

JPWard and Associates, LLC

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

REGULAR MEETING

AGENDA

June 13, 2017



James P. Ward
District Manager
2041 Northeast 6th Terrace
Wilton Manors, FL. 33305

Phone: 954-658-4900

E-mail:

JimWard@JPWardAssociates.com



Board of Supervisor's

**Andrew Miller, Chairman
Kenneth Stokes, Vice Chairman
J.D. Humphreys, Assistant Secretary
Adam Painter Assistant Secretary
Karen Goldstein, Assistant Secretary**

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

June 6, 2017

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 **Tuesday, June 13, 2017 at 3:00 p.m.** at the **Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.**

1. Call to Order & Roll Call.
2. Consideration of Minutes.
 - a) November 3, 2016 - Regular Meeting
 - b) November 3, 2016 – Landowner’s Meeting
3. Consideration of ranking of engineering proposal to serve as District Engineer and agreement with Waldrop Engineering.
 - a) Ranking of Engineer Proposal (One proposal Received)
 - b) Master Engineering Services Agreement
 - c) Work Authorization #1
4. Consideration of Resolution 2017-4 Approving the Proposed Budget for Fiscal Year 2018 and setting a Public Hearing for **Tuesday, August 22, 2017 at 3:30 P.M. at the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.**
5. Consideration of acceptance of the Audited Financial Statements for the year ended September 30, 2016.
6. Staff Reports
 - a) District Attorney
 - b) District Engineer
 - c) District Manager
 - I. Report on the Number of Registered Voters as of April 15, 2017.
 - II. Financial Statements for the period ending April 30, 2017
7. Supervisor’s Requests and Audience Comments
8. Adjournment



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL JimWard@JPWardAssociates.com

The second order of business is consideration of the minutes of the minutes of the November 3, 2016 Regular Meeting and the Landowner's Meeting.

The third order of business is consideration of the ranking of the engineering proposals that were received in response to the District's request for qualifications. There was one proposal received from Waldrop Engineering, P.A. The required procedure requires the Board to rank the proposals, (non price based proposals) based on the firms qualifications, and I have enclosed an engineering ranking form for your use. The ranking form itself is NOT required, and you may use any procedure that you would like. Once ranked, then staff must negotiate a contract with the number one ranked firm and that proposed agreement will then be brought to the Board. The board may also choose not rank the firm and to authorize staff to re-advertise for engineer's. However, that is not recommended in this case by staff, since the firm submittal is well qualified to provide the work required for the District, and we are aware their fee structure is commensurate with similar firms providing services to CDD's, and staff has worked with Waldrop on a number of projects in the past, and the work product is excellent.

In order to shorten the process somewhat, I have enclosed a form of engineering agreement and work authorization #1+ that we will ask the Board to approve, subject only to non-substantive changes that may be needed once we review the agreement with the number one (1) ranked firm.

The fourth order of business is consideration of Resolution 2017-4 which approves the proposed budget for Fiscal Year 2018 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 August 4, 2016 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, any of the programs contained in the Budget.

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. The significant changes to this portion of the budget deal with the property that is being assessed by the District and the way in which the assessment is levied on the property. This budget excludes all property from the assessment that is NOT encumbered by a bond issue, since those properties essentially do not receive any benefit from the general fund operations. The second change is that the assessment is levied equally across all property types in the District.

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, August 22, 2017 at 3:30 P.M. at the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL JimWard@JPWardAssociates.com

The fifth order of business is consideration of the acceptance of the Audited Financial Statements for the year ended September 30, 2016. 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.

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 one threshold, which is six years from the date of establishment, and has not met the threshold for the number of qualified electors.

However, with the pace of sales, it would not be unusual to see the District meet the number of qualified electors threshold in April, 2018, and if the District does meet that threshold, then in November, 2018 three Supervisor's seats will be up for election, (Mr. Painters (Seat 1), Mrs. Goldstein (Seat 3) and Mr. Miller's (Seat 5). If the District meets the threshold next year, then two of those three seats will be elected by qualified electors and one of the seats will be elected by landowner's.

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



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL JimWard@JPWardAssociates.com

**the November 3, 2016, Landowners’
Election**

Mr. Ward explained that in Section 1, Seat 1 would be held by Mr. Painter with 681 votes, Seat 2 by Mr. Humphreys with 682 votes, and Seat 3 by Mr. Stokes with 682 votes. He said the two four-year terms would be held by Mr. Humphreys and Mr. Stokes, and the two-year term would be held by Mr. Painter.

On MOTION made by Mr. Stokes, seconded by Mr. Humphreys, with all in favor, Resolution 2017-1 as described above was approved.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2017-2 Re-
Designating the Officers of the Artisan
Lakes Community Development District**

Mr. Ward informed the Board that the current slate of officers included Mr. Miller as Chairman, Coby Hinkle as Vice Chairman, with the balance of the Board as Assistant Secretaries. Mr. Ward stated that he is the Secretary/Treasurer. He asked the Board to suggest officers for Chairman and Vice Chairman.

The Board suggested that Mr. Miller should remain as Chairman and Mr. Stokes should become the Vice Chairman.

On MOTION made by Mr. Humphreys, seconded by Mr. Painter, with all in favor, Resolution 2017-2 Mr. Miller is designated as Chairman, Mr. Stokes as Vice Chairman, Mr. Ward as Secretary and Treasurer, and Mr. Painter, Mr. Humphreys and Mrs. Goldstein as Assistant Secretaries was approved.

FIFTH ORDER OF BUSINESS

**Consideration of the Minutes of the
Regular Meeting held on August 4, 2016**

On MOTION made by Mr. Stokes, seconded by Mr. Painter, with all in favor, the Minutes of August 4, 2016 were approved.

SIXTH ORDER OF BUSINESS

**Consideration of Proposals for the
continuation of Dissemination Agent
Services for the Artisan Lakes CDD**

Mr. Ward explained that when the 2013 Bonds were issued, the firm of Prager & Co. provided the dissemination services. He stated that the name of the firm has changed to Disclosure Services, LLC and a new agreement needed to be approved. He stated that there also was another proposal for their consideration from a company in Tampa named Lerner

and Associates, whose fee structure was essentially the same as what was currently being paid.

Comment was made by the Board that the indemnification provision had to be modified because most likely their insurance would not cover that obligation. It was stated that both companies' proposals had this provision. It was suggested that their current service, Disclosure Services, LLC, continue providing the service.

On MOTION made by Mr. Painter, seconded by Mr. Stokes, with all in favor, Disclosure Services, LLC was approved as Dissemination Agent for Artisan Lakes Community Development District.

SEVENTH ORDER OF BUSINESS

Staff Reports

- I. Attorney – Mr. Earlywine had no report but took the opportunity to further explain to Mr. Painter the laws that govern public officers.
- II. Engineer - No report.
- III. Manager – No report.

EIGHTH ORDER OF BUSINESS

Audience Comments and Supervisor's Requests

There were no audience comments and no supervisor's requests were made.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION made by Mr. Stokes, seconded by Mr. Painter, with all in favor, the Meeting was adjourned at 4:00 p.m.

James P. Ward, Secretary

Andrew Miller, Chairman

**MINUTES OF MEETING
ARTISAN LAKES
LANDOWNERS MEETING**

The Landowners' Meeting of Artisan Lakes Community Development District was held on Thursday, November 3, 2016, at 3:30 p.m. at the Artisan Lakes Clubhouse, located at 4725 Los Robles Court, Palmetto, Florida 34221.

Landowner's Present and constituting a quorum:

David Truxton
J.D. Humphreys

Taylor Woodrow Artisan Lakes, LLC

Other's Present:

Coby Hinkle
Kenneth Stokes

Vice Chairman, Board of Supervisor's
Assistant Secretary, Board of Supervisor's

Absent:

Andrew Miller
Karen Goldstein

Chairman
Vide Chairperson

Also present were:

James P. Ward
Jere Earlywine

District Manager
District Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 3:30 p.m.

SECOND ORDER OF BUSINESS

**Election of a Chairperson for the Purpose
of Conducting the Landowners' Meeting**

Mr. Ward indicated that Mr. David Truxton was present and representing Taylor Woodrow Artisan Lakes, LLC and asked him if he would like to chair the meeting. Mr. Truxton indicated that he would prefer that Mr. Ward conduct the meeting.

THIRD ORDER OF BUSINESS

Election of Supervisors

Mr. Ward explained the purpose of the meeting was to elect three members of the Board. He began with a determination of the number of voting units represented or assigned by proxy. He confirmed that Mr. Truxton, as an authorized representative of Taylor Woodrow, had 682 votes. He asked Mr. Truxton to nominate three individuals to serve on the Board.

Mr. Ward stated the three positions that were open were Coby Hinkle, J.D. Humphreys and Ken Stokes.

Mr. Truxton said he would be casting his ballot for J.D. Humphries, Ken Stokes, and Adam Painter. Mr. Truxton asked about the number of votes being cast.

Mr. Ward explained that it was 682 votes for each member the two members receiving the most number of votes will serve a four year term and the one member who receives the lesser number of votes will serve a two year term. .

Mr. Truxton assigned 682 votes for J.D. Humphries, 682 votes for Ken Stokes, and 681 votes for Adam Painter, and then signed the ballot.

Mr. Ward read the ballot and indicated that those individuals will be sworn into office at the regular meeting being held at the conclusion of this landowner’s meeting.

FOURTH ORDER OF BUSINESS

Landowner’s Questions or Comments

Mr. Ward called for questions or comments from the landowners. No questions were asked nor comments made.

FIFTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned at 3:40 p.m.

James P. Ward, Secretary

Andrew Miller, Chairman

**REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES FOR THE
ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT**

The Artisan Lakes Community Development District (“**District**”), located in Manatee County, Florida, announces that professional engineering services will be required on a continuing basis for the District’s capital improvement plan, as authorized by Chapter 190, *Florida Statutes*. The District had an annual operating budget (not including debt service) for Fiscal Year 2016/2017 of approximately \$75,652. Additional information regarding the District and its infrastructure can be found in the District’s Disclosure of Public Financing and Maintenance of Improvements to Real Property recorded in the Official Records of Manatee County, Florida at Book 2503, Page 7200. The engineering firm selected will act in the general capacity of District Engineer and provide District engineering services, as required.

Any firm or individual (“**Applicant**”) desiring to provide professional services to the District must: 1) hold applicable federal, state and local licenses; 2) be authorized to do business in Florida in accordance with Florida law; and 3) furnish a statement (“**Qualification Statement**”) of its qualifications and past experience on U.S. General Service Administration’s “Architect-Engineer Qualifications, Standard Form No. 330,” with pertinent supporting data. Among other things, Applicants must submit information relating to: a) the ability and adequacy of the Applicant’s professional personnel; b) whether the Applicant is a certified minority business enterprise; c) the Applicant’s willingness to meet time and budget requirements; d) the Applicant’s past experience and performance, including but not limited to past experience as a District Engineer for any community development districts and past experience with Manatee County; e) the geographic location of the Applicant’s headquarters and offices; f) the current and projected workloads of the Applicant; and, g) the volume of work previously awarded to the Applicant by the District. Further, each Applicant should identify the specific individual affiliated with the Applicant who would be handling District meetings, construction services, and other engineering tasks.

The District will review all Applicants and will comply with Florida law, including the Consultant’s Competitive Negotiations Act, Chapter 287, *Florida Statutes* (“**CCNA**”). All Applicants must submit one (1) pdf file on a CD or USB drive along with eight (8) printed copies of Standard Form No. 330 and Qualification Statement by 12:00 p.m. on Wednesday, May 10, 2017 to the attention of James P. Ward, District Manager, 2041 Northeast 6th Terrace, Wilton Manors, Florida 33305 (“**District Manager’s Office**”).

The Board shall select and rank the Applicants using the requirements set forth in the CCNA and the evaluation criteria on file with the District Manager, and the highest ranked Applicant will be requested to enter into contract negotiations. If an agreement cannot be reached between the District and the highest ranked Applicant, negotiations will cease and begin with the next highest ranked Applicant, and if these negotiations are unsuccessful, will continue to the third highest ranked Applicant.

**REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES FOR THE
ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT**

The District reserves the right to reject any and all Qualification Statements. Additionally, there is no express or implied obligation for the District to reimburse Applicants for any expenses associated with the preparation and submittal of the Qualification Statements in response to this request.

Any protest regarding the terms of this Notice, or the evaluation criteria on file with the District Manager, must be filed in writing, within seventy-two (72) hours after the publication of this Notice. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid Notice or evaluation criteria provisions. Any person who files a notice of protest shall provide to the District, simultaneous with the filing of the notice, a protest bond with a responsible surety to be approved by the District and in the amount of Ten Thousand Dollars (\$10,000.00). Additional information and requirements regarding protests are set forth in the District's Rules of Procedure, which are available from the District Manager.

Any and all questions relative to this Request for Qualifications shall be directed in writing by e-mail only to James P. Ward at jimward@jpwardassociates.com, with e-mail copies to Jere Earlywine at jeree@hgslaw.com.

James P. Ward
District Manager

Publish on or before April 26, 2017 (must be published at least 14 days prior to submittal deadline)

**REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES FOR THE
ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT**

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

DISTRICT ENGINEER PROPOSALS

COMPETITIVE SELECTION CRITERIA

1) Ability and Adequacy of Professional Personnel (Weight: 25 Points)

Consider the capabilities and experience of key personnel within the firm including certification, training, and education; affiliations and memberships with professional organizations; etc.

2) Consultant's Past Performance (Weight: 25 Points)

Past performance for other Community Development Districts in other contracts; amount of experience on similar projects; character, integrity, reputation, of respondent; etc.

3) Geographic Location (Weight: 20 Points)

Consider the geographic location of the firm's headquarters, offices and personnel in relation to the project.

4) Willingness to Meet Time and Budget Requirements (Weight: 15 Points)

Consider the consultant's ability and desire to meet time and budget requirements including rates, staffing levels and past performance on previous projects; etc.

5) Certified Minority Business Enterprise (Weight: 5 Points)

Consider whether the firm is a Certified Minority Business Enterprise. Award either all eligible points or none.

6) Recent, Current and Projected Workloads (Weight: 5 Points)

Consider the recent, current and projected workloads of the firm.

7) Volume of Work Previously Awarded to Consultant by District (Weight: 5 Points)

Consider the desire to diversify the firms that receive work from the District; etc.



WALDROP ENGINEERING

CIVIL ENGINEERING & LAND DEVELOPMENT CONSULTANTS

28100 BONITA GRANDE DR. #305
BONITA SPRINGS, FL 34135
P: 239-405-7777
F: 239-405-7899

May 10, 2017

Mr. James P. Ward
JP Ward & Associates, LLC
2041 NE 6 Terrace
Wilton Manors, Florida 33305

**RE: Artisan Lakes Community Development District
Request for Qualifications – District Engineer**

Dear Mr. Ward:

Waldrop Engineering, P.A. is pleased to submit the enclosed response to the Request for Qualifications for Artisan Lakes Community Development District (CDD) District Engineer.

The Waldrop Engineering Team consists of experts in the areas of civil engineering, landscape architecture, land use planning, GIS and AutoCAD design. With offices in Bonita Springs, Tampa, Sarasota and Orlando, Waldrop Engineering offers full service civil engineering services based upon honesty, a strong work ethic, and an unmatched commitment to our client's success.

Since opening our doors in 2000, we have designed and permitted numerous master-planned residential communities across Southwest Florida, and are the Engineer-of-Record for the Esplanade at Artisan Lakes community. This expertise and project-specific knowledge provides our team with an in-depth understanding of the District's needs and the capacity to ensure the highest quality of development.

The following summary exemplifies why Waldrop Engineering is most qualified to serve as District Engineer for the Artisan Lakes CDD:

Unmatched Knowledge of the Project. Waldrop Engineering's team of experienced civil engineers are currently serving as the Engineer-of-Record for the Esplanade at Artisan Lakes project and are currently permitting future phases through the Southwest Florida Water Management District (SWFWMD) and Manatee County. This understanding of the water management system design, the unique environmental conditions both within and surrounding the community, as well as the status of existing and pending permits provides our team with an unparalleled advantage to serve as the District Engineer.

Experienced Local Leadership. As the Project Manager in Sarasota for Waldrop Engineering, Jeremy L. Fireline P.E. will lead our commitment to the Artisan Lakes CDD as CDD Engineer/Point-of-Contact. Jeremy has over 16 years of planning, design, permitting and management of public infrastructure projects. He holds a Project Management Professional (PMP) certification and has extensive experience in infrastructure evaluation/assessment necessary to inform fiscal budgeting,

project management and civil engineering design. Jeremy also served as the District Engineer for the Harrison Ranch CDD from 2006 – 2010.

Similar Experience. R. Trent Stephenson, P.E. in Tampa is the EOR for Artisan Lakes. As the Vice President for Waldrop Engineering, Trent has extensive experience designing numerous master-planned communities across the Tampa Bay Area. He has over 18 years of civil engineering and project management experience, and his expertise and accessibility will ensure all aspects of the District's service requirements are met on a timely basis. Trent's project knowledge and strong relationships with SWFWMD and Manatee County will ensure the District's service requirements are not only met, but exceeded in terms of budgets, project schedules, and implementation of the development program. Trent has also served as CDD District Engineer for the Waterset community from 2006-2009, as well as the Channing Park CCD from 2005 – 2009, and 2014 – Present.

Competence & Capacity. Waldrop Engineering has twelve (12) P.E.'s company-wide. The Waldrop Team has the institutional knowledge and experience to ensure accurate implementation of CDD's infrastructure, in addition to its appropriate long-term maintenance. Waldrop's Sarasota and Tampa offices are within a thirty minute drive of the project to ensure quick response time, unmatched customer service and within budget.

Waldrop Engineering has the appropriate staff to allow us to provide excellent service for this CDD in a timely manner and within the time and budget requirements.

Thank you for the opportunity to provide our services to the District. We are confident that our project-specific expertise, local knowledge, and commitment to quality design and customer service position us as the clear choice for Artisan Lakes CDD District Engineer.

If you require further information do not hesitate to contact me directly at (813) 443-8282 or trents@waldropengineering.com

Sincerely,

WALDROP ENGINEERING, P.A.



R.Trent Stephenson
Vice President

ARCHITECT - ENGINEER QUALIFICATIONS

PART I - CONTRACT-SPECIFIC QUALIFICATIONS

A. CONTRACT INFORMATION

1. TITLE AND LOCATION *(City and State)*

Artisan Lakes

2. PUBLIC NOTICE DATE

3. SOLICITATION OR PROJECT NUMBER

B. ARCHITECT-ENGINEER POINT OF CONTACT

4. NAME AND TITLE

Jeremy L. Fireline, P. E.P.E., Project Manager/CDD Engineer

5. NAME OF FIRM

Waldrop Engineering, P.A.

6. TELEPHONE NUMBER

941-379-8400 ext. 2311

7. FAX NUMBER

941-379-7788

8. E-MAIL ADDRESS

Jeremy.Fireline@waldropengineering.com

C. PROPOSED TEAM

(Complete this section for the prime contractor and all key subcontractors.)

(Check)				9. FIRM NAME	10. ADDRESS	11. ROLE IN THIS CONTRACT
	PRIME	J-V	PARTNER SUBCON- TRACTOR			
a.	✓			Waldrop Engineering, P.A. <input checked="" type="checkbox"/> CHECK IF BRANCH OFFICE	551 North Cattleman Road #100 Sarasota, FL. 34232	Provide District Engineering Services
b.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
c.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
d.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
e.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
f.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		

D. ORGANIZATIONAL CHART OF PROPOSED TEAM

(Attached)

ARCHITECT - ENGINEER QUALIFICATIONS

PART I - CONTRACT-SPECIFIC QUALIFICATIONS

A. CONTRACT INFORMATION

1. TITLE AND LOCATION *(City and State)*

Channing Park CDD - District Engineer, Hillsborough County, FL

2. PUBLIC NOTICE DATE

10/27/2013

3. SOLICITATION OR PROJECT NUMBER

B. ARCHITECT-ENGINEER POINT OF CONTACT

4. NAME AND TITLE

R. Trent Stephenson

Director of Operations - Tampa

5. NAME OF FIRM

Waldrop Engineering, P.A.

6. TELEPHONE NUMBER

(813) 443-8282

7. FAX NUMBER

(813) 443-8285

8. E-MAIL ADDRESS

trent.stephenson@waldropengineering.com

C. PROPOSED TEAM

(Complete this section for the prime contractor and all key subcontractors.)

(Check)				9. FIRM NAME	10. ADDRESS	11. ROLE IN THIS CONTRACT
	PRIME	J-V	PARTNER-SUBCONTRACTOR			
a.	<input checked="" type="checkbox"/>			Waldrop Engineering, P.A. <input checked="" type="checkbox"/> CHECK IF BRANCH OFFICE	9432 Camden Field Parkway Riverview, FL 33578	Provide District Engineering Services
b.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
c.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
d.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
e.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
f.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		

D. ORGANIZATIONAL CHART OF PROPOSED TEAM

(Attached)

ARCHITECT - ENGINEER QUALIFICATIONS

PART I - CONTRACT-SPECIFIC QUALIFICATIONS

A. CONTRACT INFORMATION

1. TITLE AND LOCATION *(City and State)*

Flow Way Community Development District - District Engineer, Collier County Florida

2. PUBLIC NOTICE DATE

11/02/2012

3. SOLICITATION OR PROJECT NUMBER

B. ARCHITECT-ENGINEER POINT OF CONTACT

4. NAME AND TITLE

David Willems, P.E., Senior Project Manager

5. NAME OF FIRM

Waldrop Engineering, PA

6. TELEPHONE NUMBER

(239) 405-7777

7. FAX NUMBER

(239) 405-7899

8. E-MAIL ADDRESS

david.willems@waldropengineering.com

C. PROPOSED TEAM

(Complete this section for the prime contractor and all key subcontractors.)

(Check)	PRIME	JV	PARTNER	SUBCON-	TRACTOR	9. FIRM NAME	10. ADDRESS	11. ROLE IN THIS CONTRACT
a.	✓					Waldrop Engineering, PA <input type="checkbox"/> CHECK IF BRANCH OFFICE	28100 Bonita Grande Dr. #305 Bonita Springs, FL 34135	Provide District Engineering services.
b.						 <input type="checkbox"/> CHECK IF BRANCH OFFICE		
c.						 <input type="checkbox"/> CHECK IF BRANCH OFFICE		
d.						 <input type="checkbox"/> CHECK IF BRANCH OFFICE		
e.						 <input type="checkbox"/> CHECK IF BRANCH OFFICE		
f.						 <input type="checkbox"/> CHECK IF BRANCH OFFICE		

D. ORGANIZATIONAL CHART OF PROPOSED TEAM

(Attached)

E. RESUMES OF KEY PERSONNEL PROPOSED FOR THIS CONTRACT

(Complete one Section E for each key person.)

12. NAME Jeremy L. Fireline, P.E., P.E.	13. ROLE IN THIS CONTRACT CDD EngineerCDD Engineer	14. YEARS EXPERIENCE	
		a. TOTAL 16	b. WITH CURRENT FIRM 1

15. FIRM NAME AND LOCATION *(City and State)*
Waldrop Engineering, Sarasota, FL.

16. EDUCATION <i>(Degree and Specialization)</i> Bachelor of Science (Civil Engineering) Bachelor of Science (Land Surveying Engineering) Master of Environmental Engineering	17. CURRENT PROFESSIONAL REGISTRATION <i>(State and Discipline)</i> FL PE# 63987 NC PE# 037020
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------

18. OTHER PROFESSIONAL QUALIFICATIONS *(Publications, Organizations, Training, Awards, etc.)*
Mr. Fireline has over 16 years of experience in the planning, design, permitting and management of public and community infrastructure projects. He holds a Project Management Professional (PMP) certification and has extensive experience in infrastructure evaluation/assessment necessary to inform fiscal budgeting.

19. RELEVANT PROJECTS

(1) TITLE AND LOCATION <i>(City and State)</i> Harrison Ranch Community Development District Engineer, Manatee County, FL.	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES 5	CONSTRUCTION <i>(If applicable)</i> 4

a. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm
From 2006-2010, served as Design Engineer while Employed at ZNS Engineering, L.C., and from 2006-2010 served as CDD Engineer. Performed services related to District Creation, Bond Issuance, operation and maintenance of District infrastructure including annual budgeting, contract negotiation with District vendors, and permit compliance.

(1) TITLE AND LOCATION <i>(City and State)</i> Utilities Engineer – Orange Water and Sewer Authority, Carrboro, NC.	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES 6	CONSTRUCTION <i>(If applicable)</i> 6

b. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm
From 2011 to 2017 managed evaluation, design/permitting, bidding and construction oversight of sewer and water projects as well as a comprehensive concrete conditional assessment project, comprehensive coatings program, facility wide building envelope evaluation and feasibility/preliminary design of an HVAC replacement project for a 29,000 SF administration building.

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>

c. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>

d. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>

e. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm

E. RESUMES OF KEY PERSONNEL PROPOSED FOR THIS CONTRACT

(Complete one Section E for each key person.)

12. NAME R. Trent Stephenson	13. ROLE IN THIS CONTRACT	14. YEARS EXPERIENCE	
		a. TOTAL 18	b. WITH CURRENT FIRM 7

15. FIRM NAME AND LOCATION *(City and State)*
Waldrop Engineering, P.A., Riverview, FL.

16. EDUCATION <i>(Degree and Specialization)</i> University of Florida Bachelor of Science in Civil Engineering August, 1998	17. CURRENT PROFESSIONAL REGISTRATION <i>(State and Discipline)</i> Professional Engineer FL # 59514 January, 2003
----------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------

18. OTHER PROFESSIONAL QUALIFICATIONS *(Publications, Organizations, Training, Awards, etc.)*
National Society of Professional Engineers, Urban Land Institute, Tampa Bay Builders Association, Florida Engineering Society, Florida Department of Environmental Protection Qualified Stormwater Inspector (Inspector #6646 – May 2004)

19. RELEVANT PROJECTS

(1) TITLE AND LOCATION <i>(City and State)</i> Waterset CDD District Engineer - Hillsborough County, FL.	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES 4	CONSTRUCTION <i>(If applicable)</i>

a. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm
From 2006 - 2009, served as Design Engineer while employed at Heidt & Associates, and from 2005-2009 served as the CDD Engineer. Performed services related to the operation and management of the CDD, including maintaining the CIP, construction budget and permit compliance.

(1) TITLE AND LOCATION <i>(City and State)</i> Channing Park CDD District Engineer - Hillsborough County, FL	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES 8	CONSTRUCTION <i>(If applicable)</i> 2007

b. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm
Served as CDD District Engineer from 2005 - 2009, and from 2014 - Present. Performed services related to the operation and management of the CDD, including maintaining the CIP, construction budget and permit compliance.

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>

c. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>

d. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>

e. (3) BRIEF DESCRIPTION *(Brief scope, size, cost, etc.)* AND SPECIFIC ROLE Check if project performed with current firm

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER
21. TITLE AND LOCATION <i>(City and State)</i>	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>
Harrison Ranch CDD – Manatee County, FL	5	4

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER	b. POINT OF CONTACT NAME	c. POINT OF CONTACT TELEPHONE NUMBER
Harrison Ranch CDD	Parker Hirons & Jere Earlywine	

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

Design, permitting and construction oversight between 2006 and 2010 of a 955-acre mixed use community in Manatee County. Participated in the creation of the CDD, provided expert testimony at Bond Validation hearing for preliminary Bond offering and served as District Engineer after creation. Provided consulting services related to annual infrastructure budgeting for management and maintenance of the storm water management system, common area irrigation system and general advice on various service contracts.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME ZNS Engineering	(2) FIRM LOCATION <i>(City and State)</i> Manatee County, FL.	(3) ROLE CDD Engineer and Design Engineering Firm
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 2
21. TITLE AND LOCATION <i>(City and State)</i> Waterset - Hillsborough County, FL	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES 5	CONSTRUCTION <i>(If applicable)</i>

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Waterset CDD	b. POINT OF CONTACT NAME Alex McLeod	c. POINT OF CONTACT TELEPHONE NUMBER 813-620-3555
-----------------------------------------	------------------------------------------------	-------------------------------------------------------------

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

Design and permitting of the first 3 phases of the 4,000 unit master planned community in Hillsborough County. Participated in the creation of the Capital Improvement plan for the District. Performed engineering and project management tasks including the design, permitting, and construction management.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Heidt & Associates	(2) FIRM LOCATION <i>(City and State)</i> N/A	(3) ROLE CDD Engineer and Design Engineering Firm
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER <p style="text-align: center;">2</p>
21. TITLE AND LOCATION <i>(City and State)</i> Esplanade at Naples Collier County, FL	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES 4	CONSTRUCTION <i>(If applicable)</i> 2013

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Taylor Morrison of Florida, Inc.	b. POINT OF CONTACT NAME Tony Squitieri	c. POINT OF CONTACT TELEPHONE NUMBER (941) 371-3008
------------------------------------------------------	--------------------------------------------	--------------------------------------------------------

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

Design, permitting and construction of a Master Planned community in Sarasota County. Participated in the creation of the construction budgets. Performed engineering and project management task including the design, permitting and construction management.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
a. Waldrop Engineering, PA	Sarasota, FL	Design Engineering Firm
b.		
c.		
d.		
e.		
f.		

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 1
21. TITLE AND LOCATION <i>(City and State)</i> Channing Park - Hillsborough County, FL	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES 5	CONSTRUCTION <i>(If applicable)</i> 2007

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Channing Park CDD	b. POINT OF CONTACT NAME David Truxton	c. POINT OF CONTACT TELEPHONE NUMBER (941) 554-2852
---------------------------------------	-------------------------------------------	--------------------------------------------------------

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

Design, permitting, and construction of the 422 unit master planned community in Hillsborough County. Participated in the creation of the Capital Improvement Plan for the District. Performed engineering and project management tasks including the design, permitting, and construction management.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Heidt & Associates	(2) FIRM LOCATION <i>(City and State)</i> N/A	(3) ROLE CDD Engineer and Design Engineering Firm
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

H. ADDITIONAL INFORMATION

30. PROVIDE ANY ADDITIONAL INFORMATION REQUESTED BY THE AGENCY. ATTACH ADDITIONAL SHEETS AS NEEDED.

Waldrop Engineering, P.A. offers a diverse set of land development services, founded on exceptional client service, quality design, and a solid commitment to our Clients' success. We recognize that each of our Clients and their respective projects are unique, and approach each opportunity objectively with our Clients' goals in mind. We provide a range of planning, civil engineering, and landscape architecture services and gave successfully completed projects, including: master planned residential communities, community parks, commercial and industrial developments, and master stormwater drainage systems.

Our talented team of project managers coordinate every project with an integrative approach to the design development process. From the outset of each project, we utilize the diversity of skills and experience amongst our multi-disciplinary professional to ensure innovative problem-solving and a more fluid permitting process. This holistic approach provides our Clients not only with the added value and convenience of "one stop shopping", but with the assurance that their project will be completed both efficiently and accurately. Most importantly, thanks to the caliber of our professionals, we continue to serve satisfied, repeat clientele, as well as building new relationships across the community.

The services Waldrop Engineering offer include:

1. Civil Engineering
 - Master Stormwater Design
 - Master Water and Sewer Design
 - Paving and Grading Design
 - Water Distribution Design
 - Lift Station and Force Main Design - Construction Plan preparation
2. Permitting
 - Local Construction Plan Permitting
 - Water Management District Permitting
 - FDEP Water and Wastewater Permitting
 - FDOT Permitting- National Pollutant Discharge Elimination System Permitting (NPDES)
3. Construction Administration
 - Bid Package Preparation
 - Contract Management
 - Construction Observation
 - Certifications
4. Due Diligence and Feasibility Studies
 - Lot Fit Analysis
 - Due Diligence Reports
 - Project Feasibility Studies
 - Geographic Information Systems (GIS) Exhibits
 - Preparation

I. AUTHORIZED REPRESENTATIVE

The foregoing is a statement of facts.

31. SIGNATURE



32. DATE

05/04/2017

33. NAME AND TITLE

R. Trent Stephenson, Vice-President

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

THIS AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2017, by and between:

Artisan Lakes Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in Manatee County, Florida (“**District**”); and

Waltrap Engineering, Inc., a Florida corporation providing professional engineering services (“**Engineer**”).

RECITALS

WHEREAS, the District is a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, *Florida Statutes*, and by an ordinance adopted by the Board of County Commissioners in and for Manatee County, Florida; and

WHEREAS, the District is authorized to plan, finance, construct, install, acquire and/or maintain improvements, facilities and services in conjunction with the development of the lands within the District; and

WHEREAS, pursuant to Sections 190.033 and 287.055, *Florida Statutes*, the District solicited proposals from qualified firms to provide professional engineering services on a continuing basis; and

WHEREAS, Engineer submitted a proposal to serve in this capacity; and

WHEREAS, the District's Board of Supervisors (“**Board**”) ranked Engineer as the most qualified firm to provide professional engineering services for the District and authorized the negotiation of a contract pursuant to Section 287.055, *Florida Statutes*; and

WHEREAS, the District intends to employ Engineer to perform engineering services including but not limited to construction administration, environmental management and permitting, financial and economic studies, as defined by a separate work authorization or work authorizations; and

WHEREAS, the Engineer shall serve as District's professional representative in each service or project to which this Agreement applies and will give consultation and advice to the District during performance of these services.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the acts and deeds to be performed by the parties and the payments by the District to the Engineer of the sums of money herein specified, it is mutually covenanted and agreed as follows:

1. SCOPE OF SERVICES.

- a. The Engineer will provide general engineering services, including:
 - i. Preparation of any necessary reports and attendance at meetings of the Board.
 - ii. Providing professional engineering services including but not limited to review and execution of documents under the District's Trust Indentures and monitoring of District projects. Performance of any other duties related to the provision of infrastructure and services as requested by the Board, District Manager, or District Counsel.

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

- iii. Any other items requested by the Board.
- b. Engineer shall, when authorized by the Board, provide general services related to construction of any District projects including, but not limited to:
 - i. Periodic visits to the site, or full time construction management of District projects, as directed by District.
 - ii. Processing of contractor's pay estimates.
 - iii. Preparation of, and/or assistance with the preparation of, work authorizations, requisitions, change orders and acquisitions for review by the District Manager, District Counsel and the Board.
 - iv. Final inspection and requested certificates for construction including the final certificate of construction.
 - v. Consultation and advice during construction, including performing all roles and actions required of any construction contract between District and any contractor(s) in which Engineer is named as owner's representative or "Engineer."
 - vi. Any other activity related to construction as authorized by the Board.
- c. With respect to maintenance of the facilities, Engineer shall render such services as authorized by the Board.

2. REPRESENTATIONS. The Engineer hereby represents to the District that:

- a. It has the experience and skill to perform the services required to be performed by this Agreement.
- b. It shall design to and comply with applicable federal, state, and local laws, and codes, including without limitation, professional registration and licensing requirements (both corporate and individual for all required basic disciplines) in effect during the term of this Agreement, and shall, if requested by District, provide certification of compliance with all registration and licensing requirements.
- c. It shall perform said services in accordance with generally accepted professional standards in the most expeditious and economical manner, and to the extent consistent with the best interests of District.
- d. It is adequately financed to meet any financial obligations it may be required to incur under this Agreement.

3. METHOD OF AUTHORIZATION. Each service or project shall be authorized in writing by the District. The written authorization shall be incorporated in a work authorization which shall include the scope of work, compensation, project schedule, and special provisions or conditions specific to the service or project being authorized ("**Work Authorization**"). Authorization of services or projects under the contract shall be at the sole option of the District.

4. COMPENSATION. It is understood and agreed that the payment of compensation for services under this Agreement shall be stipulated in each Work Authorization. One of the following methods will be utilized:

- a. Lump Sum Amount - The District and Engineer shall mutually agree to a lump sum amount for the services to be rendered payable monthly in direct proportion to the work accomplished. For any lump-sum or cost-plus-a-fixed-fee professional service contract over the threshold amount provided in Section 287.017, *Florida Statutes*, for CATEGORY FOUR, the District shall require the Engineer to execute a truth-in-negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of contracting. The price for any lump sum Work

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

Authorization, and any additions thereto, will be adjusted to exclude any significant sums by which the District determines the Work Authorization was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such adjustments must be made within 1 year following the completion of the work contemplated by the lump sum Work Authorization.

- b. Hourly Personnel Rates - For services or projects where scope of services is not clearly defined, or recurring services or other projects where the District desires to use the hourly compensation rates outlined in **Exhibit A** attached hereto. The District and Engineer may agree to a "not to exceed" amount when utilizing hourly personnel rates for a specific work authorization.

5. REIMBURSABLE EXPENSES. Reimbursable expenses consist of actual expenditures made by Engineer, its employees, or its consultants in the interest of the project for the incidental expenses as listed as follows:

- a. Expenses of transportation and living when traveling in connection with a project, for long distance phone calls and telegrams, and fees paid for securing approval of authorities having jurisdiction over the project. All expenditures shall be made in accordance with Chapter 112, *Florida Statutes*, and with the District's travel policy.
- b. Expense of reproduction, postage and handling of drawings and specifications.

6. TERM OF CONTRACT. It is understood and agreed that this Agreement is for engineering services. It is further understood and agreed that the term of this Agreement will be from the time of execution of this Agreement until terminated pursuant the terms herein.

7. SPECIAL SERVICES. When authorized in writing by the District, additional special consulting services may be utilized by Engineer and paid for on a cost basis.

8. BOOKS AND RECORDS. Engineer shall maintain comprehensive books and records relating to any services performed under this Agreement, which shall be retained by Engineer for a period of at least four (4) years from and after completion of any services hereunder (or such longer period to the extent required by Florida's public records retention laws). The District, or its authorized representative, shall have the right to audit such books and records at all reasonable times upon prior notice to Engineer.

9. OWNERSHIP OF DOCUMENTS.

- a. All rights in and title to all plans, drawings, specifications, ideas, concepts, designs, sketches, models, programs, software, creation, inventions, reports, or other tangible work product originally developed by Engineer pursuant to this Agreement ("**Work Product**") shall be and remain the sole and exclusive property of the District when developed and shall be considered work for hire.
- b. The Engineer shall deliver all Work Product to the District upon completion thereof unless it is necessary for Engineer in the District's sole discretion, to retain possession for a longer period of time. Upon early termination of Engineer's services hereunder, Engineer shall deliver all such Work Product whether complete or not. The District shall have all rights to use any and all Work Product. Engineer shall retain copies of the Work Product for its permanent records, provided the Work Product is not used without the District's prior express written consent. Engineer agrees not to recreate any Work Product contemplated by this Agreement, or portions thereof, which if constructed or otherwise materialized, would be reasonably identifiable with the project. If said work product is used by the District

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
 MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
 ENGINEERING**

for any purpose other than that purpose which is intended by this Agreement, the District shall indemnify Engineer from any and all claims and liabilities which may result from such re-use, in the event Engineer does not consent to such use.

- c. The District exclusively retains all manufacturing rights to all materials or designs developed under this Agreement. To the extent the services performed under this Agreement produce or include copyrightable or patentable materials or designs, such materials or designs are work made for hire for the District as the author, creator, or inventor thereof upon creation, and the District shall have all rights therein including, without limitation, the right of reproduction, with respect to such work. Engineer hereby assigns to the District any and all rights Engineer may have including, without limitation, the copyright, with respect to such work. The Engineer acknowledges that the District is the motivating factor for, and for the purpose of copyright or patent, has the right to direct and supervise the preparation of such copyrightable or patentable materials or designs.

10. ACCOUNTING RECORDS. Records of Engineer pertaining to the services provided hereunder shall be kept on a basis of generally accepted accounting principles and shall be available to the District or its authorized representative for observation or audit at mutually agreeable times.

11. REUSE OF DOCUMENTS. All documents including drawings and specifications furnished by Engineer pursuant to this Agreement are instruments of service. They are not intended or represented to be suitable for reuse by District or others on extensions of the work for which they were provided or on any other project. Any reuse without specific written consent by Engineer will be at the District’s sole risk and without liability or legal exposure to Engineer. All documents including drawings, plans and specifications furnished by Engineer to District are subject to reuse in accordance with Section 287.055(10), *Florida Statutes*.

12. COST ESTIMATES. Since Engineer has no control over the cost of labor, materials or equipment or over a contractor’s methods of determining prices, or over competitive bidding or market conditions, his opinions of probable cost provided as a service hereunder are to be made on the basis of his experience and qualifications and represent his best judgment as a design professional familiar with the construction industry, but Engineer cannot and does not guarantee that proposals, bids, or the construction costs will not vary from opinions of probable cost prepared by him. If the District wishes greater assurance as to the construction costs, it shall employ an independent cost estimator at its own expense. Services to modify approved documents to bring the construction cost within any limitation established by the District will be considered additional services and justify additional fees.

13. INSURANCE. Engineer shall, at its own expense, maintain insurance during the performance of its services under this Agreement, with limits of liability not less than the following:

Workers’ Compensation	Statutory
General Liability	
Bodily Injury (including Contractual)	\$1,000,000/\$2,000,000
Property Damage (including Contractual)	\$1,000,000/\$2,000,000
Automobile Liability	Combined Single Limit \$1,000,000
Bodily Injury / Property Damage	

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

Professional Liability for	
Errors and Omissions	\$2,000,000

If any such policy of insurance is a "claims made" policy, and not an "occurrence" policy, the Engineer shall, without interruption, and at the District's option, maintain the insurance during the term of this Agreement and for at least five years after the termination of this Agreement.

The District, its officers, supervisors, agents, staff, and representatives shall be named as additional insured parties, except with respect to the Worker's Compensation Insurance and the Professional Liability for Errors and Omissions Insurance both for which only proof of insurance shall be provided. The Engineer shall furnish the District with the Certificate of Insurance evidencing compliance with the requirements of this Section. No certificate shall be acceptable to the District unless it provides that any change or termination within the policy periods of the insurance coverage, as certified, shall not be effective without written notice to the District per the terms of the applicable policy. Insurance coverage shall be from a reputable insurance carrier, licensed to conduct business in the state of Florida.

If the Engineer fails to have secured and maintained the required insurance, the District has the right (without any obligation to do so, however), to secure such required insurance in which event, the Engineer shall pay the cost for that required insurance and shall furnish, upon demand, all information that may be required in connection with the District's obtaining the required insurance.

14. CONTINGENT FEE. The Engineer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Engineer, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the Engineer, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement.

15. AUDIT. The Engineer agrees that the District or any of its duly authorized representatives shall, until the expiration of three years after expenditure of funds under this Agreement, have access to and the right to examine any books, documents, papers, and records of the Engineer involving transactions related to the Agreement. The Engineer agrees that payment made under the Agreement shall be subject to reduction for amounts charged thereto that are found on the basis of audit examination not to constitute allowable costs. All required records shall be maintained until an audit is completed and all questions arising therefrom are resolved, or three years after completion of all work under the Agreement.

16. INDEMNIFICATION. Engineer agrees to indemnify, defend, and hold the District and the District's officers and employees wholly harmless from liabilities, damages, losses, and costs of any kind, including, but not limited to, reasonable attorney's fees, which may come against the District and the District's officers and employees, to the extent caused wholly or in part by negligent, reckless, or intentionally wrongful acts, omissions, or defaults by Engineer or persons employed or utilized by Engineer in the course of any work done relating to this Agreement. To the extent a limitation on liability is required by Section 725.06 of the *Florida Statutes* or other applicable law, liability under this section shall in no event exceed the sum of Two Million Dollars and Engineer shall carry, at his own expense, insurance in a company satisfactory to District to cover the aforementioned liability. Engineer agrees such limitation bears a reasonable commercial relationship to the contract and was part of the project specifications or bid documents.

17. INDIVIDUAL LIABILITY. UNDER THIS AGREEMENT, AND SUBJECT TO THE REQUIREMENTS OF SECTION 558.0035, FLORIDA STATUTES, WHICH REQUIREMENTS ARE EXPRESSLY INCORPORATED HEREIN, AN INDIVIDUAL EMPLOYEE OR AGENT MAY NOT BE HELD INDIVIDUALLY LIABLE FOR NEGLIGENCE.

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

18. SOVEREIGN IMMUNITY. The Engineer agrees and covenants that nothing in this Agreement shall constitute or be construed as a waiver of District's limitations on liability pursuant to Section 768.28, *Florida Statutes*, or any other statute or law.

19. PUBLIC RECORDS. The Engineer agrees and understands that Chapter 119, *Florida Statutes*, may be applicable to documents prepared in connection with work provided to the District and agrees to cooperate with public record requests made thereunder. In connection with this Agreement, Engineer agrees to comply with all provisions of Florida's public records laws, including but not limited to Section 119.0701, *Florida Statutes*, the terms of which are incorporated herein. Among other requirements, Engineer must:

- a. Keep and maintain public records required by the District to perform the service.
- b. Upon request from the District's custodian of public records, provide the District with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, *Florida Statutes* or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the Agreement if the Engineer does not transfer the records to the District.
- d. Upon completion of this Agreement, transfer, at no cost, to the District all public records in possession of the Engineer or keep and maintain public records required by the District to perform the service. If the Engineer transfers all public records to the District upon completion of this Agreement, the Engineer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Engineer keeps and maintains public records upon completion of the Agreement, the Engineer shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the District, upon request from the District's custodian of public records, in a format that is compatible with the information technology systems of the District.

IF THE ENGINEER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE ENGINEER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS, JAMES P. WARD, JPWARD & ASSOCIATES, LLC, 2041 NE 6 TERRACE, WILTON MANORS, FLORIDA 33305, (954)658-4900.

20. EMPLOYMENT VERIFICATION. The Engineer agrees that it shall bear the responsibility for verifying the employment status, under the Immigration Reform and Control Act of 1986, of all persons it employs in the performance of this Agreement.

21. CONFLICTS OF INTEREST. The Engineer shall bear the responsibility for acting in the District's best interests, shall avoid any conflicts of interest and shall abide by all applicable ethical canons and professional standards relating to conflicts of interest.

22. SUBCONTRACTORS. The Engineer may subcontract portions of the services, subject to the terms of this Agreement and subject to the prior written consent of the District, which may be withheld for any or no reason. Without in any way limiting any terms and conditions set forth in this Agreement, all subcontractors of Engineer shall be deemed to have made all of the representations and warranties of Engineer set forth herein and shall be subject to any and all obligations of Engineer hereunder. Prior to any subcontractor providing any services, Engineer shall obtain from each subcontractor its written consent to and acknowledgment of the terms of this Agreement. Engineer shall be responsible for all acts or omissions of any subcontractors.

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

23. INDEPENDENT CONTRACTOR. The District and the Engineer agree and acknowledge that the Engineer shall serve as an independent contractor of the District. Neither the Engineer nor employees of the Engineer, if any, are employees of the District under the meaning or application of any federal or state unemployment, insurance laws, or any other potentially applicable laws. The Engineer agrees to assume all liabilities or obligations by any one or more of such laws with respect to employees of the Engineer, if any, in the performance of this Agreement. The Engineer shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Engineer shall have no authority to represent as agent, employee, or in any other capacity the District unless set forth differently herein or authorized by vote of the Board.

24. ASSIGNMENT. Neither the District nor the Engineer shall assign, sublet, or transfer any rights under or interest in this Agreement without the express written consent of the other. Nothing in this paragraph shall prevent the Engineer from employing such independent professional associates and consultants as Engineer deems appropriate, pursuant to the terms of this Agreement.

25. THIRD PARTIES. Nothing in the Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by operation of law.

26. CONTROLLING LAW. The Engineer and the District agree that this Agreement shall be controlled and governed by the laws of the State of Florida. Venue for any action arising under this Agreement shall be in the State Courts located in Manatee County, Florida.

27. TERMINATION. The District may terminate this Agreement for cause immediately upon notice to Engineer. The District or the Engineer may terminate this Agreement without cause upon thirty (30) days written notice. At such time as the Engineer receives notification of the intent of the District to terminate the contract, the Engineer shall not perform any further services unless directed to do so in writing by the District. In the event of any termination or breach of any kind, the Engineer shall not be entitled to consequential damages of any kind (including but not limited to lost profits), but instead the Engineer's sole remedy will be to recover payment for services rendered to the date of the notice of termination, subject to any offsets.

28. RECOVERY OF COSTS AND FEES. In the event either party is required to enforce this Agreement by court proceedings or otherwise, then the prevailing party shall be entitled to recover from the other party all costs incurred, including reasonable attorneys' fees at all judicial levels.

29. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto and formally approved by the Board.

30. AGREEMENT. This Agreement reflects the negotiated agreement of the parties, each represented by competent legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement.

31. NOTICES. All notices, requests, consents and other communications hereunder ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or telecopied to the parties, as follows:

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

- A. If to Engineer:** Waldrop Engineering, Inc.
28100 Bonita Grande Drive, Suite 305
Bonita Springs, Florida 34135
Attention: Mr. Ronald Waldrop, President
- B. If to District:** Artisan Lakes Community Development District
c/o JP Ward & Associates, LLC
2041 NE 6 Terrace
Wilton Manors, Florida 33305
Attention: James P. Ward, District Manager
- With a copy to:** Hopping Green & Sams, P.A.
119 S. Monroe Street, Suite 300
Tallahassee, Florida 32314
Attention: Mr. Jere Earlywine, District Counsel

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Engineer may deliver Notice on behalf of the District and the Engineer. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) day's written notice to the parties and addressees set forth herein.

32. RECOVERY OF COSTS AND FEES. In the event either party is required to enforce this Agreement by court proceedings or otherwise, then the prevailing party shall be entitled to recover from the other party all costs incurred, including reasonable attorneys' fees.

33. ACCEPTANCE. Acceptance of this Agreement is indicated by the signature of the authorized representative of the District and the Engineer in the spaces provided below.

[CONTINUED ON NEXT PAGE]

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

IN WITNESS WHEREOF, the parties hereto have caused these present to be executed the day and year first above written.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

James, P. Ward, Secretary

Andrew Miller, Chairman, Board of Supervisors

WALDROP ENGINEERING

Witness

By: Ronald Waldrop, President

**ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT
MASTER AGREEMENT FOR ENGINEERING SERVICES WITH WALDROP
ENGINEERING**

SCHEDULE "A"

HOURLY FEE SCHEDULE

June 13, , 2017

Artisan Lakes Community Development District
Manatee County, Florida

Subject: **Work Authorization Number 1**
Artisan Lakes Community Development District

Dear Chairman, Board of Supervisors:

Waldrop Engineering, Inc. ("**Engineer**") is pleased to submit this work authorization to provide engineering services for the Artisan Lakes Community Development District ("**District**"). We will provide these services pursuant to our current agreement dated June 13, 2017 ("**Engineering Agreement**") as follows:

I. Scope of Work

The District will engage Engineer to:

- Perform those services as necessary pursuant to the Engineering Agreement including, but not limited to, attendance at Board of Supervisors meetings and preparation of reports or other activities as directed by the Board of Supervisors.
- Perform all services related to administration of the District construction projects in an efficient, lawful and satisfactory manner.
- Act as Purchasing Agent for the District with respect to the direct purchase of construction materials for the District's improvements in accordance with the procurement procedures adopted by the Board of Supervisors and/or the terms of any applicable construction contracts.

II. Fees

The District will compensate Engineer pursuant to the hourly rate schedule contained in the Engineering Agreement. The District will reimburse Engineer all direct costs which include items such as printing, drawings, travel, deliveries, et cetera, pursuant to the Agreement.

This proposal, together with the Engineering Agreement, represents the entire understanding between the District and Engineer with regard to the referenced work authorization. If you wish to accept this work authorization, please sign both copies where indicated, and return one complete copy to our office. Upon receipt, we will promptly schedule our services.

APPROVED AND ACCEPTED

Sincerely,

Artisan Lakes Community Development District

Waldrop Engineering, Inc.

By: _____
Andrew Miller, Chairman

By: _____
By: Ronald Waldrop, President

RESOLUTION 2017-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2018 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 Artisan Lakes Community Development District (the "Board"), a proposed Budget for Fiscal Year 2018; 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 2018 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: Tuesday, August 22, 2017
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 2017-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2018 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 13th day of June, 2017.

ATTEST:

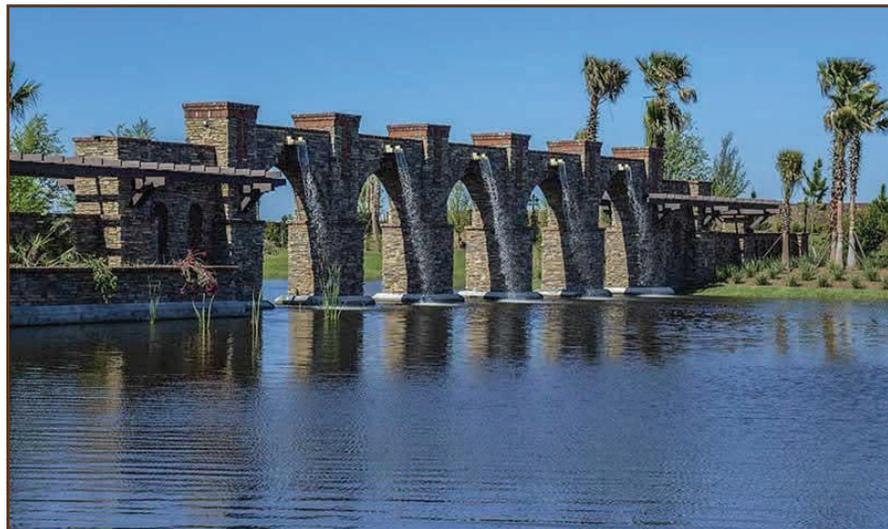
**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Andrew Miller, Chairman

JPWard and Associates, LLC

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2018**



James P. Ward
District Manager
2041 Northeast 6th Terrace
Wilton Manors, FL. 33305

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

Board of Supervisor's

**Andrew Miller, Chairman
Kenneth Stokes, Vice Chairman
J.D. Humphreys, Assistant Secretary
Adam Painter, Assistant Secretary
Karen Goldstein, Assistant Secretary**



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

TABLE OF CONTENTS

GENERAL FUND

Budget—Fiscal Year 2018	1-2
Description of Budgeted Line Items	3-4

DEBT SERVICE FUND

Series 2013 A-1 to A-3 Bonds	5-11
Budget—Fiscal Year 2018	
Budget Comparison	
Bond Amortization Schedule	

ASSESSMENT LEVY

Summary of All Funds	12
-----------------------------	-----------

Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2018

Description	Fiscal Year		Anticipated	
	2017 Budget	Actual at 05/15/2017	Year End 09/30/2017	Fiscal Year 2018 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income - General Account	\$ -	\$ -	\$ -	\$ -
Assessment Revenue				
Assessments - On-Roll	\$ 22,426	\$ 21,218	\$ 22,426	\$ 22,426
Assessments - Off-Roll	\$ 53,226	\$ 53,226	\$ 53,226	\$ 53,226
Contributions - Private Sources				
Taylor Morrison		\$ -	\$ -	
Total Revenue & Other Sources	\$ 75,652	\$ 74,444	\$ 75,652	\$ 75,652
Appropriations				
Legislative				
Board of Supervisor's Fees	\$ -	\$ -	\$ -	\$ -
Board of Supervisor's - FICA	\$ -	\$ -	\$ -	\$ -
Executive				
Professional - Management	\$ 20,000	\$ 13,333	\$ 29,167	\$ 20,000
Financial and Administrative				
Audit Services	\$ 4,100	\$ -	\$ 4,100	\$ 4,100
Accounting Services	\$ -	\$ -	\$ -	\$ -
Assessment Roll Preparation	\$ -	\$ -	\$ -	\$ -
Arbitrage Rebate Fees	\$ 500	\$ -	\$ 650	\$ 500
Other Contractual Services				
Recording and Transcription	\$ -	\$ -	\$ -	\$ -
Legal Advertising	\$ 2,500	\$ 355	\$ 3,500	\$ 2,500
Trustee Services	\$ 8,250	\$ -	\$ 8,250	\$ 8,250
Dissemination Agent Services	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Property Appraiser Fees	\$ -	\$ -	\$ -	\$ -
Bank Service Fees	\$ 360	\$ 110	\$ 300	\$ 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	\$ -	\$ 800	\$ 800
Insurance	\$ 6,000	\$ 4,282	\$ 4,282	\$ 6,000
Subscriptions and Memberships	\$ 175	\$ 175	\$ 175	\$ 175
Printing and Binding	\$ 750	\$ 330	\$ 650	\$ 750
Office Supplies	\$ -	\$ -	\$ -	\$ -
Legal Services				
General Counsel	\$ 13,000	\$ 3,313	\$ 13,000	\$ 13,000
Other General Government Services				
Engineering Services	\$ 2,000	\$ 126	\$ 2,000	\$ 2,000
Contingencies		\$ -	\$ -	
Capital Outlay	\$ -	\$ -	\$ -	\$ -

Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2018

Description	Fiscal Year 2017 Budget	Actual at 05/15/2017	Anticipated Year End 09/30/2017	Fiscal Year 2018 Budget
Reserves				
Operational Reserve (Future Years)	\$ 10,000	\$ -	\$ -	\$ 10,000
Other Fees and Charges				
Discounts, Tax Collector Fee and Property Appraiser Fee	\$ 1,467	\$ -	\$ -	\$ 1,467
Total Appropriations	\$ 75,652	\$ 27,214	\$ 72,274	\$ 75,652
Fund Balances:				
Change from Current Year Operations	\$ -	\$ 47,230	\$ 3,379	\$ -
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

Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2018

Revenues and Other Sources

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

Appropriations

Legislative

Board of Supervisor's Fees	\$	-
----------------------------	----	---

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
---------------------------	----	--------

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	\$	4,100
----------------	----	-------

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	\$	-
---------------------	----	---

For the Maintenance of the District's books and records on a daily basis.

Assessment Roll Preparation	\$	-
-----------------------------	----	---

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
-----------------------	----	-----

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	\$	-
-----------------------------	----	---

Legal Advertising	\$	2,500
-------------------	----	-------

Trustee Services	\$	8,250
------------------	----	-------

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
------------------------------	----	-------

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	\$	-
-------------------------	----	---

Bank Service Fees	\$	360
-------------------	----	-----

Artisan Lakes Community Development District

General Fund - Budget

Fiscal Year 2018

Travel and Per Diem	\$	-
Communications and Freight Services		
Telephone	\$	-
Postage, Freight & Messenger	\$	750
Rentals and Leases		
Miscellaneous Equipment	\$	-
Computer Services (Web Site Maintenance)	\$	800
Insurance	\$	6,000
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	\$	2,000
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	\$	1,467
4% Discount permitted by Law for early payment and 3% Tax Collector Fee and Property Appraiser Fee		
Total Appropriations:		\$ 75,652

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 Bonds - Budget

Fiscal Year 2018

Description	Fiscal Year 2017 Budget	Actual at 05/15/2017	Anticipated Year End 09/30/2017	Fiscal Year 2018 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	\$ 194,618
Series 2013 A-2			\$ -	
Series 2013 A-3			\$ -	
Special Assessment - Off-Roll				
Series 2013 A-1	\$ 90,343	\$ 204,062	\$ 204,062	\$ 91,956
Series 2013 A-2	\$ 161,625	\$ -	\$ -	\$ 112,813
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	\$ 604,836
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	\$ 92,813
Series 2013 A-3	\$ 177,625	\$ 177,625	\$ 177,625	\$ 175,450
Other Fees and Charges				
Discounts for Early Payment	\$ 13,624	\$ -	\$ -	\$ 13,624
Total Expenditures and Other Uses	\$ 654,211	\$ 1,186,981	\$ 1,186,981	\$ 604,836
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	\$ 244,825
Total - Restricted Fund Balance:	\$ 511,494

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-1

Description	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	\$ 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	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

Principal Balance - September 30, 2017 \$ 3,305,000

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-2

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				\$ 65,812.50	
5/1/2017	\$ 545,000	\$ 30,000	6.75%	\$ 65,812.50	\$ 156,625
11/1/2017				\$ 46,406.25	
5/1/2018		\$ 20,000	6.75%	\$ 46,406.25	\$ 122,813
11/1/2018				\$ 45,731.25	
5/1/2019		\$ 20,000	6.75%	\$ 45,731.25	\$ 111,463
11/1/2019				\$ 45,056.25	
5/1/2020		\$ 20,000	6.75%	\$ 45,056.25	\$ 110,113
11/1/2020				\$ 44,381.25	
5/1/2021		\$ 25,000	6.75%	\$ 44,381.25	\$ 108,763
11/1/2021				\$ 43,537.50	
5/1/2022		\$ 25,000	6.75%	\$ 43,537.50	\$ 112,075
11/1/2022				\$ 42,693.75	
5/1/2023		\$ 25,000	6.75%	\$ 42,693.75	\$ 110,388
11/1/2023				\$ 41,850.00	
5/1/2024		\$ 30,000	6.75%	\$ 41,850.00	\$ 108,700
11/1/2024				\$ 40,837.50	
5/1/2025		\$ 30,000	6.75%	\$ 40,837.50	\$ 111,675
11/1/2025				\$ 39,825.00	
5/1/2026		\$ 30,000	6.75%	\$ 39,825.00	\$ 109,650
11/1/2026				\$ 38,812.50	
5/1/2027		\$ 35,000	6.75%	\$ 38,812.50	\$ 107,625
11/1/2027				\$ 37,631.25	
5/1/2028		\$ 35,000	6.75%	\$ 37,631.25	\$ 110,263
11/1/2028				\$ 36,450.00	
5/1/2029		\$ 40,000	6.75%	\$ 36,450.00	\$ 107,900
11/1/2029				\$ 35,100.00	
5/1/2030		\$ 40,000	6.75%	\$ 35,100.00	\$ 110,200
11/1/2030				\$ 33,750.00	
5/1/2031		\$ 45,000	6.75%	\$ 33,750.00	\$ 107,500
11/1/2031				\$ 32,231.25	
5/1/2032		\$ 50,000	6.75%	\$ 32,231.25	\$ 109,463
11/1/2032				\$ 30,543.75	
5/1/2033		\$ 50,000	6.75%	\$ 30,543.75	\$ 111,088
11/1/2033				\$ 28,856.25	
5/1/2034		\$ 55,000	6.75%	\$ 28,856.25	\$ 107,713
11/1/2034				\$ 27,000.00	
5/1/2035		\$ 60,000	6.75%	\$ 27,000.00	\$ 109,000
11/1/2035				\$ 24,975.00	
5/1/2036		\$ 65,000	6.75%	\$ 24,975.00	\$ 109,950
11/1/2036				\$ 22,781.25	
5/1/2037		\$ 65,000	6.75%	\$ 22,781.25	\$ 110,563
11/1/2037				\$ 20,587.50	
5/1/2038		\$ 70,000	6.75%	\$ 20,587.50	\$ 106,175
11/1/2038				\$ 18,225.00	
5/1/2039		\$ 75,000	6.75%	\$ 18,225.00	\$ 106,450
11/1/2039				\$ 15,693.75	
5/1/2040		\$ 80,000	6.75%	\$ 15,693.75	\$ 106,388
11/1/2040				\$ 12,993.75	

Artisan Lakes Community Development District

Debt Service Fund - Series 2013 A-2

Description	Principal Prepayments	Principal Mandatory	Coupon Rate	Interest	Annual Debt Service
5/1/2041		\$ 85,000	6.75%	\$ 12,993.75	\$ 105,988
11/1/2041				\$ 10,125.00	
5/1/2042	\$	95,000	6.75%	\$ 10,125.00	\$ 105,250
11/1/2042				\$ 6,918.75	
5/1/2043	\$	100,000	6.75%	\$ 6,918.75	\$ 108,838
11/1/2043				\$ 3,543.75	
5/1/2044	\$	105,000	6.750%	\$ 3,543.75	\$ 107,088

Principal Balance - September 30, 2017 \$ 1,375,000.00

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 2018

This chart shows the assessments as proposed for FY 2018 - (this method excludes lots for future development as they do not receive any benefit from the District's administrative program)

Lot Size	Number of Units Assessed (1)			Allocation of O&M Assessment					Total			Per Lot Annual Assessment							
	O&M	Series 2013A-1 Debt Service	Series 2013A-2 Debt Service (2)	Series 2013A-3 Debt Service	EAU Factor	Total EAU's	On Roll Units	Off Roll Units	% Total EAU's	Total O&M Budget	Series 2013A-1 Debt Service Assessment	Series 2013A-2 Debt Service Assessment	Series 2013A-3 Debt Service Assessment	Off-Roll	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	43		1	99	99		12.27%	\$ 9,737.82	\$ 70,171.20	\$ 21,055.93			\$ 91.93	\$ 98.36	\$ 708.80	\$ 489.67	\$ 1,388.76
Single Family 50' (Phases 1-1 / 1-2)	75	75	46		1	75	75		9.29%	\$ 7,377.13	\$ 64,199.25	\$ 28,156.08			\$ 91.93	\$ 98.36	\$ 855.99	\$ 612.09	\$ 1,658.37
Single Family 60' (Phases 1-1 / 1-2)	38	38	22		1	38	38		4.71%	\$ 3,737.75	\$ 40,401.22	\$ 16,159.10			\$ 91.93	\$ 98.36	\$ 1,063.19	\$ 734.50	\$ 1,987.98
Single Family 70' (Phases 1-1 / 1-2)	16	16	16		1	16	16		1.98%	\$ 1,573.79	\$ 19,846.24	\$ 13,710.73			\$ 91.93	\$ 98.36	\$ 1,240.39	\$ 856.92	\$ 2,287.60
Single Family 40' (Phase 1-3)																		\$ 340.13	\$ 340.13
Single Family 50' (Phase 1-3)																		\$ 425.17	\$ 425.17
Single Family 60' (Phase 1-3)																		\$ 510.20	\$ 510.20
Single Family 70' (Phase 1-3)																		\$ 595.23	\$ 595.23
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 Acres - Units Assigned to General Fund (4)	579				1	579	579	71.75%	\$ 53,225.67										
Unplatted Acres - Debt Service Fund (Not Included in Totals)		285.51	285.51	285.51							\$ 91,955.62	\$ 33,730.65	\$ 205,450.00						
Total:	807	228	127	0		807	228	579	0	100.00%	\$ 75,652.15	\$ 286,573.53	\$ 112,812.50	\$ 205,450.00					

(1) - Reflects the total number of units subject to assessment

(2) - Reflects the total number of units taking into consideration prepayments

(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

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, 2016, and have issued our report thereon dated May 18, 2017. 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. As described in Note 1 to the financial statements, during the year, the District adopted GASB No. 72, *Fair Value Measurement and Application*. 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 18, 2017.

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 18, 2017

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

BASIC FINANCIAL STATEMENTS

Year Ended September 30, 2016

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

TABLE OF CONTENTS

Year Ended September 30, 2016

	<u>Page</u>
I. Financial Section:	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet - Governmental Funds	9
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	12
Notes to Financial Statements	13
II. 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 <i>Government Auditing Standards</i>	27
Management Comments	29
Independent Auditor's Report on Compliance with the Requirements of Section 218.415, Florida Statutes	31

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, 2016, 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, 2016, 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 18, 2017, 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.

McDiernit Davis & Company, LLC

Orlando, Florida
May 18, 2017

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, 2016 and 2015. 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, 2016:

- The District's total assets exceeded its liabilities at September 30, 2016 by \$138,092, an increase of \$244,272 in the government wide statement on page 8, in comparison with the prior year. This increase is primarily attributable to debt service special assessments revenue in excess of interest expense. Government wide statements do not consider principal to be an expense.
- At September 30, 2016, the District's governmental funds reported a combined fund balance of \$1,269,570, a decrease of \$176,457 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, 2016 and 2015:

Artisan Lakes Community Development District
Statement of Net Position

	September 30, 2016	September 30, 2015
Assets, excluding capital assets	\$ 1,277,315	\$ 1,461,000
Capital Assets, net of depreciation	6,848,768	7,116,934
Total assets	<u>8,126,083</u>	<u>8,577,934</u>
Liabilities, excluding long-term liabilities	232,991	259,114
Long-term Liabilities	7,755,000	8,425,000
Total liabilities	<u>7,987,991</u>	<u>8,684,114</u>
Net Position		
Net investment in capital assets	(906,232)	(1,301,816)
Restricted for debt service	985,266	1,185,634
Unrestricted	59,058	10,002
Total net position	<u>\$ 138,092</u>	<u>\$ (106,180)</u>

Governmental activities for the year ended September 30, 2016 increased the District's net position by \$244,272, as reflected in the table below:

Changes in Net Position
Year ended September 30,

	2016	2015
Revenues:		
Program revenues	\$ 1,153,666	\$ 2,370,353
General revenues	3	3
Total revenues	<u>1,153,669</u>	<u>2,370,356</u>
Expenses:		
General government	356,191	59,421
Maintenance and infrastructure costs	-	2,653,024
Interest on long-term debt	553,206	589,554
Total expenses	<u>909,397</u>	<u>3,301,999</u>
Change in net position	244,272	(931,643)
Net position - beginning	(106,180)	825,463
Net position - ending	<u>\$ 138,092</u>	<u>\$ (106,180)</u>

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, 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, Debt Service and Capital Projects Funds comprise the total governmental funds. The fund balance of the Debt Service Fund decreased by \$219,263 in the current year because debt service payments exceeded assessments. The fund balance of the General Fund increased \$49,056 from the prior year. The Capital Projects fund was closed during the current 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, 2016, amounts to \$6,848,768 and consists of land and improvements and infrastructure.

At the end of the year, the District had total bonded debt outstanding of \$7,755,000. 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, 2041 NE 6th Avenue, Wilton Manors, Florida 33305.

FINANCIAL STATEMENTS

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF NET POSITION

September 30, 2016

	Governmental Activities
Assets:	
Cash	\$ 66,803
Restricted assets:	
Temporarily restricted investments	1,210,512
Capital assets:	
Capital assets being depreciated, net	<u>6,848,768</u>
Total assets	<u>8,126,083</u>
Liabilities:	
Accounts payable and accrued expenses	7,745
Accrued interest payable	225,246
Noncurrent liabilities:	
Due within one year	100,000
Due in more than one year	<u>7,655,000</u>
Total liabilities	<u>7,987,991</u>
Net Position:	
Net investment in capital assets	(906,232)
Restricted for debt service	985,266
Unrestricted	<u>59,058</u>
Total net position	<u>\$ 138,092</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, 2016

<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	\$ 356,191	\$ 130,828	\$ -	\$ (225,363)
Interest on long-term debt	553,206	1,022,838	-	469,632
Total governmental activities	<u>\$ 909,397</u>	<u>\$ 1,153,666</u>	<u>\$ -</u>	<u>244,269</u>
General Revenues:				
Investment income				<u>3</u>
Change in net position				244,272
Net Position - beginning				<u>(106,180)</u>
Net Position - ending				<u>\$ 138,092</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, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Cash	\$ 66,803	\$ -	\$ 66,803
Investments	-	1,210,512	1,210,512
Total assets	<u>\$ 66,803</u>	<u>\$ 1,210,512</u>	<u>\$ 1,277,315</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued expenses	\$ 7,745	\$ -	\$ 7,745
Total liabilities	<u>7,745</u>	<u>-</u>	<u>7,745</u>
Fund Balances:			
Restricted for debt service	-	1,210,512	1,210,512
Unassigned	59,058	-	59,058
Total fund balances	<u>59,058</u>	<u>1,210,512</u>	<u>1,269,570</u>
Total liabilities and fund balances	<u>\$ 66,803</u>	<u>\$ 1,210,512</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. 6,848,768

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	(225,246)	
	Bonds and note payable	<u>(7,755,000)</u>	<u>(7,980,246)</u>
Net Position of Governmental Activities			<u>\$ 138,092</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, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Revenues:				
Special assessments	\$ 130,828	\$ 651,642	\$ -	\$ 782,470
Special assessments - prepayments	-	371,196	-	371,196
Investment income	3	-	-	3
Total revenues	<u>130,831</u>	<u>1,022,838</u>	<u>-</u>	<u>1,153,669</u>
Expenditures:				
Current:				
General government	81,775	-	-	81,775
Debt service:				
Interest	-	572,101	-	572,101
Principal	-	670,000	-	670,000
Capital outlay	-	-	6,250	6,250
Total expenditures	<u>81,775</u>	<u>1,242,101</u>	<u>6,250</u>	<u>1,330,126</u>
Excess (Deficit) of Revenues Over Expenditures	49,056	(219,263)	(6,250)	(176,457)
Fund Balances - beginning of year	<u>10,002</u>	<u>1,429,775</u>	<u>6,250</u>	<u>1,446,027</u>
Fund Balances - end of year	<u>\$ 59,058</u>	<u>\$ 1,210,512</u>	<u>\$ -</u>	<u>\$ 1,269,570</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, 2016

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

Net Change in Fund Balances - total governmental funds (page 10)	\$ (176,457)
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.	(274,416)
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.	6,250
Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.	670,000
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>18,895</u>
Change in Net Position of Governmental Activities (page 8)	<u><u>\$ 244,272</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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 118,225	\$ 118,225	\$ 130,828	\$ 12,603
Investment Income	-	-	3	3
Total revenues	118,225	118,225	130,831	12,606
Expenditures:				
Current:				
General government	118,225	118,225	81,775	36,450
Total expenditures	118,225	118,225	81,775	36,450
Net change in fund balance	-	-	49,056	49,056
Fund Balance - beginning	10,002	10,002	10,002	-
Fund Balance - ending	\$ 10,002	\$ 10,002	\$ 59,058	\$ 49,056

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, 2016

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, 2016. 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, 2016

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, 2016, 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2016

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.

Capital Projects Fund - This fund is used to account for the resources to be used for the acquisition or construction of major infrastructure within the District.

For the year ended September 30, 2016, 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, 2016

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.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2016

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 estimated fair market 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, 2016.

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, 2016.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2016

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, 2016

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.

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2016

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, 2016.

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, 2016.

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, 2016.

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, 2016

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, 2016

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	\$ 1,210,512	AAAm	39 days

The District has the following recurring fair value measurements as of September 30, 2016:

- Money market mutual funds of \$1,210,512 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, 2016, 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, 2016

Note 4 - Capital Assets:

Capital asset activity for the year ended September 30, 2016 was as follows:

	Beginning Balance October 1, 2015	Additions	Disposals	Balance at September 30, 2016
Governmental Activities:				
Capital Assets Being Depreciated:				
Stormwater improvements	\$ 3,960,230	\$ 6,250	\$ -	\$ 3,966,480
Parkway improvements	3,489,593	-	-	3,489,593
Total capital assets being depreciated	<u>7,449,823</u>	<u>6,250</u>	<u>-</u>	<u>7,456,073</u>
Total capital assets	<u>7,449,823</u>	<u>6,250</u>	<u>-</u>	<u>7,456,073</u>
Less Accumulated Depreciation for:				
Stormwater improvements	(158,409)	(158,409)	-	(316,818)
Parkway improvements	(174,480)	(116,007)	-	(290,487)
Total accumulated depreciation	<u>(332,889)</u>	<u>(274,416)</u>	<u>-</u>	<u>(607,305)</u>
Total capital assets being depreciated, net	<u>7,116,934</u>	<u>(268,166)</u>	<u>-</u>	<u>6,848,768</u>
Governmental activities capital assets, net	<u>\$ 7,116,934</u>	<u>\$ (268,166)</u>	<u>\$ -</u>	<u>\$ 6,848,768</u>

Provision for depreciation was charged to functions as follows:

Governmental Activities:

General government \$ 274,416

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2016

Note 5 - Long-Term Debt:

Summary of Long-Term Debt of Governmental Activities

Long-term debt of the governmental activities at September 30, 2016 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%. \$ 7,755,000

The following is a summary of changes in governmental activities long-term debt for the year ended September 30, 2016:

	<u>Balance October 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2016</u>	<u>Due Within One Year</u>
Special Assessment Revenue Bonds, Series 2013	\$ 8,425,000	\$ -	\$ (670,000)	\$ 7,755,000	\$ 100,000
Total	<u>\$ 8,425,000</u>	<u>\$ -</u>	<u>\$ (670,000)</u>	<u>\$ 7,755,000</u>	<u>\$ 100,000</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, 2016

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, 2016, the reserve fund account balance was sufficient to satisfy this requirement.

Total principal and interest remaining the Bonds is \$17,812,240. For the current year ended September 30, 2016, total principal and interest paid on the Bonds was \$1,242,101 and special assessment revenue pledged was \$1,022,838.

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

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 100,000	\$ 540,588	\$ 640,588
2018	110,000	534,025	644,025
2019	115,000	527,125	642,125
2020	125,000	519,550	644,550
2021	130,000	511,613	641,613
2022 - 2026	825,000	2,417,650	3,242,650
2027 - 2031	1,145,000	2,114,188	3,259,188
2032 - 2036	1,635,000	1,686,000	3,321,000
2037 - 2041	2,285,000	1,019,938	3,304,938
2042 - 2046	1,285,000	186,563	1,471,563
	<u>\$ 7,755,000</u>	<u>\$ 10,057,240</u>	<u>\$ 17,812,240</u>

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2016

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, 2016. 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, 2016, the Developer's share of annual assessment revenue was 53%. Prepayment of total lot debt is not mandatory by property owners.

At September 30, 2016, 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, 2016, 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 18, 2017.

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.

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

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 and contracts, 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.

McDiarmid Davis & Company, LLC

Orlando, Florida
May 18, 2017

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, 2016, and have issued our report thereon dated May 18, 2017.

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 Reports

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*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 18, 2017, 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

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report 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 identification 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. 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.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the District for the fiscal year ended September 30, 2016, 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, 2016. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

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.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 have 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.

McDiernit Davis & Company, LLC

Orlando, Florida
May 18, 2017

**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, 2016. 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, 2016.

MCDIRMIT DAVIS & COMPANY, LLC

Orlando, Florida
May 18, 2017

SUPERVISOR OF ELECTIONS

MICHAEL BENNETT

- Supervisor -

600 301 Boulevard West, Suite 108

Bradenton, Florida 34205

Phone: (941) 741-3823

Fax: (941) 741-3820

www.VoteManatee.com

Artisan Lakes Community Development District

April 26, 2017

Jim Ward

JPWard & Associates, LLC

2041 NE 6 Terrace

Wilton Manors, FL 33305

Dear Mr. Ward:

We are in receipt of your request for the number of registered voters in the Artisan Lakes Community Development District as of April 15, 2017. According to our records, there were 235 persons registered in the Artisan Lakes Community Development District as of that date.

I hope this information is helpful to you. If I can be of any further assistance to you, please do not hesitate to contact my office at your earliest convenience.

Sincerely,



Michael Bennett
Supervisor of Elections

MB/klj



RECYCLED
PAPER

Protect the Manatee...

Artisan Lakes Community Development District

Financial Statements

April 30, 2017



Prepared by:

JPWARD AND ASSOCIATES LLC

***2041 NE 6TH TERRACE
FORT LAUDERDALE, FLORIDA 33305
E-MAIL: JIMWARD@JPWARDASSOCIATES.COM
PHONE: (954) 658-4900***

Artisan Lakes Community Development District

Table of Contents

	<i>Page</i>
<i>Balance Sheet—All Funds</i>	<i>1-2</i>
<i>Statement of Revenue, Expenditures and Changes in Fund Balance</i>	
<i>General Fund</i>	<i>3-4</i>
<i>Debt Service Fund</i>	
<i>Series 2013 Bonds</i>	<i>5</i>

JPWard & Associates, LLC
2041 NE 6th Terrace
Fort Lauderdale, Florida 33305

**Artisan Lakes Community Development District
Balance Sheet
for the Period Ending April 30, 2017**

Governmental Funds				
	General Fund	Series 2013	Account Groups General Long Term Debt	Totals (Memorandum Only)
Assets				
Cash and Investments				
General Fund - Invested Cash	\$ 114,428	\$ -	\$ -	\$ 114,428
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	-	203,475	-	203,475
Series 2013 A-3	-	206,981	-	206,981
Revenue				-
Series 2013 A-1 and A-2	-	281,467	-	281,467
Series 2013 A-3	-	118,814	-	118,814
Prepayment Account				
Series 2013 A-1	-	10,000	-	10,000
Series 2013 A-2	-	346,326	-	346,326
Due from Other Funds				-
General Fund	-	-	-	-
Debt Service Fund(s)				-
Assessments Receivable				-
Amount Available in Debt Service Funds			1,440,976	1,440,976
Amount to be Provided by Debt Service Funds			6,804,024	6,804,024
Total Assets	\$ 114,428	\$ 1,440,976	\$ 8,245,000	\$ 9,800,404

**Artisan Lakes Community Development District
Balance Sheet
for the Period Ending April 30, 2017**

	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	-	-	40,000	-
Series 2013 A-2	-	-	30,000	-
Series 2013 A-3	-	-	30,000	-
Long Term	-	-	-	-
Series 2013 A-1	-	-	3,315,000	-
Series 2013 A-2	-	-	2,415,000	-
Series 2013 A-3	-	-	2,415,000	-
Total Liabilities	\$ -	\$ -	\$ 8,245,000	\$ -
Fund Equity and Other Credits				
Investment in General Fixed Assets	-	-	-	-
Fund Balance				
Restricted				
Beginning: October 1, 2016 (Unaudited)	-	1,210,513	-	1,210,513
Results from Current Operations	-	230,463	-	230,463
Unassigned				
Beginning: October 1, 2016 (Unaudited)	59,057	-	-	59,057
Results from Current Operations	55,371	-	-	55,371
Total Fund Equity and Other Credits	\$ 114,428	\$ 1,440,976	\$ -	\$ 1,555,404
Total Liabilities, Fund Equity and Other Credits	\$ 114,428	\$ 1,440,976	\$ 8,245,000	\$ 1,555,404

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, 2017

Description	October	November	December	January	February	March	April	Year to Date	Total Annual Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
Interest									
Interest - General Checking	-	-	-	-	-	-	-	-	-
Special Assessment Revenue									
Special Assessments - On-Roll	56	3,647	5,664	2,399	9,062	116	273	21,218	20,959
Special Assessments - Off-Roll	-	-	-	-	-	13,904	39,322	53,226	53,226
Developer Contribution									
Developer Contribution	-	-	-	-	-	-	-	-	-
Intragovernmental Transfer In									
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	-
Total Revenue and Other Sources:	\$ 56	\$ 3,647	\$ 5,664	\$ 2,399	\$ 9,062	\$ 14,020	\$ 39,595	74,444	\$ 74,185
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
Financial and Administrative									
Audit Services	-	-	-	-	-	-	-	-	4,100
Accounting Services	-	-	-	-	-	-	-	-	-
Assessment Roll Services	-	-	-	-	-	-	-	-	-
Arbitrage Rebate Services	-	-	-	-	-	-	-	-	500
Other Contractual Services									
Legal Advertising	180	-	-	175	-	-	-	355	2,500
Trustee Services	-	-	-	-	-	-	-	-	8,250
Dissemination Agent Services	-	-	-	-	-	-	-	-	5,000
Property Appraiser Fees	-	-	-	-	-	-	-	-	-
Bank Service Fees	-	19	19	14	20	19	18	110	360
Communications & Freight Services									
Postage, Freight & Messenger	25	-	25	35	9	9	27	130	750

Artisan Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through April 30, 2017

Description	October	November	December	January	February	March	April	Year to Date	Total Annual Budget
Computer Services - Website Development	-	-	-	-	-	-	-	-	800
Insurance	4,282	-	-	-	-	-	-	4,282	6,000
Printing & Binding		99						99	750
Subscription & Memberships	175	-	-	-	-	-	-	175	175
Legal Services									
Legal - General Counsel	-	-	150	1,777	-	203	-	2,129	13,000
Other General Government Services									
Engineering Services	-	-	-	126	-	-	-	126.00	2,000
Contingencies	-	-	-	-	-	-	-	-	-
Other Current Charges	-	-	-	-	-	-	-	-	-
Reserves									
Operational Reserves (Future Years)							-	-	10,000
Other Fees and Charges	-	-	-	-	-	-	-	-	-
Discounts/Collection Fees							-	-	-
Sub-Total:	6,329	1,785	1,860	3,794	1,696	1,897	1,712	19,073	74,185
Total Expenditures and Other Uses:	\$ 6,329	\$ 1,785	\$ 1,860	\$ 3,794	\$ 1,696	\$ 1,897	\$ 1,712	\$ 19,073	\$ 74,185
Net Increase/ (Decrease) in Fund Balance	(6,272)	1,862	3,804	(1,395)	7,366	12,123	37,883	55,371	-
Fund Balance - Beginning	59,057	52,785	54,647	58,451	57,056	64,422	76,545	59,057	-
Fund Balance - Ending	\$ 52,785	\$ 54,647	\$ 58,451	\$ 57,056	\$ 64,422	\$ 76,545	\$ 114,429	114,429	\$ -

Artisan Lakes Community Development District
Debt Service Fund - Series 2013
Statement of Revenues, Expenditures and Changes in Fund Balance
Through April 30, 2017

Description	October	November	December	January	February	March	April	Year to Date	Total Annual Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	\$ -
Interest Income	3	6	4	57	146	143	249	608	
Special Assessment Revenue									
Special Assessments - On-Roll	486	31,490	48,903	20,711	78,243	1,000	2,361	183,194	180,995
Special Assessments - Off-Roll	-	-	-	-	-	-	204,062	204,062	
Series 2013 Bonds A-1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	\$ 90,343
Series 2013 Bonds A-2							-	-	\$ 161,625
Series 2013 Bonds A-3							-	-	\$ 207,625
Special Assessments - Prepayments	38,102	22,753	75,301	79,819	29,578	40,663	81,675	367,892	-
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	-
Total Revenue and Other Sources:	\$ 38,591	\$ 54,250	\$ 124,208	\$ 100,587	\$ 107,968	\$ 41,805	288,348	755,757	\$ 640,588
Expenditures and Other Uses									
Debt Service									
Principal Debt Service - Mandatory									
Series 2013 Bonds A-1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	\$ 40,000
Series 2013 Bonds A-2							-	-	\$ 30,000
Series 2013 Bonds A-3							-	-	\$ 30,000
Principal Debt Service - Early Redemptions									
Series 2013 Bonds A-1	-	-	-	-	-	-	-	-	-
Series 2013 Bonds A-2	-	255,000	-	-	-	-	-	255,000	-
Series 2013 Bonds A-3	-	-	-	-	-	-	-	-	-
Interest Expense									
Series 2013 Bonds A-1	-	115,669	-	-	-	-	-	115,669	231,338
Series 2013 Bonds A-2		65,813					-	65,813	131,625
Series 2013 Bonds A-3		88,813					-	88,813	177,625
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-
Total Expenditures and Other Uses:	\$ -	\$ 525,294	\$ -	\$ -	\$ -	\$ -	-	525,294	\$ 640,588
Net Increase/ (Decrease) in Fund Balance	38,591	(471,044)	124,208	100,587	107,968	41,805	288,348	230,463	-
Fund Balance - Beginning	1,210,513	1,249,104	778,060	902,268	1,002,855	1,110,823	1,152,628	1,210,513	-
Fund Balance - Ending	\$ 1,249,104	\$ 778,060	\$ 902,268	\$ 1,002,855	\$ 1,110,823	\$ 1,152,628	1,440,976	1,440,976	\$ -