against the District during the last three fiscal years.

Note 7 - Concentration:

A significant portion of the District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a materially adverse effect on the District's ability to pay the principal and interest on the District Series 2013 Bonds, along with the operations of the District. For the period ending September 30, 2017, the Developer's share of annual assessment revenue was 46%. Prepayment of total lot debt is not mandatory by property owners. There was \$370,058 due from the Developer at year end.

At September 30, 2017, three of the members of the Board of Supervisors are affiliated with the Developer.

COMPLIANCE SECTION

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Supervisors
Artisan Lakes Community Development District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the *Artisan Lakes Community Development District* (the “District”) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated May 22, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDiernit Davis & Company, LLC

Orlando, Florida
May 22, 2018

MANAGEMENT COMMENTS

Board of Supervisors
Artisan Lakes Community Development District

Report on the Financial Statements

We have audited the financial statements of the *Artisan Lakes Community Development District*, (the "District") as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated May 22, 2018.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550. Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 22, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i).1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i).4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

29MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Annual Financial Report

Section 10.554(1)(i)5.b.and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the annual financial report for the District for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports were in agreement.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, require us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

McDermitt Davis & Company, LLC

Orlando, Florida
May 22, 2018

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

Board of Supervisors
Artisan Lakes Community Development District

We have examined Artisan Lakes Community Development District's (the District) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2017. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

MCDIRMIT DAVIS & COMPANY, LLC

Orlando, Florida
May 22, 2018

RESOLUTION 2018-8

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT RESCINDING SPECIAL ASSESSMENTS PREVIOUSLY LEVIED BY RESOLUTION 2018-1; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Artisan Lakes Community Development District (“**District**”) is empowered by Chapter 190, the Uniform Community Development District Act, Chapter 170, Supplemental and Alternative Method of Making Local Municipal Improvements, and Chapter 197, the Uniform Method for the Levy, Collection and Enforcement of Non-Ad Valorem Assessments, *Florida Statutes*, to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain the improvements and to impose, levy and collect the 2017 Debt Assessments (as defined below); and

WHEREAS, the Board of Supervisors of the Artisan Lakes Community Development District (“**Board**”) previously adopted Resolution 2018-2 on November 2, 2017, levying special assessments (“**2017 Debt Assessments**”) to defray the cost of certain improvements pursuant to Chapter 190, *Florida Statutes*; and

WHEREAS, the District has not yet issued any bonds that would be secured by the 2017 Debt Assessments, and has not collected any such 2017 Debt Assessments; and

WHEREAS, it is in the best interest of the District to rescind such levy of the 2017 Debt Assessments;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT:

1. RESCINDING 2017 DEBT ASSESSMENTS. The 2017 Debt Assessments levied by Resolution 2018-1, attached hereto and made a part hereof are hereby rescinded. Such rescission only applies to the 2017 Debt Assessments levied pursuant to Resolution 2018-1 and does not affect in any way other debt service or other special assessments previously levied by the District. District Staff is hereby directed to update the District’s improvement lien book and take such other steps that are necessary to reflect that the 2017 Debt Assessments are hereby nullified and cancelled.

2. EFFECTIVE DATE. This Resolution shall become effective upon its passage.

PASSED AND ADOPTED this 7th , day of June, 2018.

ATTEST:

**BOARD OF SUPERVISORS OF THE
ARTISAN LAKES COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Michael Bachman, Chairman

From: [Sharon Stief](#)
To: [Jim Ward](#)
Subject: RE: Qualified Electors as of 04 15 2018
Date: Friday, April 20, 2018 10:38:59 AM
Attachments: [Qualifying Information for Special Districts.zip](#)

Jim,

I am so sorry. I miss-typed the date. You are correct the date should be 04/15/2018.

-

Thank you for your response regarding the seats up for election for Artisan Lakes. Please find attached the qualifying information for any interested in qualifying for CDD Supervisor. If you have any questions, please give me a call at (941) 741-3823 ext. #6437 or email Sharon@VoteManatee.com.

Thank you

Sharon Stief

Sharon Stief, MFCEP
Chief Deputy
Manatee County Elections
(941) 741-3823 ext. #6437
(941) 741-3820 fax
sharon@votemanatee.com



From: Jim Ward [mailto:jimward@jpwardassociates.com]
Sent: Friday, April 20, 2018 10:26 AM
To: Sharon Stief <Sharon@votemanatee.com>
Subject: RE: Qualified Electors as of 04 15 2018

Hi Sharon,

Artisan Lakes – yes Seats 4 and 5

Also – on the below – your note says as of 04/15/2013 – I am assuming you mean “2018” – please confirm.

Jim.

PLEASE NOTE THE NEW MAILING ADDRESS BELOW AND ON THE ATTACHED V-CARD.



Electronic Mail: Under Florida Law, electronic mail addresses are Public Records. If you do not want your e-mail address released in response to a public records request, please do not e-mail the District and contact the District at the address or phone number as noted above.

Florida has a very broad public records law. Most written communication to or from the District are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail address and message may be subject to public disclosure.

Elected Public Officials should NOT use the “reply all” feature to any e-mail transmissions where Public Officials of the Board/Commission that you serve on are in the e-mail transmission. If you have any questions, please contact the office of the Manager immediately.

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Thank you.

From: Sharon Stief [<mailto:Sharon@votemanatee.com>]
Sent: Monday, April 16, 2018 2:47 PM
To: Jim Ward
Subject: RE: Qualified Electors as of 04 15 2018

Good Afternoon Jim,

In response to your request for information, the voter totals as of April 15, 2013 are as follows:

Community Development Districts

<i>District</i>	<i>Total Voters</i>
Artisan Lakes CDD	359
Buckeye Park CDD	0
Heritage Harbour North CDD	1,806
Heritage Harbour South CDD	2,141

Also, I would just like to verify that for Artisan Lakes CDD Seats 4 & 5 will be on the November 2018 ballot. Please advise.

If you have any questions or need more information, please give me a call at (941) 741-3823 ext. #6437 or email Sharon@VoteManatee.com.

Thank you

Sharon Stief

Sharon Stief, MFCEP

Chief Deputy

Manatee County Elections

(941) 741-3823 ext. #6437

(941) 741-3820 fax

sharon@votemanatee.com



From: Jim Ward [<mailto:jimward@jowardassociates.com>]

Sent: Monday, April 16, 2018 11:11 AM

To: Sharon Stief <Sharon@votemanatee.com>

Cc: Karen Jones <Karen@votemanatee.com>
Subject: RE: Qualified Electors as of 04 15 2018

Morning Sharon –

Can you let me know when you will be able to send the QE for the below CDD's. Board Meetings coming up soon 😊

Thanks

Jim.

PLEASE NOTE THE NEW MAILING ADDRESS BELOW AND ON THE ATTACHED V-CARD.



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Thank you.

From: Sharon Stief [<mailto:Sharon@votemanatee.com>]
Sent: Tuesday, March 27, 2018 4:54 PM
To: Jim Ward
Cc: Karen Jones
Subject: RE: Qualified Electors as of 04 15 2018

Hi Jim,

According to our records, as of today March 27, 2018 there are 359 persons registered in the Artisan Lakes Community Development District. I will send another email with the other district information after April 15th. If you have any questions, please give me a call at (941) 741-3823 ext. #6437 or email Sharon@VoteManatee.com.

Thank you

Sharon Stief

Sharon Stief, MFCEP
Chief Deputy
Manatee County Elections
(941) 741-3823 ext. #6437
(941) 741-3820 fax
sharon@votemanatee.com



From: Jim Ward [<mailto:jimward@jowardassociates.com>]
Sent: Tuesday, March 27, 2018 8:45 AM
To: Karen Jones <Karen@votemanatee.com>
Cc: Sharon Stief <Sharon@votemanatee.com>
Subject: RE: Qualified Electors as of 04 15 2018

Hi Karen,

It's that time of year again, could you please send via email the number of qualified elector's as of

04/15/2018 for the following CDD's

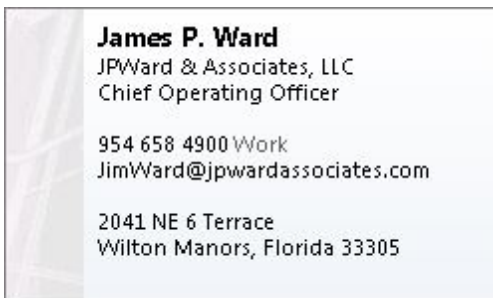
1. Artisan Lakes CDD
2. Buckeye Park CDD
3. Heritage Harbour North CDD
4. Heritage Harbour Market Place CDD

For Artisan Lakes specifically – if you could let me know asap even something preliminary that would be helpful, I think that CDD hits the threshold this year to start the transition to qualified elections, so if we are over 250 qualified electors – then we will need to set up that CDD for a qualified elector election.

Thanks

Jim.

PLEASE NOTE THE NEW E-MAIL ADDRESS BELOW AND ON THE ATTACHED V-CARD.



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Under Florida Law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact our office by phone or in writing.

Artisan Lakes Community Development District

Financial Statements

April 30, 2018



Prepared by:

JPWARD AND ASSOCIATES LLC

***2900 NORTHEAST 12TH TERRACE
SUITE 1***

OAKLAND PARK, FLORIDA 33334

E-MAIL: JIMWARD@JPWARDASSOCIATES.COM

PHONE: (954) 658-4900

Artisan Lakes Community Development District

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JPWard & Associates, LLC
2900 Northeast 12th Terrace
Suite 1
Oakland Park, Florida 33334

**Artisan Lakes Community Development District
Balance Sheet
for the Period Ending April 30, 2018**

Governmental Funds				
	General Fund	Series 2013	Account Groups General Long Term Debt	Totals (Memorandum Only)
Assets				
Cash and Investments				
General Fund - Invested Cash	\$ 129,985	\$ -	\$ -	\$ 129,985
Debt Service Fund				
Interest Account				-
Series 2013 A-1	-	-	-	-
Series 2013 A-2	-	-	-	-
Series 2013 A-3	-	-	-	-
Sinking Account				-
Series 2013 A-1	-	-	-	-
Series 2013 A-2	-	-	-	-
Series 2013 A-3	-	-	-	-
Reserve Account				-
Series 2013 A-1	-	273,913	-	273,913
Series 2013 A-2	-	114,763	-	114,763
Series 2013 A-3	-	206,981	-	206,981
Revenue				-
Series 2013 A-1 and A-2	-	516,736	-	516,736
Series 2013 A-3	-	124,944	-	124,944
Prepayment Account				-
Series 2013 A-1	-	-	-	-
Series 2013 A-2	-	364,065	-	364,065
Due from Other Funds				-
General Fund	-	-	-	-
Debt Service Fund(s)		-	-	-
Assessments Receivable				-
Amount Available in Debt Service Funds	-	-	1,601,401	1,601,401
Amount to be Provided by Debt Service Funds	-	-	5,098,599	5,098,599
Total Assets	\$ 129,985	\$ 1,601,401	\$ 6,700,000	\$ 8,431,386

**Artisan Lakes Community Development District
Balance Sheet
for the Period Ending April 30, 2018**

	Governmental Funds			Totals (Memorandum Only)
	General Fund	Series 2013	Account Groups General Long Term Debt	
Liabilities				
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-			-
General Fund	-	-	-	-
Debt Service Fund(s)	-	-	-	-
Bonds Payable				-
Current Portion	-	-		-
Series 2013 A-1			\$45,000	
Series 2013 A-2			\$20,000	
Series 2013 A-3			\$30,000	
Long Term	-	-	-	-
Series 2013 A-1			\$3,260,000	
Series 2013 A-2			\$955,000	
Series 2013 A-3			\$2,390,000	
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,700,000</u>	<u>\$ -</u>
Fund Equity and Other Credits				
Investment in General Fixed Assets	-	-	-	-
Fund Balance				
Restricted				
Beginning: October 1, 2017 (Unaudited)	-	1,357,504	-	1,357,504
Results from Current Operations	-	243,897	-	243,897
Unassigned				
Beginning: October 1, 2017 (Unaudited)	86,344	-	-	86,344
Results from Current Operations	43,641	-	-	43,641
Total Fund Equity and Other Credits	<u>\$ 129,985</u>	<u>\$ 1,601,401</u>	<u>\$ -</u>	<u>\$ 1,731,386</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 129,985</u>	<u>\$ 1,601,401</u>	<u>\$ 6,700,000</u>	<u>\$ 1,731,386</u>

Prepared by:

JPWARD and Associates, LLC

Artisan Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through April 30, 2018

Description	October	November	December	January	February	March	April	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources										
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 73	0%
Interest										
Interest - General Checking	-	-	-	-	-	-	-	-	-	N/A
Special Assessment Revenue										
Special Assessments - On-Roll	-	3,548	16,675	17,136	901	193	465	38,918	35,595	109%
Special Assessments - Off-Roll	38,517	-	-	-	-	-	-	38,517	38,517	0%
Developer Contribution										
	-	-	-	-	-	-	-	-	-	N/A
Intragovernmental Transfer In										
	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 38,517	\$ 3,548	\$ 16,675	\$ 17,136	\$ 901	\$ 193	\$ 465	77,435	\$ 74,185	104%

Expenditures and Other Uses

Executive

Professional Management	1,667	1,667	1,667	1,667	1,667	1,667	1,667	11,667	20,000	58%
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Financial and Administrative

Audit Services	-	-	3,800	-	-	-	-	3,800	4,100	93%
Accounting Services	-	-	-	-	-	-	-	-	-	N/A
Assessment Roll Services	-	-	-	-	-	-	-	-	-	N/A
Arbitrage Rebate Services	-	-	-	-	1,000	-	500	1,500	500	300%

Other Contractual Services

Legal Advertising	-	1,689	-	-	159	-	-	1,849	2,500	74%
Trustee Services	5,886	-	-	-	-	-	-	5,886	8,250	71%
Dissemination Agent Services	-	-	-	-	-	-	500	500	5,000	10%
Property Appraiser Fees	-	-	-	-	-	-	-	-	-	N/A
Bank Service Fees	14	11	13	2	4	10	7	63	360	17%

Communications & Freight Services

Postage, Freight & Messenger	7	-	195	7	79	-	-	287	750	38%
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Computer Services - Website Development

	-	-	-	-	-	1,050	-	1,050	800	131%
--	---	---	---	---	---	-------	---	-------	-----	------

Prepared by:

JPWARD and Associates, LLC

Unaudited

Artisan Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through April 30, 2018

Description	October	November	December	January	February	March	April	Year to Date	Total Annual Budget	% of Budget
Insurance	4,500	-	-	-	-	-	-	4,500	6,000	75%
Printing & Binding		140				84	-	224	750	30%
Subscription & Memberships	-	175	-	-	-	-	-	175	175	100%
Legal Services										
Legal - General Counsel	-	163	660	-	1,471	-	-	2,294	13,000	18%
Other General Government Services										
Engineering Services	-	-	-	-	-	-	-	-	2,000	0%
Contingencies	-	-	-	-	-	-	-	-	-	N/A
Other Current Charges	-	-	-	-	-	-	-	-	-	N/A
Reserves										
Operational Reserves (Future Years)							-	-	10,000	0%
Other Fees and Charges	-	-	-	-	-	-	-	-	-	N/A
Discounts/Collection Fees							-	-	-	
Sub-Total:	12,073	3,846	6,334	1,676	4,379	2,811	2,674	33,793	74,185	46%
Total Expenditures and Other Uses:	\$ 12,073	\$ 3,846	\$ 6,334	\$ 1,676	\$ 4,379	\$ 2,811	\$ 2,674	\$ 33,793	\$ 74,185	46%
Net Increase/ (Decrease) in Fund Balance	26,444	(298)	10,341	15,460	(3,479)	(2,618)	(2,209)	43,641	(73)	
Fund Balance - Beginning	86,344	112,788	112,491	122,831	138,292	134,813	132,195	86,344	-	
Fund Balance - Ending	\$ 112,788	\$ 112,491	\$ 122,831	\$ 138,292	\$ 134,813	\$ 132,195	\$ 129,986	129,986	\$ (73)	

Artisan Lakes Community Development District
Debt Service Fund - Series 2013
Statement of Revenues, Expenditures and Changes in Fund Balance
Through April 30, 2018

Description	October	November	December	January	February	March	April	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources										
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	\$ (3,567)	N/A
Interest Income	479	573	441	629	948	957	1,230	5,257		N/A
Special Assessment Revenue										
Special Assessments - On-Roll	-	27,575	129,597	133,182	7,001	1,499	3,611	302,464	\$ 276,517	109%
Special Assessments - Off-Roll	-	-	-	-	-	171,631	-	171,631		
Series 2013 Bonds A-1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	\$ -	N/A
Series 2013 Bonds A-2							-	-	\$ 112,813	0%
Series 2013 Bonds A-3							-	-	\$ 205,450	0%
Special Assessments - Prepayments										
Series 2013 Bonds A-1							-	-		N/A
Series 2013 Bonds A-2	51,205	78,313	97,892	84,337	-	-	100,904	412,651		0%
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	-	0%
Total Revenue and Other Sources:	\$ 51,683	\$ 106,461	\$ 227,930	\$ 218,148	\$ 7,949	\$ 174,087	105,745	892,003	\$ 591,213	N/A
Expenditures and Other Uses										
Debt Service										
Principal Debt Service - Mandatory										
Series 2013 Bonds A-1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	\$ 45,000	0%
Series 2013 Bonds A-2							-	-	\$ 20,000	0%
Series 2013 Bonds A-3							-	-	\$ 30,000	0%
Principal Debt Service - Early Redemptions										
Series 2013 Bonds A-1	-	-	-	-	-	-	-	-	-	N/A
Series 2013 Bonds A-2	-	400,000	-	-	-	-	-	400,000	-	N/A
Series 2013 Bonds A-3	-	-	-	-	-	-	-	-	-	N/A
Interest Expense										
Series 2013 Bonds A-1	-	113,975	-	-	-	-	-	113,975	227,950	50%
Series 2013 Bonds A-2		46,406						46,406	92,813	50%
Series 2013 Bonds A-3		87,725						87,725	175,450	50%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 648,106	\$ -	\$ -	\$ -	\$ -	-	648,106	\$ 591,213	N/A
Net Increase/ (Decrease) in Fund Balance	51,683	(541,646)	227,930	218,148	7,949	174,087	105,745	243,897	3,567	
Fund Balance - Beginning	1,357,504	1,409,187	867,542	1,095,472	1,313,620	1,321,569	1,495,656	1,357,504	-	
Fund Balance - Ending	\$ 1,409,187	\$ 867,542	\$ 1,095,472	\$ 1,313,620	\$ 1,321,569	\$ 1,495,656	1,601,401	1,601,401	\$ 3,567	