

JPWard and Associates, LLC

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

REGULAR MEETING

AGENDA

August 22, 2017



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

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

August 8, 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 **Thursday, August 22, 2017 at 3:30 P.M.**, at the **Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221**. The agenda is as follows:

1. Call to Order & Roll Call
2. Consideration of Minutes
 - I. June 13, 2017 Regular Meeting
3. **PUBLIC HEARINGS**
 - a. **FISCAL YEAR 2018 BUDGET**
 - i. Public Comment and Testimony
 - ii. Board Comment
 - iii. Consideration of Resolution 2017-6 adopting the annual appropriation and Budget for Fiscal Year 2018.
 - b. **FISCAL YEAR 2018 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN ASSESSMENT ROLL, APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY AND SETTING AN OPERATIONS AND MAINTENANCE CAP FOR NOTICE PURPOSES ONLY.**
 - I. Public Comment and Testimony
 - II. Board Comment
 - III. Consideration of Resolution 2017-7 imposing special assessments, adopting an assessment roll and approving the general fund special assessment methodology.
4. Consideration of Resolution 2017-8 designating dates, time and location for regular meeting of the Board of Supervisor's for Fiscal Year, 2018.
5. Consideration of Resolution 2017-9 declaring special assessments; designating the nature and location of the proposed improvements; declaring the total estimated cost of the improvements, the portion to be paid by assessments, and the manner and timing in which the assessments are to be paid; designating the lands upon which the assessments shall be levied; providing for an assessment plat and a preliminary assessment roll; addressing the setting of the public hearings; providing for publication of this resolution, and addressing conflicts, severability and an effective date.

6. Staff Reports
 - I. Attorney
 - II. Engineer
 - III. Manager
 - a. Financial Statements – July 31, 2017 (Unaudited)
5. Audience Comments and Supervisor’s Requests
6. Adjournment

The second order of business is consideration of the minutes of the June 3, 2016 meeting.

The third order of business deals with two (2) required Public Hearings to consider the adoption of the District’s Fiscal Year 2018 Budget, Assessments, General Fund Special Assessment Methodology.

The first Public Hearing deals with the adoption of the Fiscal Year 2018 Budget which includes both the General Fund operations and the Debt Service Fund for the Series 2013 A-1 – A3 Bonds. At the conclusion of the hearing, will be consideration of Resolution 2018-6 which adopts the Fiscal Year 2018 Budget. The only change to the budget is to now include the Phase III plat into the assessment roll and budget, and their have been no changes to the budget itself.

As is usual, the enclosed budget has now split the amounts that will be billed on-roll and direct billed to the Developer in all the funds. Essentially, in the General Fund and the Series 2013 A-1 Bonds, all platted unit’s are billed on-roll and all unplatted areas will be direct billed, Subsequent to adoption of the budget, the resolution provides the Manager’s office to continue to update the roll as property is sold, until the District is required to certify the roll to the Manatee County Property Appraiser, which is generally in early September of each year. For the Series 2013 A-2 and A-3 bonds, these will all be billed directly by the District.

This second Public Hearing is a consequence of the Budget Adoption process and sets in place the required documents that are all contained in the Fiscal Year 2018 Budget. Resolution 2017-7 does essentially three (3) things. First, it imposes the special assessments for the general fund and the debt service fund; second, it arranges for the certification of an assessment roll by the Chairman or his designee, which in this case is the District Manager, to the Manatee County Tax Collector and permits the District Manager to update the roll as it may be modified as limited by law subsequent to the adoption date of Resolution 2017-7 and finally it approves the General Fund Special Assessment Methodology.

The fourth item is consideration of Resolution 2017-8 setting the proposed meeting schedule for Fiscal Year 2018. As you may re-call, to the extent that the District has a regular meeting schedule the District is required to advertise this schedule (legal advertisement) on a periodic basis at the beginning of the Fiscal Year.

The proposed meeting schedule is at **3:30 P.M. at the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.**

The Fiscal Year 2018 schedule is as follows

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

The ninth order of business is the start of the process by the District to levy capital assessments on certain properties to finance the capital improvement program for the District.

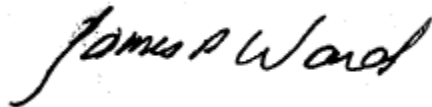
In order to start the process, the District authorized Waldrop Engineering to prepare an engineering report that outlines the capital improvement plan for the entire District and my firm to prepare the assessment methodology for the issuance of the Phase IV – Series 2017 Bonds, and what is required for the phase of development that would coincide with the first financing that the District would undertake.

The first step is for Waldrop Engineering to describe the overall capital improvement program and the phasing plan for the capital improvement program.

Subsequent to that presentation, I will review the special assessment methodology, and finally the Board will consider Resolution 2017-9 is a Resolution of Intent to Levy, and simply means that the Board desires to proceed with the public hearing to levy assessments to fund the capital improvement program, included in this resolution, is a provision that provides notice of the public hearing on the proposed assessments.

The remainder of the Agenda is standard in nature, and in the meantime, if you have any questions or comments, please do not hesitate to contact me directly at (954) 658-4900.

Yours sincerely,
Artisan Lakes
Community Development District



James P. Ward
District Manager

Enclosures

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

The Regular Meeting of the Board of Supervisors of Artisan Lakes Community Development District was held on Tuesday, June 13, 2016, at 3:00 p.m. at the Artisan Lakes Clubhouse, located at 4725 Los Robles Court, Palmetto, Florida 34221.

Present and constituting a quorum:

Andrew Miller	Chairman
JD Humpherys	Assistant Secretary
Karen Goldstein	Assistant Secretary
Adam Painter	Assistant Secretary
Kenneth Stokes	Vice Chairman (joined the meeting in progress noted in the minutes)

Also present were:

James Ward	District Manager
Jere Earlywine	District Counsel, Hopping Green & Sams
Jeremy Fireline	District Engineer, Waldrop Engineering

Audience:

Dave Truxton	Taylor Morrison
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FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order and all members were present at roll call with the exception of Supervisor Stokes

SECOND ORDER OF BUSINESS

Consideration of the Minutes

Mr. Ward stated two sets of minutes were in need of approval, the regular meeting and the landowner meeting which were both held on November 3, 2016. He called first for any additions, corrections or deletions to these minutes. Mr. Humpherys mentioned the correct spelling of his name which was noted.

<p>On MOTION made by Mr. Miller, seconded by Mr. Humpherys, with all in favor, the Minutes of the regular meeting on November 3, 2016, were approved.</p>

Mr. Ward stated next to be approved were the landowners' meeting minutes. He called for any additions, corrections or deletions to these minutes.

On MOTION made by Mr. Humpherys, seconded by Mr. Miller, with all in favor, the Minutes of the landowners' meeting on November 3, 2016, were approved.

THIRD ORDER OF BUSINESS

Consideration of the Ranking of Engineering Proposal to Serve as District Engineer and Agreement with Waldrop Engineering

Mr. Ward stated at the last meeting the Board had terminated the services of Stantec and authorized the staff to send out requests for qualifications. He said one proposal had been received from Waldrop Engineering. He said it was a non-priced based proposal. Mr. Ward further stated as the Board had received only one proposal, they could reject it, and repeat the process or they could rank the Waldrop proposal number 1.. He said if the Board ranked Waldrop as number one, then the Engineering Services Agreement could be done which staff placed on the Agenda, if the Board choose to rank Waldrop Number 1..

Mr. Humpheryss stated as they were the engineers for the project, unless there was some reason to object, he did not have any objections. Mr. Ward then asked for a motion.

On MOTION made by Mr. Humpherys, seconded by Mr. Painter, with all in favor, the ranking of Waldrop Engineering as Number 1 to serve as District Engineers was approved.

Mr. Ward said in anticipation of this decision, he and Mr. Earlywine had prepared the Master Engineering Service Agreement which stated the engineer would give the CDD a work authorization each time work needed to be done. In addition, he stated the engineer would come to Board meetings and provide for the ownership of documents which belonged to the District, and the documents would become part of public records. He distributed an hourly rate fee schedule provided by Waldrop Engineering, and he commented that the fees were consistent with other engineering firms. Mr. Ward called for questions.

A question was asked about the fee because he could not tell what it might be from the schedule that had been distributed.

Mr. Stokes joined the meeting at approximately 3:06 P.M.

It was stated that as work projects arose, the firm would complete and submit a specific proposal. Mr. Ward said he did not believe they would exceed the budget.

Jeremy Fireline who would be the engineer for the District was present. He was asked what his hourly fee might be. He responded he was not sure as it varied, but he would be happy to provide that information.

A Board member stated he wanted to be sure the new fees were consistent with the last Engineer, and Mr. Ward said they were; and if it became a problem, he would inform the Board. It was added that some of the work Engineers do was covered by bonds and would not impact the Board's budget.

Mr. Ward called for further discussion and hearing none, called for a motion.

On MOTION made by Mr. Miller, seconded by Ms. Goldstein, with all in favor, the Master Engineering Services Agreement and Work Authorization #1 were approved.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2017-5
Approving the Proposed Budget for Fiscal
Year 2018 and Setting a Public Hearing.**

Mr. Ward said Resolution 2017-5 approved the budget and scheduled 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.

Mr. Ward explained the budget was comprised of two parts: the General Fund, which has stayed exactly the same as prior years, and the Debt Service Fund, which included the A1, A2, and A3 bonds. He said this was also consistent with what had been seen in the past and basically he was saying the rates would remain the same. He called for questions.

Mr. Humpherys asked about Debt Service Fund. Mr. Ward said the amount of revenue generated was a fixed amount for the entire community and not based on sales, but based on planned units.

Various other items in the budget were discussed, and Mr. Ward give further details and explanations on these items.

Mr. Humpherys asked if Restricted for Future Operations was cash, and Mr. Ward responded affirmatively. Mr. Ward said to be frank he did not know why that operating item was put there. Mr. Humpherys said the Board might want to consider not having it or not growing it. Mr. Ward said he suspected the HOA had reserves for Operations, but said he would leave the amount for now, but did not see a reason to grow it. He said it was one of those items to be evaluated on a yearly basis.

Mr. Ward called for a motion to adopt the Resolution.

On MOTION made by Mr. Miller, seconded by Ms. Goldstein, with all in favor, Resolution 2017-5 as described above was approved.

FIFTH ORDER OF BUSINESS**Staff Reports**

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

Mr. Ward stated that the Statute required that the District to report on the number of registered voters. He stated there are 235 Registered Voters. He said the number of registered voters was slightly lower then required. He noted that when two thresholds were reached: 1. 250 qualified electors; 2. Six years from the date of establishment then the Board would begin the transition to a qualified based election. He said they had reached the second one and would most likely read the first one in 2018, which would mean two of the members of the Board would be elected by qualified electors.

Mr. Ward also noted that the Board should have received from the Supervisor of Elections in the County in which they reside, the Form 1, Financial Statements had been sent to the Board and he urged them to complete them on time which was July 3, 2017.

SIXTH ORDER OF BUSINESS**Supervisors' Requests and Audience Comments**

Mr. Ward asked if there was any business from the Board.

Mr. Truxton in the audience said in August or September, there would be a hearing to record a plat which would be for 424 units to Artisan Lakes under a separate association known as Eaves Bend. He said the debt totals for the bonds would be kept at the same level as the A1 series bonds. He said as the developers, they would be working with District Counsel, Bond Counsel and the District Manager.

Mr. Ward said one final item, Elden McDirmit with McDirmit Davis was on the phone to review the audit.

Mr. McDirmit stated he would take them through the report and highlight a few things. He said on Page 1 and 2, it should be noted the audit indicated a clean report. He reviewed and highlighted the remainder of the report. He said finally that there were no comments that his firm needed to report to the Auditor General.

There was no discussion of the report.

On MOTION made by Mr. Miller, seconded by Mr. Painter, with all in favor, the 2016-17 Audit was approved.

SEVENTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned at 3:25 P.M.

On MOTION made by Mr. Stokes, seconded by Mr. Painter, with all in favor, the meeting was adjourned.

James P. Ward, Secretary

Andrew Miller, Chairman

RESOLUTION 2017-6

THE ANNUAL APPROPRIATION RESOLUTION OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018.

WHEREAS, the District Manager has, submitted to the Board of Supervisors (the "Board") a proposed budget for the next ensuing budget year along with an explanatory and complete financial plan for each fund of the Artisan Lakes Community Development District, pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

WHEREAS, at least sixty (60) days prior to the adoption of the proposed annual budget (the "Proposed Budget"), the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), Florida Statutes; and

WHEREAS, the Board set August 22, 2017, as the date for a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), Florida Statutes; and

WHEREAS, Section 190.008(2)(a), Florida Statutes, requires that, prior to October 1st of each year, the District Board by passage of the Annual Appropriation Resolution shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

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

SECTION 1. Budget

- a. That the Board of Supervisors has reviewed the District Manager's Proposed Budget, a copy of which is on file with the office of the District Manager and at the District's Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. That the District Manager's Proposed Budget, attached hereto as Exhibit "A," as amended by the Board pursuant to the adoption of this Resolution (and as amended by the District Manager, as permitted), is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes, and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures and/or revised projections.

RESOLUTION 2017-6

THE ANNUAL APPROPRIATION RESOLUTION OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018.

- c. That the adopted budget, as amended, shall be maintained in the office of the District Manager and at the District's Records Office and identified as "The Budget for Artisan Lakes Community Development District for the Fiscal Year Ending September 30, 2018", as adopted by the Board of Supervisors on August 22, 2017

SECTION 2. Appropriations

There is hereby appropriated out of the revenues of the Artisan Lakes Community Development District, for the fiscal year beginning October 1, 2017 and ending September 30, 2018, the sum of \$680,488.00 to be raised by the levy of assessments and otherwise, which sum is deemed by the Board of Supervisors to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ 75,652.00
DEBT SERVICE FUND – SERIES 2013	<u>\$ 604,836.00</u>
TOTAL ALL FUNDS	\$ 680,404.00

SECTION 3. Supplemental Appropriations

Pursuant to Section 189.016, Florida Statutes, the District at any time within the fiscal year or within 60 days following the end of the fiscal year may amend its budget(s) for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000.00.
- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

Any budget amendments shall be in compliance with this Section 3 and Section 189.016 of the Florida Statutes, among other applicable laws. Among other things, the District Manager

RESOLUTION 2017-6

THE ANNUAL APPROPRIATION RESOLUTION OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018.

or Treasurer must ensure that any amendments to budget(s) under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption.

SECTION 4. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 5. CONFLICT. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Artisan Lakes Community Development District.

PASSED AND ADOPTED this 22nd day of August, 2017.

ATTEST:

**ARTISAN LAKES COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

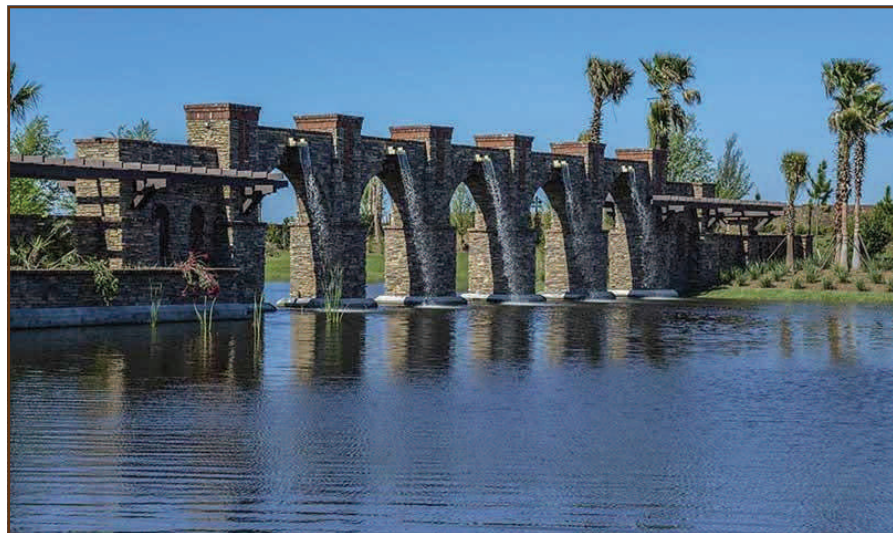
Andrew Miller, Chairman

JPWard and Associates, LLC

**ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT**

PROPOSED BUDGET

FISCAL YEAR 2018



James P. Ward
District Manager
819 Northeast 23 Drive, #3
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**

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DEBT SERVICE FUND

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Bond Amortization Schedule	

ASSESSMENT LEVY

Summary of All Funds	12
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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	\$ 38,164
Assessments - Off-Roll	\$ 53,226	\$ 53,226	\$ 53,226	\$ 38,517
Contributions - Private Sources				
Taylor Morrison		\$ -	\$ -	
Total Revenue & Other Sources	\$ 75,652	\$ 74,444	\$ 75,652	\$ 76,682
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	\$ -	\$ -	\$ 2,569
Total Appropriations	\$ 75,652	\$ 27,214	\$ 72,274	\$ 76,754
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	\$	-
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The Board's fees are statutorily set at \$200 for each meeting of the Board of Supervisor's not to exceed \$4,800 for each Fiscal Year. The Budgeted amount reflects that the anticipated meetings for the District. The current Board has waived the statutory authorized fees.

Executive

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

Financial and Administrative

Audit Services	\$	4,100
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Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures, if it's Revenues or Expenditures reach a certain threshold.

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

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

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

Other Contractual Services \$ -

Recording and Transcription	\$	-
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Legal Advertising	\$	2,500
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Trustee Services	\$	8,250
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With the issuance of the District's Bonds, the District is required to maintain the accounts established for the Bond Issue with a bank that holds trust powers in the State of Florida. The primary purpose of the trustee is to safeguard the assets of the Bondholder's, to insure the timely payment of the principal and interest due on the Bonds, and to insure the investment of the funds in the trust are made pursuant to the requirements of the trust.

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

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

General Fund - Budget

Fiscal Year 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	\$	2,569
4% Discount permitted by Law for early payment and 3% Tax Collector Fee and Property Appraiser Fee		
Total Appropriations:		\$ 76,754

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	\$ 290,141
Series 2013 A-2			\$ -	
Series 2013 A-3			\$ -	
Special Assessment - Off-Roll				
Series 2013 A-1	\$ 90,343	\$ 204,062	\$ 204,062	\$ -
Series 2013 A-2	\$ 161,625	\$ -	\$ -	\$ 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	\$ 608,404
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)	\$ 3,568
Fund Balance - Beginning	\$ 984,675	\$ 1,210,513	\$ 1,210,513	\$ 791,750
Fund Balance - Ending	\$ 984,675	\$ 791,750	\$ 791,750	\$ 795,318

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

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- Debt Service (5)	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	13		1	99	99		12.27%	\$ 9,737.82	\$ 70,171.20	\$ 6,365.75		\$ 91.93	\$ 98.36	\$ 708.80	\$ 489.67		\$ 1,388.76
Single Family 50' (Phases 1-1 / 1-2)	75	75	17		1	75	75		9.29%	\$ 7,377.13	\$ 64,199.25	\$ 10,405.51		\$ 91.93	\$ 98.36	\$ 855.99	\$ 612.09		\$ 1,658.37
Single Family 60' (Phases 1-1 / 1-2)	38	38	8		1	38	38		4.71%	\$ 3,737.75	\$ 40,401.22	\$ 5,876.04		\$ 91.93	\$ 98.36	\$ 1,063.19	\$ 734.50		\$ 1,987.98
Single Family 70' (Phases 1-1 / 1-2)	16	16	10		1	16	16		1.98%	\$ 1,573.79	\$ 19,846.24	\$ 8,569.21		\$ 91.93	\$ 98.36	\$ 1,240.39	\$ 856.92		\$ 2,287.60
Single Family 40' (Phase 1-3)	82	82	82		1	82	82		10.16%	\$ 8,065.67	\$ 58,121.60	\$ 40,153.18				\$ 708.80	\$ 489.67	\$ 340.13	\$ 1,538.60
Single Family 50' (Phase 1-3)	35	35	35		1	35	35		4.34%	\$ 3,442.66	\$ 29,959.65	\$ 21,423.11				\$ 855.99	\$ 612.09	\$ 425.17	\$ 1,893.25
Single Family 60' (Phase 1-3)	43	7	7	36	1	43	43		5.33%	\$ 4,229.56	\$ 7,442.33	\$ 5,141.53				\$ 1,063.19	\$ 734.50	\$ 510.20	\$ 2,307.89
Single Family 70' (Phase 1-3)	0	0	0		1	0	0		0.00%	\$ -	\$ -	\$ -				\$ 1,240.39	\$ 856.92	\$ 595.23	\$ 2,692.54
Single Family 40' Future Development																			
Single Family 50' Future Development																			
Single Family 60' Future Development																			
Single Family 70' Future Development																			
Clubhouse - (Phase 1)																			
Clubhouse - (Future Dev)																			
Unplatted Acres - Units Assigned to General Fund (4)	419				1	419		419	51.92%	\$ 38,517.37									
Unplatted Acres - Debt Service Fund (Not Included in Totals)		226.56	226.56	226.56												\$ 14,878.18	\$ 205,450.00		
Total:	807	352	172	36		807	388	419	0	100.00%	\$ 76,681.73	\$ 290,141.49	\$ 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

RESOLUTION 2017-7

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTIAN LAKES COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Artisan Lakes Community Development District (the “District”) is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Manatee County, Florida (the “County”); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District’s adopted Improvement Plan and Chapter 190, Florida Statutes; and

WHEREAS, the Board of Supervisors (the “Board”) of the District hereby determines to undertake various operations and maintenance activities described in the District’s budget for Fiscal Year 2018 (“Operations and Maintenance Budget”), attached hereto as Exhibit “A” and incorporated by reference herein; and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the District’s budget for Fiscal Year 2018; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the district; and

WHEREAS, Chapter 190, Florida Statutes, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect on the tax roll for platted lots pursuant to the Uniform Method and which is also indicated on Exhibit “A” and “B” the Budget and Methodology respectively; and

WHEREAS, Chapter 197, Florida Statutes, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“Uniform Method”); and

WHEREAS, the District has previously evidenced its intention to utilize this Uniform Method; and

WHEREAS, the District has approved an Agreement with the Property Appraiser and Tax Collector of the County to provide for the collection of the special assessments under the Uniform Method; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance on platted lots in the amount contained in the budget; and

RESOLUTION 2017-7

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTIAN LAKES COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District desires to levy and directly collect on the certain lands special assessments reflecting their portion of the District’s operations and maintenance budget; and

WHEREAS, it is in the best interests of the District to adopt the General Fund Special Assessment Methodology of the Artisan Lakes Community Development District (the “Methodology”) attached to this Resolution as Exhibit “B” and incorporated as a material part of this Resolution by this reference: and

WHEREAS, it is in the best interests of the District to adopt the Assessment Roll of the Artisan Lakes Community Development District (the “Assessment Roll”) attached to this Resolution as Table 1 contained in Exhibit “B” and incorporated as a material part of this Resolution by this reference, and to certify the portion of the Assessment Roll on those properties noted on Table 1 contained in Exhibit “B” to the County Tax Collector pursuant to the Uniform Method; and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

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

SECTION 1. BENEFIT. The provision of the services, facilities, and operations as described in Exhibit “A” and “B” the Budget and Methodology respectively confer a special and peculiar benefit to the lands within the District, which benefits exceed or equal the costs of the assessments. The allocation of the costs to the specially benefitted lands is shown in Exhibit “B”, and is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. A special assessment for operation and maintenance as provided for in Chapter 190, Florida Statutes, is hereby imposed and levied on benefitted lands within the District in accordance with Exhibit “B” the Methodology. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST. The collection of the previously levied debt service assessments and operation and maintenance special assessments on lands noted as on-roll in Table 1 of Exhibit “B” shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method. The previously levied debt service assessments and operations and maintenance assessments lands noted as off-roll will be collected directly by the District in accordance with Florida law.

RESOLUTION 2017-7

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTIAN LAKES COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.

Assessments directly collected by the District are due in full on December 1, 2017; provided, however, that, to the extent permitted by law, the assessments due may be paid in several partial, deferred payments and according to the following schedule:

Fund	Billing Date	Due Date	Amount Due
General Fund	October 10, 2017	October 31, 2017	100% of the yearly amount due
Debt Service Fund	February 12, 2018	April 15, 2018	As determined by the District Manager
Debt Service Fund	July 15, 2018	September 15, 2018	As determined by the District Manager

General Fund Billing Amount: The District Manager may amend based on the Tax Rolls that are provided to the District by the Manatee County Property Appraiser.

Debt Service Fund Billing Amount: The District Manager may amend based on the Tax Rolls that are provided to the District by the Manatee County Property Appraiser.

In the event that an assessment payment is not made in accordance with the schedule stated above, the whole assessment – including any remaining partial assessments, as well as any future installments of special assessments securing debt service – shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District’s sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent assessments shall accrue at the applicable rate of any bonds or other debt instruments secured by the special assessments, or, in the case of operations and maintenance assessments, at the applicable statutory prejudgment interest rate. In the event an assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170 of the Florida Statutes or other applicable law to collect and enforce the whole assessment, as set forth herein.

The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

SECTION 4. ASSESSMENT ROLL. The District's Assessment Roll, attached to this Resolution as Table 1 to Exhibit “B,” is hereby certified. That portion of the District’s Assessment Roll which includes developed lands and platted lots is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the Artisan Lakes Community Development District.

RESOLUTION 2017-7

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTIAN LAKES COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS, CERTIFYING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the District's Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates to the tax roll in the District records.

SECTION 6. Conflict. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

SECTION 7. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 8. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Artisan Lakes Community Development District.

PASSED AND ADOPTED this 22nd day of August, 2017.

ATTEST:

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

James P. Ward, Secretary

Andrew Miller, Chairman

EXHIBIT B

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

Special Assessment Methodology
Fiscal Year 2018 – General Fund

Prepared by:

08/4/2017

JPWard & Associates LLC

JAMES P. WARD

954.658.4900

JIMWARD@JPWARDASSOCIATES.COM



2900 NORTHEAST 12TH TERRACE, SUITE 1
OAKLAND PARK, FLORIDA 33305

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SPECIAL ASSESSMENT METHODOLOGY

1.0 PURPOSE

This report is intended to introduce to the Artisan Lakes Community Development District an operations methodology to fund the annual operations and maintenance requirements for the District. The methodology will outline the properties within the District that are subject to the Assessment and the benefit conferred on each property by the services and projects provided by the Districts' operational and maintenance activities. This report covers the District Fiscal Year 2018, which begins on October 1, 2017 and ends on September 30, 2018.

The Methodology will have two (2) primary objectives: (1) to determine the special and peculiar benefits that flow to the assessable properties in the District; and (2) apportioning the proportionate benefits on a basis that is fair and reasonable. The Methodology herein is intended to set forth a framework to apportion the costs associated with the operations and maintenance expenditures benefiting properties on a fair and equitable apportionment. The report is designed to conform to the requirements of Chapter's 189, 190 and 197, Florida Statutes and is consistent with the District's understanding of the case law on this subject.

2.0 BACKGROUND

The Artisan Lakes Community Development District ("District") is an independent local unit of, special-purpose government, created pursuant to and existing under the provisions of Chapter 190, Florida Statutes, and established by Ordinance 07-64, adopted of the Board of County Commissioners of Manatee County, Florida which became effective on August 16th, 2007.

The District currently encompasses approximately eight hundred fifty-four (854.285) acres of land located entirely within Manatee County, Florida. As a local unit of special-purpose government, the District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

A District provides the "solution" to Florida's need to provide valuable community infrastructure generated by growth, ultimately without overburdening other governments and their taxpaying residents. Community Development Districts represent a major advancement in Florida's effort to manage its growth effectively and efficiently. This allows

a community to establish higher construction standards, meanwhile providing a long-term solution to the operation and maintenance of the community's facilities.

3.0 REQUIREMENTS FOR A VALID ASSESSMENT METHODOLOGY

Valid assessments under Florida Law have two (2) requirements. First, the properties assessed must receive a special and peculiar benefit as a logical connection from the systems and services constituting improvements. The courts recognize the special benefits that flow as a logical connection peculiar to the property which in turn may result in decreased insurance premiums, increased value and marketability. Second, the assessments must be fairly and reasonably apportioned in relation to the benefit received by the various properties being assessed.

If these two tests for lienability are determined in a manner that is informed and non-arbitrary by the Board of Supervisors of the District, as a legislative determination, then the special assessments may be levied, imposed and collected as a first lien on the property. Florida courts have found that it is not necessary to calculate benefit with mathematical precision at the time of imposition and levy so long as the levying and imposition process is not arbitrary, capricious or unfair.

4.0 ASSESSMENT ALLOCATION STRUCTURE

Special and peculiar benefits flow as a logical connection to the property from the operation and maintenance related services provided as a logical consequence to the property within the boundary of the District. These special benefits are peculiar to the acreage and later down to the actual platted units or parcels. The special benefits that justify imposing the assessment on the acreage include enhanced enjoyment and increased use, which may result in such positive consequences as increased value and marketability and decreased insurance premiums when levied on the various platted units or parcels of property.

5.0 ASSIGNMENT OF ASSESSMENTS

The apportionment of benefit in such a methodology report is based on accepted practices for the fair and equitable apportionment of special benefits in accordance with applicable laws and the procedure for the imposition, levy and collection of non ad valorem special assessments as set forth in the District Act and in conformity with State Laws applicable to such assessments.

The standard assessment analysis utilizes an allocation based upon the benefit that a property receives from each separate component of the District's O&M activities. The Fiscal Year 2017 General Fund Budget is financial and administrative in nature so the assessments

should be based equally and ratably on an equivalent number of residential units assigned to the property. As such, each benefitted, residential unit (as identified in the assessment roll) is assigned one Equivalent Residential Unit (ERU).

6.0 ASSESSMENT ROLL

As described above, the allocation associated with the District's General Fund Activities are distributed across all assessable, benefitted units within the boundaries of the District. Table 1 provides the assessment roll based on updated parcel account information provided by the Manatee County Property Appraiser's office assigning the appropriate parcel identification numbers for the lands currently platted within the boundaries of the District. A portion of the developable land is platted and the appropriate parcel identification numbers assigned by the Property Appraiser are known, the following table will only be updated to reflect any changes in ownership within the boundaries of the Development.



RESOLUTION 2017-8

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Artisan Lakes Community Development District (the "District") is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, in accordance with the provisions of Chapter 189.415, Florida Statutes, the District is required to file quarterly, semiannually, or annually a schedule of its regular meetings with the local governing authority or authorities; and

WHEREAS, in accordance with the above referenced Statute, the District shall also publish quarterly, semiannually, or annually its regular meeting schedule in a newspaper of general paid circulation in the County in which the District is located and shall appear in the legal notices section of the classified advertisements;

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

SECTION 1. DESIGNATION OF DATES, TIME AND LOCATION OF REGULAR MEETINGS

- a) **Date:** The first Thursday of each month for Fiscal Year 2018, which covers the period October 1, 2017 through September 30, 2018.
- b) **Time:** **3:30 P.M.** (Eastern Standard Time)
- c) **Location:** Artisan Lakes Clubhouse
4725 Los Robles Court
Palmetto, Florida 34221

SECTION 2. Sunshine Law and Meeting Cancellations and Continuations. The meetings of the Board of Supervisors are open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. The District by and through its District Manager may cancel any meeting of the Board of Supervisors and all meetings may be continued to a date, time, and place to be specified on the record at the hearings or meeting.

SECTION 2. Conflict. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

SECTION 2. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 3. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Artisan Lakes Community Development District.

RESOLUTION 2017-8

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

PASSED AND ADOPTED this 22nd day of August, 2017

ATTEST:

ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT

James P. Ward, Secretary

Andrew Miller, Chairman

RESOLUTION 2017-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Artisan Lakes Community Development District ("**District**") is a local unit of special-purpose government organized and existing under and pursuant to Chapter 190, Florida Statutes, as amended; and

WHEREAS, the District is authorized by Chapter 190, Florida Statutes, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct roadways, sewer and water distribution systems, stormwater management/earthwork improvements, landscape, irrigation and entry features, conservation and mitigation, street lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within, the District; and

WHEREAS, on December 19, 2013, the District adopted Resolution 2014-7 and in doing so authorized the acquisition, construction and/or installation of the District's "**2013 Project**," which consisted of, generally stated, certain stormwater management systems and sewer and water distribution systems for the portion of the District that is known as "Esplanade," as well as a portion of Artisan Lakes Parkway and certain offsite utilities; and

WHEREAS, to finance a portion of the 2013 Project, and on December 23, 2013, the District issued its \$3,430,000 Capital Improvement Revenue Bonds, Series 2013A-1 ("**2013A-1 Bonds**"), \$2,585,000 Capital Improvement Revenue Bonds, Series 2013A-2 ("**2013A-2 Bonds**"), and \$2,500,000 Capital Improvement Revenue Bonds, Series 2013A-3 ("**2013A-3 Bonds**") (collectively, "**2013 Bonds**"); and

WHEREAS, to secure the repayment of the 2013 Bonds, and as part of Resolution 2014-7, the District levied and imposed debt service special assessments ("**2013 Debt Assessments**") on benefitted lands within Esplanade; and

WHEREAS, the portion of the 2013 Debt Assessments securing the 2013A-1 Bonds and 2013A-2 Bonds have now been fully secured by the first 339 units platted within Esplanade; and

RESOLUTION 2017-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, as contemplated at the time of the issuance of the 2013 Bonds, the District now desires to issue additional bonds to finance the further development of Esplanade, and to secure such additional bonds with the levy of additional debt service assessments ("**2017 Assessments**"); and

WHEREAS, the District hereby determines to undertake, install, plan, establish, construct or reconstruct, enlarge or extend, equip, acquire, operate, and/or maintain the infrastructure improvements ("**2017 Improvements**") described in the District's 2017 Supplement to Report of the District Engineer - Phase 1 Capital Improvement Plan, dated August 22, 2017, which is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, it is in the best interest of the District to pay the cost of the 2017 Improvements by the levy of the 2017 Assessments; and

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

WHEREAS, as set forth in the Special Assessment Methodology, Series 2017 – Phase IV (A, C & E) – Esplanade at Artisan Lakes, attached hereto as **Exhibit B** and incorporated herein by reference and on file with the District's Manager at c/o JPWard & Associates LLC, 819 NE 23rd Drive, Suite 3, Wilton Manors, Florida 33305 ("**District Records Office**"), and available at <http://artisanlakescdd.org/>, the District hereby finds and determines as a preliminary matter that:

- benefits from the 2017 Improvements would accrue to the property improved,
- the amount of those benefits will exceed the amount of the 2017 Assessments, and
- the 2017 Assessments are fairly and reasonably allocated;

RESOLUTION 2017-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

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

1. **AUTHORITY FOR THIS RESOLUTION; INCORPORATION OF RECITALS.** This Resolution is adopted pursuant to the provisions of Florida law, including without limitation Chapters 170, 190 and 197, Florida Statutes. The recitals stated above are incorporated herein and are adopted by the Board as true and correct statements.

2. **DECLARATION OF ASSESSMENTS.** The Board hereby declares that it has determined to make the 2017 Improvements and to defray all or a portion of the cost thereof by the 2017 Assessments.

3. **DESIGNATING THE NATURE AND LOCATION OF IMPROVEMENTS.** The nature and general location of, and plans and specifications for, the 2017 Improvements are described in **Exhibit A**, which is on file at the District Records Office. **Exhibit B** is also on file and available for public inspection at the same location.

4. **DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID.**

- A. The total estimated cost of the 2017 Improvements is \$_____ (“**Estimated Cost**”).
- B. The 2017 Assessments will defray approximately \$_____, which is the anticipated maximum par value of any bonds and which includes all or a portion of the Estimated Cost, as well as other financing-related costs, as set forth in **Exhibit B**.

RESOLUTION 2017-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

- C. The manner in which the 2017 Assessments shall be apportioned and paid is set forth in **Exhibit B**, as may be modified by supplemental assessment resolutions. Commencing with the year in which the 2017 Assessments are confirmed, the 2017 Assessments shall be paid in not more than (30) thirty annual installments. The 2017 Assessments may be payable at the same time and in the same manner as are ad-valorem taxes and collected pursuant to Chapter 197, Florida Statutes; provided, however, that in the event the uniform non ad-valorem assessment method of collecting the 2017 Assessments is not available to the District in any year, or if determined by the District to be in its best interest, the 2017 Assessments may be collected as is otherwise permitted by law, including but not limited to by direct bill. The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

5. DESIGNATING THE LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED.

The 2017 Assessments shall be levied, within the District, on all lots and lands adjoining and contiguous or bounding and abutting upon such improvements or specially benefitted thereby and further designated by the assessment plat hereinafter provided for.

6. ASSESSMENT PLAT. Pursuant to Section 170.04, Florida Statutes, there is on file, at the District Records Office, an assessment plat showing the area to be assessed, with certain plans and specifications describing the 2017 Improvements and the estimated cost of the 2017 Improvements, all of which shall be open to inspection by the public.

7. PRELIMINARY ASSESSMENT ROLL. Pursuant to Section 170.06, Florida Statutes, the District Manager has caused to be made a preliminary assessment roll, in accordance with the method of assessment described in **Exhibit B** hereto, which shows the lots and lands assessed, the amount of benefit to and the assessment against each lot or parcel of land and the number of annual installments

RESOLUTION 2017-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

into which the assessment may be divided, which assessment roll is hereby adopted and approved as the District’s preliminary assessment roll.

8. PUBLIC HEARINGS DECLARED; DIRECTION TO PROVIDE NOTICE OF THE HEARINGS.

Pursuant to Sections 170.07 and 197.3632(4)(b), Florida Statutes, among other provisions of Florida law, there are hereby declared two public hearings to be held as follows:

NOTICE OF PUBLIC HEARINGS

DATE: _____, _____, 2017
TIME: _____
LOCATION: _____

The purpose of the public hearings is to hear comment and objections to the proposed special assessment program for District improvements as identified in the preliminary assessment roll, a copy of which is on file and as set forth in **Exhibit B**. Interested parties may appear at that hearing or submit their comments in writing prior to the hearings at the District Records Office.

Notice of said hearings shall be advertised in accordance with Chapters 170, 190 and 197, *Florida Statutes*, and the District Manager is hereby authorized and directed to place said notice in a newspaper of general circulation within Manatee County (by two publications one week apart with the first publication at least twenty (20) days prior to the date of the hearing established herein). The District Manager shall file a publisher’s affidavit with the District Secretary verifying such publication of notice. The District Manager is further authorized and directed to give thirty (30) days written notice by mail of the time and place of this hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property owner, a description of the areas to be improved and notice that information concerning all assessments may be ascertained at the District Records Office. The District Manager shall file proof of such mailing by affidavit with the District Secretary.

RESOLUTION 2017-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

9. **PUBLICATION OF RESOLUTION.** Pursuant to Section 170.05, Florida Statutes, the District Manager is hereby directed to cause this Resolution to be published twice (once a week for two (2) weeks) in a newspaper of general circulation within Manatee County and to provide such other notice as may be required by law or desired in the best interests of the District.

10. **CONFLICTS.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

11. **SEVERABILITY.** If any section or part of a section of this resolution be declared invalid or unconstitutional, the validity, force, and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

12. **EFFECTIVE DATE.** This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 22nd day of August, 2017.

ATTEST: **ARTISAN LAKES COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Andrew Miller, Chairman

Exhibit A: 2017 Supplement to Report of the District Engineer - Phase 1 Capital Improvement Plan, dated August 22, 2017

Exhibit B: Special Assessment Methodology, Series 2017 – Phase IV (A, C & E) – Esplanade at Artisan Lakes, dated August 22, 2017

**Artisan Lakes
Community Development District**

**2017 Supplement to Report of the District Engineer -
Phase I Capital Improvement Plan, dated July 23, 2007
and as previously supplemented November 15, 2013
and November 26, 2013.**

August 22, 2017

Prepared for:

**Artisan Lakes
Community Development District
Manatee County, Florida**

Prepared by:

**Jeremy L. Fireline, P.E.
Waldrop Engineering
Sarasota, Florida**

INTRODUCTION

Artisan Lakes Community Development District (the "District") is located within the Gateway North Development of Regional Impact, also known as Artisan Lakes ("Artisan Lakes") in northern Manatee County in Sections 9,16, and 17, Township 33 South, Range 18 East, Manatee County, Florida. Esplanade at Artisan Lakes ("Esplanade") is an 807-lot development containing 398 +/- acres completely within the District boundary. The main access to Esplanade is via a main entrance roadway, Artisan Lakes Parkway, connecting to Moccasin Wallow Road to the south. The District, established in accordance with applicable Florida Statutes as a Community Development District, which is a local unit of special-purpose government, encompasses approximately 854 +/- acres. The lands constituting the District are presently intended for the development of Artisan Lakes. The majority of all construction and development activities associated with Artisan Lakes is wholly contained within the limits established for the District. Off-site intersection improvements have been completed on Moccasin Wallow Road, including widening, construction of turn lanes, and signage and striping. No other off-site transportation improvements are required for the completion of Esplanade.

This supplement is to the Report of the District Engineer - Phase 1 Capital Improvement Plan, dated July 23, 2007 and as previously supplemented November 15, 2013 and November 26, 2013 ("**Original Engineer's Report**"), which originally described the capital improvement plan ("**Esplanade CIP**") for what is known as "Esplanade" or "Phase 1."¹ As the Esplanade CIP has been implemented, different lot counts and types have been developed, resulting in changes to the Esplanade CIP. Consequently, this supplement updates the Original Engineer's Report to account for the changes made to date, and to address a revised plan for the balance of Esplanade. The District originally issued its Capital Improvement Revenue Bonds, Series 2013 in order to finance a portion of the Esplanade CIP, and now anticipates issuing additional debt to finance certain of the revised Esplanade CIP, as set forth herein. Further, the Esplanade CIP is only a portion of the District's overall capital improvement plan, which overall plan may be addressed separately in reports issued in connection with future bond issuances.

¹ The term "Phase 1" in prior reports referred to the Esplanade development. However, Esplanade itself has phases of its own. To avoid confusion, the 398-acre Esplanade development is referred to only as Esplanade herein, and any reference to phases are to phases within Esplanade itself.

PURPOSE and SCOPE

The District was established for the purpose of financing, acquiring, constructing, maintaining and operating all or a portion of the public infrastructure necessary for the community development within the District. The purpose of this report is to update progress on the Esplanade Capital Improvement Plan (“Esplanade CIP”) and provide a description of the infrastructure improvements necessary for future development activities including those to be financed and/or acquired by the District. The District will finance, acquire and/or, construct, operate, and maintain a portion of the infrastructure improvements that are needed to serve the Esplanade and allocate the costs for the infrastructure improvements. A portion of these public infrastructure improvements will be completed by Taylor Woodrow Communities at Artisan Lakes, LLC. (the “Developer”), the primary developer of Artisan Lakes (the “Development”), and will be acquired by the District with proceeds of bonds issued by the District. The Developer will finance and construct the balance of the infrastructure improvements needed for the development that is not financed by the District.

The proposed infrastructure improvements, as outlined herein, are necessary for the functional development of the District as required by the applicable independent unit of local government.

The Engineer's Report reflects the District's present intentions. The implementation and completion of the CIP outlined in this report requires final approval by the District's Board of Supervisors, including the approval for the purchase of site related improvements. Cost estimates contained in this report have been prepared based on the best available information, including bid documents and pay requests where available. These estimates may not reflect final engineering design or complete environmental permitting. Actual costs will vary based upon final plans, design, planning, approvals from regulatory authorities, inflation, etc. Nevertheless, all costs contained herein, may be reasonably expected to adequately fund the improvements described, and contingency costs as included are reasonable.

CAPITAL IMPROVEMENT PLAN

The District's Esplanade CIP for Esplanade includes completed and planned infrastructure improvements that will provide special benefit to all assessable land within Esplanade. In particular, the Esplanade CIP includes: (i) improvements within Esplanade such as the stormwater management system, wastewater system, and water distribution system, (ii) portions of Artisan Lakes Parkway, (iii) certain other off-site improvements, and (iv) soft costs such as professional fees and permitting costs.

The first phase of Esplanade² as platted includes 182 lots and the first phase of Artisan Lakes Parkway were completed in 2013 and acquired by the District. The infrastructure acquired included the storm sewer system, gravity sanitary sewers and sanitary force mains, and the potable water mains within Esplanade as well as the storm sewer system, gravity sanitary sewers and sanitary force mains, potable water mains, roadway and pavement, landscape/hardscape/irrigation and street lights in the first phase of Artisan Lakes Parkway. An offsite 27" gravity sanitary sewer that conveys wastewater from Artisan Lakes to a Manatee County master lift station was also acquired by the District. The total value of these improvements was \$9,769,458.88. Partial payment for this acquisition was funded through the issue of a series of Bonds in 2013 (the "Series 2013 Bonds") in the par amount of \$8,515,000. All sewer and water utilities, within and outside of Esplanade, acquired by the District were dedicated to Manatee County for maintenance. The roadway and related storm sewer in Phase I of Artisan Lakes Parkway was dedicated to Manatee County for maintenance provided however that the District maintains the landscaping, irrigation, hardscaping and street lights within Artisan Lakes Parkway.

The second phase of Esplanade³, including 46 lots, was completed in 2015. The District acquired the potable water mains and gravity sanitary sewers through a Bill of Sale. The total value of the acquired infrastructure was \$145,548.45. Payment from the District to the Developer for this infrastructure has not yet been funded. The acquired infrastructure was dedicated to Manatee County for maintenance.

² The first phase of Esplanade is identified in the plat known as "Artisan Lakes Esplanade, Phase I, Subphases A, B, C & D," ("**Esplanade Phase 1 Plat**") which was recorded on August 26, 2014 and in Official Records of Manatee County, Florida at Plat Book 57, Pages 65 et seq.

³ The second phase of Esplanade is identified in the plat known as "Artisan Lakes Esplanade, Phase II," which replatted a portion of Esplanade Phase 1 Plat and which was recorded on October 30, 2015 and in Official Records of Manatee County, Florida at Plat Book 59, Pages 1 et seq.

The third phase of Esplanade, including 160 lots, is currently in the final stages of completion. The District will acquire the potable water mains, gravity sanitary sewers, and storm sewer through a Bill of Sale from the Developer. The total value of the infrastructure to be acquired is estimated to be \$1,101,349.00. The water and sewer utilities acquired will be dedicated to Manatee County for maintenance.

The remaining 419 lots in Esplanade will be developed in future phases. The District may acquire all or a portion of the storm sewer system, gravity sanitary sewers and/or sanitary force mains, and potable water mains in the future phases of development. Altogether, the cost of the applicable improvements and work product acquired by the District to date is \$9,915,007.33, of which the District has paid \$6,991,448.50, and recognized a contribution to offset certain assessments of \$64,161.81, leaving the amount of \$2,859,397.02 payable to the Developer for the prior acquisitions.

The 2017 Project includes the \$2,859,397.02 payable to the Developer for work previously completed as well as the \$1,101,349.00 for work completed in the third phase of Esplanade.

The estimated total cost of the CIP for Esplanade is \$32,428,305, which includes both public improvements and Developer contributions for all costs incurred to date as well as future estimated costs. Refer to Exhibit B for a summary of the costs by infrastructure category for the completed and planned CIP expenditures.

The CIP status, along with anticipated completion timeline is presented below.

<u>Construction Phasing</u>	<u>Estimated Completion Date</u>
Phase I	December 2013
Phase II	2015
Phase III	February 2018 (estimated)
Esplanade Amenity Center	November 2018
Remaining Esplanade Lots	2023

GOVERNMENTAL ACTIONS

The Developer received revised zoning approval from Manatee County on May 11, 2016 (PDMU-91-01(G)(R6). The District was established by the Manatee County Board of County Commissioners through Ordinance No. 07-64 on August 20, 2007.

The zoning approval for Artisan Lakes (which includes all of the District Area as well as area outside the district) allows for a maximum of 2,800 residential units including conventional attached, detached and multi-family residential single-family dwellings with accessory parks and an amenity center. The current plan of development is to construct individual "stand-alone" neighborhoods within Artisan Lakes; Esplanade being one of the neighborhoods consisting of 807 single family detached units. The permit status for the development is summarized in Exhibit "A" included with this report. All permits for onsite improvements have been obtained or are being renewed/revised from the applicable agencies. The required off-site improvements on Moccasin Wallow Road to support development of all 807 units in Esplanade have been completed.

Compliance with the conditions of the zoning approval and permitting requirements is currently being accomplished. It is our opinion that there are no technical reasons existing at this time which would prohibit the implementation of the plans for the Development as presented herein and that permits normally obtained by site development engineers not heretofore issued and which are necessary to effect the improvements described herein will be obtained during the ordinary course of development.

LAND USE

As stated, Esplanade includes approximately 397.7 acres within the District's total 854 +/- acres. The District is approved to ultimately include 2,800 single-family residential units. Esplanade is planned to include 807 single family units. The table below illustrates the current land use plan in acreage for Esplanade and the District as a whole. The 2017 Project includes improvements lying within a portion of the 397.7 acres in Esplanade. Such information is subject to change.

<u>Proposed Land Use</u>	<u>Esplanade</u>		<u>District</u>	
	<u>Approx. Acres</u>	<u>Units</u>	<u>Approx. Acres</u>	<u>Units</u>
Single and Muti Family Attached & Detached Residential	221.8	807	532.5	2,800
Amenity Center	15.5	N/A	15.5	N/A
Recreation		N/A	24.3	N/A
Wetlands, Lake/Detention	128.6	N/A	217.4	N/A
Other (Open Space/Drainage, etc.)	31.8	N/A	64.3	N/A
Total	397.7		854	2800

ROADWAYS

Primary vehicular access to the District is provided from Moccasin Wallow Road, which is currently a rural two-lane collector road that runs in an east/west direction. Internally, a four lane boulevard roadway, Artisan Lakes Parkway, is being constructed in three phases to provide access to individual neighborhoods in the District. The first phase of Artisan Lakes Parkway between Moccasin Wallow road to the main entrance into Esplanade has been completed. The second and third phases of Artisan Lakes Parkway are being completed with other projects and are not included in the Esplanade CIP. Artisan Lakes Parkway will be dedicated to Manatee County upon completion. All other roads within Esplanade are to be private and will be funded by the Developer and dedicated to the Homeowner's Association for ownership and maintenance.

UNDERGROUND AND STREET LIGHTING ELECTRICAL SYSTEM

The District lies within the area served by the Florida Power and Light (FP&L) service area. FP&L will provide underground electric service to the site from lines located within the public right-of-way of Artisan Lakes Parkway, which have been extended from Moccasin Wallow Road. The District's internal electrical distribution system will consist of underground cable with appurtenant transformers and service pedestals for street light locations. These infrastructure improvements may be funded by the District.

STORMWATER MANAGEMENT

Manatee County and the Southwest Florida Water Management District (SWFWMD) regulate the design criterion for the stormwater management system within the District. The District is located within the Fishhawk Creek basin. The pre-development site runoff and water management conditions have been developed by Manatee County and SWFWMD. The existing, onsite, naturally occurring wetlands have been delineated by SWFWMD and the Manatee County Environmental Resources Department.

The Stormwater Management Plan for the District focuses on utilizing newly constructed ponds in the uplands for stormwater treatment in conjunction with the naturally occurring wetlands.

The primary objectives of the stormwater management system for the District are:

1. To provide a stormwater conveyance and storage system, which includes stormwater quality treatment.
2. To adequately protect development within the District from regulatory-defined rainfall events.
3. To maintain wetland hydroperiods.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of the development.
5. To satisfactorily accommodate stormwater runoff from adjacent off-site areas that naturally drains through the District. Accommodating existing drainage conditions is a requirement of more than one regulatory agency and is an integral part of the infrastructure improvements constructed with development projects.

6. Preserve the function of the floodplain storage during the 100-year storm event.

The stormwater collection and outfall systems will be a combination of curb inlets, pipe culverts, control structures and open waterways. Wetland hydroperiods (normal pool and season high water elevations) will be maintained through proper design and maintenance of the outfall control structures. It will be the responsibility of the District to maintain the stormwater system and ensure its operation.

WASTEWATER COLLECTION

The District is within the Manatee County service area with wastewater treatment service to be provided by the Manatee County Public Works Department. The North Manatee County Treatment Facility will serve the District. The District connects to an existing Manatee County master pump station located at the southeast corner of Artisan Lakes. Wastewater service of the District's onsite sewer system has been approved by Manatee County through a "Concurrency" Certificate Level of Service ("CLOS"). This CLOS verifies capacity to serve the development permitted in PDMU-91-01(G)(R6). Esplanade's onsite sanitary sewer system consists of 8" gravity collection lines with appurtenant manholes, two pump stations, and an 8" force main that drains into a 27" gravity sewer main that conveys waste water flows from the District to the Manatee County master pump station. All wastewater collection mains and pump stations will be dedicated to Manatee County for maintenance.

WATER DISTRIBUTION SYSTEM

The District lies within the Manatee County service area with potable water service to be provided by the Manatee County Public Works Department. The District will be served from the 30" potable water line located within the Moccasin Wallow Road right-of-way adjacent to the south boundary of the District. The current and future water distribution systems within the project consist of 16", 10", 8", 6" and 4" water mains with appurtenant valves and fire hydrants. All potable water mains will be dedicated to Manatee County for maintenance.

LANDSCAPING, IRRIGATION, HARDSCAPING & STREET LIGHTS

Significant landscape features and associated irrigation systems are planned for Esplanade. Entry monumentation, landscaping, irrigation, hardscaping and street lighting within the first phase of Artisan Lakes Parkway have been complete and acquired by the District. Landscaping and irrigation within Esplanade's main roadways in Phase I and Phase II have been completed. Landscaping and irrigation within Phase III roadways has been partially completed and will continue concurrent with construction of Phase III infrastructure. Landscaping and irrigation within Esplanade will not be funded by the District. Landscaping is maintained by the Homeowner's Association by agreement with the District.

RECREATIONAL FACILITIES

Esplanade will include one larger, centrally located amenity center which will replace the current temporary amenity center, which is located at the south end of Artisan Lakes, and which is adjacent to, but outside, the District's geographic boundaries. The new amenity center will be private and exclusively serve residents of Esplanade. Specific features will include tennis courts, a club house, teaching kitchen, tiki bar, lagoon pool and various walking paths.

CONTINGENCY

This category includes the cost for adjustments as a result of unexpected field conditions, requirements of governmental agencies and other unknown factors that may occur throughout the course of development of the infrastructure. In general, the contingency amount is based on a percentage of the total Infrastructure cost estimate.

PROFESSIONAL FEES

Professional fees include civil engineering, costs for site design, permitting, inspection and master planning, survey costs for construction staking and record drawings as well as preparation of

preliminary and final plats, geotechnical cost for pre-design soil borings, under drain analysis and construction testing, and architectural cost for landscaping. Also included in this category are fees associated with environmental consultation and permitting and legal fees.

OWNERSHIP AND MAINTENANCE

The ownership and maintenance responsibilities of the District’s proposed infrastructure improvements are set forth below.

<u>Proposed Infrastructure Improvements</u>	<u>Ownership</u>	<u>Maintenance</u>
Neighborhood Roadway Improvements	HOA	HOA
Artisan Lakes Parkway Improvements (Artisan Lakes Parkway – Phase I)	Manatee County	Manatee County
Landscaping/Hardscaping/Irrigation/Lighting within Artisan Lakes Parkway	CDD	CDD/HOA
Street Lighting	CDD	CDD
Stormwater Management System and On-site Wetlands	CDD	CDD ⁴
Amenity Center (temporary and permanent)	HOA	HOA
Sanitary Sewer Collection including the on-site and off-site Transmission System	Manatee County	Manatee County
Water Distribution	Manatee County	Manatee County

PROJECT COSTS

The CIP’s identifiable total costs associated with the infrastructure improvements are estimated to be \$32,428,305. The public infrastructure improvements include: Artisan Lakes Parkway – phase I (including landscaping, irrigation, hardscaping and street lights along the Parkway), streetlights, sewer, water, and storm water management systems that will ultimately be utilized by the residents of

⁴ The District will own the improvements and may elect to maintain the improvements or enter into an agreement with the HOA for such maintenance

Esplanade. The maximum contribution from the Esplanade CIP toward the construction of Artisan Lakes Parkway from Moccasin Wallow Road to Buckeye Road is 45% of the estimated \$11,838,800 cost to complete. This allocation is based on the proportion of the total equivalent lots in Esplanade to the total equivalent lots project in the District at Build-out.

Private infrastructure includes landscaping/hardscaping, irrigation, internal roadways, excavation and grading, improvements for a temporary off-site amenity center (in another part of Artisan Lakes), and a permanent amenity center being constructed within Esplanade.

The Summary of Estimated Project costs, attached hereto as Exhibit B, outlines the anticipated costs associated with the construction and acquisition of public infrastructure within the Esplanade CIP for the Artisan Lakes Community Development District, as well as private infrastructure to be funded by the Developer.

The cost estimates set forth herein are estimates based on current plans and market conditions, which are subject to change. Accordingly, the '2017 Project' as used herein refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units, which (subject to true-up determinations) number and type of units may be changed with the development of Esplanade.

SUMMARY AND CONCLUSION

The infrastructure, as outlined above, is necessary for the functional development of the District as required by the applicable independent unit of local government. The planning and design of the infrastructure is in accordance with current governmental regulatory requirements. The infrastructure will provide its intended function so long as the construction is in substantial compliance with the design and permits. The permits set forth in Exhibit A are sufficient for the Esplanade build-out described in the development plans. The platting, design and permitting of the site plan are ongoing at this time and there is no reason to believe such permitting will not be obtained.

Items of construction in this report are based on current plan quantities for the infrastructure construction as shown on the master plans, conceptual plans, construction drawings and specifications, last revisions. It is the professional opinion of Waldrop Engineering that the estimated infrastructure costs provided herein for the District improvements are reasonable to complete the construction of the infrastructure described herein and that these infrastructure improvements will benefit and add value to Esplanade, and the District. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) of the Florida Statutes.

The infrastructure total construction cost developed in this report is only an estimate and not a guaranteed maximum price. The estimated cost is based on unit prices currently being experienced for ongoing and similar items of work in Manatee County and quantities as represented on the master plans. The labor market, future costs of equipment and materials, and the actual construction processes frequently vary and cannot be accurately forecasted. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate.

The professional services for establishing the opinion of estimated construction cost are consistent with the degree and care and skill exercised by members of the same profession under similar circumstances.

Jeremy L. Fireline, P.E

District Engineer

FL Registration No.: 63987

EXHIBITS

Exhibit A Permit and Construction Approval Status

Exhibit B Summary of Estimated Project Costs / Past Requisitions

Exhibit C Vicinity Map

Exhibit D Map of Recorded Plats

EXHIBIT A

**PERMIT AND CONSTRUCTION
APPROVAL STATUS**

EXHIBIT "A"
Artisan Lakes Community Development District – Esplanade CIP

Approval Date	Anticipated Date	Agency	Application/Permit No.	Permit Name
5/5/2016		Manatee County Planning and Zoning	PDMU-91-01(Z)(G)(R6)	Site Development Plan approval (zoning)
9/16/2015		Southwest Florida Water Management District	702664/43030240.009	Surface Water Management/Mass Grading Permit
5/18/2016		Manatee County Development Order	Ord. 16-25	Development Agreement (revised)
	July 2018	USCOE - renewal	SAJ-2006-1461	Renewal of Dredge and Fill permit – upland agricultural ditches
11/28/2016		Manatee County	FSP-16-13	Preliminary Plat/Preliminary Site Plan/Final Site Plan – Phase III
10/21/2013		Manatee County Public Works/FDEP (Water)	0133068-1047DS/C	Water Distribution Permit
10/21/2013		Manatee County Public Works/FDEP (Sewer)	CS41-0182186-192-DWC/CM	Sanitary Sewer and Collection System Permit
12/6/2016		Manatee County	Same as FSP	Construction Plans – Phase III

EXHIBIT B
SUMMARY OF
ESTIMATED PROJECT COST

Artisan Lakes Community Development District
Esplanade at Artisan Lakes Capital Improvement Program Cost Estimate - 2017 Project
Table 3

No.	Facility	2013 Project			2017 Project		Developer Funded		Total Project Costs
		Series 2013 Project - Completed Improvements	Series 2017 Completed Improvements	Series 2017 Remaining Improvements	Completed Improvements - Developer Funded	Future Developer Funded Improvements			
1	Stormwater/Floodplain Management ⁽¹⁾⁽²⁾	\$2,871,400.00	\$926,454.00	\$767,946.00	\$2,327,900.00	\$822,000.00	\$2,442,600.00	\$7,715,700.00	
2	Subdivision Roads				\$2,649,100.00			\$5,091,700.00	
3	Subdivision Sanitary Sewer Collection System	\$840,910.00	\$607,564.23	\$988,900.00				\$2,437,374.23	
4	Subdivision Potable Water System	\$840,910.00	\$533,859.22	\$555,505.00				\$1,930,274.22	
5	Subdivision Landscape/Irrigation/Hardscape				\$309,400.00	\$735,900.00		\$1,045,300.00	
6	Amenity Center				\$2,081,300.00	\$4,875,800.00		\$6,957,100.00	
7	Phase I Inspection and Repair for County Acceptance				\$250,000.00			\$250,000.00	
	Subtotal (Esplanade)	\$4,553,220.00	\$2,067,877.45	\$2,312,351.00	\$7,617,700.00	\$8,876,300.00		\$25,427,448.45	
8	Artisan Lakes Parkway ⁽⁴⁾⁽⁶⁾				\$1,877,436.47	\$1,580,394.50		\$3,457,830.97	
	Subtotal (Improvements Benefiting All Units)	\$1,877,436.47	\$1,580,394.50					\$3,457,830.97	
9	Contingency (15%)			\$346,852.65			\$1,331,445.00	\$1,678,297.65	
10	Professional Fees	\$624,994.03	\$312,433.88	\$288,902.30	\$105,100.00	\$533,297.70		\$1,864,727.91	
	Total Improvements	\$7,055,650.50	\$3,960,705.83	\$2,948,105.95	\$7,722,800.00	\$10,741,042.70		\$32,428,304.98	

The cost estimates set forth herein are estimates based on current plans and market conditions, which are subject to change. Accordingly, the '2017 Project' as used herein refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units, which (subject to true-up determinations) number and type of units may be changed with the development of Esplanade.

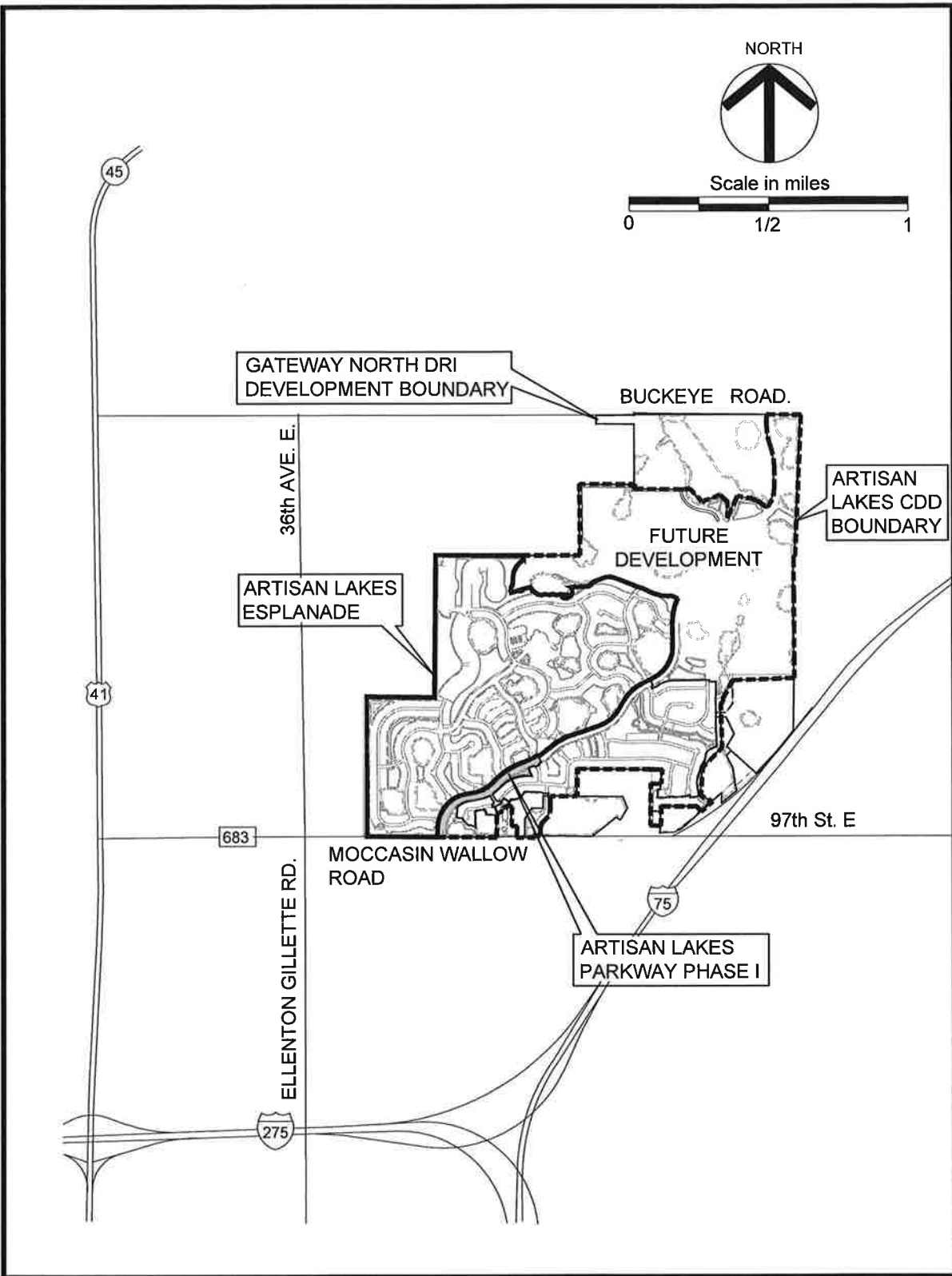
Notes:

- (1) Public Stormwater/Floodplain mgmt includes storm sewer pipes, inlets, catch basins, control structures, headwalls
- (2) Developer Funded Stormwater/Floodplain mgmt includes lake excavations, lot pad grading, road grading.
- (3) Value of Public Work Completed to Date is established from past Bills of Sale and Construction Invoices.
- (4) Artisan Lakes Parkway 1 improvements include: roadway, storm sewer, san. sewer, lift station no. 1, potable water & irrigation mains/landscape/hardscape, & street lights
- (5) Completed work includes the 27" gravity sanitary sewer main that conveys waste water from Artisan Lakes to the Manatee County master pump station

EXHIBIT C
VICINITY MAP



Scale in miles



DATE: 2017-07-07

ARTISAN LAKES ESPLANADE CDD VICINITY MAP

PREPARED FOR:
TAYLOR MORRISON OF FLORIDA, INC.
551 NORTH CATTLEMEN ROAD
SARASOTA, FLORIDA 34232
PHONE: (941) 317-0008 FAX: (941) 371-7998

SECTION: TOWNSHIP: RANGE:
9, 16 & 17 T33S R18E
SARASOTA COUNTY, FLORIDA
FILE NAME: 22321E2103.dwg
SHEET: 1 OF 1

FLORIDA CERTIFICATE OF AUTHORIZATION #6356
JEREMY FIRELINE, P.E.
FL. LICENSE NO. 63987



WALDROP ENGINEERING
CIVIL ENGINEERING | PLANNING | LANDSCAPE ARCHITECTURE

551 CATTLEMEN ROAD - SUITE 100,
SARASOTA, FL 34232
P: 941-379-8400 F: 941-379-7788
EMAIL: info@waldropengineering.com

S:\Projects\223-21 (Artisan Lakes) CDD\Drawings-Exhibits\223-07-E18 CDD\Current\22321E2103.dwg

EXHIBIT D

LEGAL DESCRIPTION

DESCRIPTION SKETCH - NOT A BOUNDARY SURVEY

DESCRIPTION:

LEGAL DESCRIPTION

ARTISAN LAKES - CDD

A PARCEL OF LAND LYING WITHIN SECTIONS 9, 16 AND 17, TOWNSHIP 33 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 33 SOUTH, RANGE 18 EAST AND RUN THENCE N00°54'44"E ALONG THE WEST BOUNDARY OF SAID SECTION 16, A DISTANCE OF 60.00 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF MOCCASIN WALLOW ROAD AS RECORDED IN OFFICIAL RECORD BOOK 1598, PAGE 1537 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE N89°33'35"W, ALONG SAID RIGHT-OF-WAY LINE, 110.46 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID LINE N89°33'35"W, 2,491.66 FEET TO A POINT OF INTERSECTION WITH THE WEST BOUNDARY OF THE SOUTHEAST 1/4 OF AFOREMENTIONED SECTION 17 ; THENCE N00°12'12"W, ALONG SAID WEST BOUNDARY, 2,617.43 FEET TO THE NORTHWEST CORNER OF SAID SOUTHEAST 1/4; THENCE S89°18'27"E, 1,326.53 FEET TO THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 17; THENCE N00°32'19"E, 2,660.11 FEET TO THE NORTHWEST CORNER OF THE EAST 1/2 OF SAID NORTHEAST 1/4; THENCE S89°31'28"E, 1,343.85 FEET TO THE NORTHEAST CORNER OF SAID SECTION 17; THENCE N89°59'24"E, 1,380.88 FEET TO THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF AFOREMENTIONED SECTION 9; THENCE N00°23'32"W, 1,327.39 FEET TO THE NORTHWEST CORNER OF THE SOUTHEAST 1/4 OF SAID SOUTHWEST 1/4 OF SECTION 9, SAID POINT BEING THE SOUTHWEST CORNER OF THOSE LANDS DESCRIBED IN OFFICIAL RECORD BOOK 1598, PAGE 1541 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S89°48'17"E, 1,040.44 FEET (S88°54'50"E, 1040.38 FEET PER DEED) TO THE SOUTHEAST CORNER SAID LANDS; THENCE S00°12'03"E, 85.55 FEET; THENCE S89°19'36"E, 887.08 FEET; THENCE N86°32'28"E, 152.47 FEET; THENCE S44°21'33"E, 328.11 FEET; THENCE N70°30'46"E, 361.28 FEET; THENCE S46°38'53"E, 195.39 FEET; THENCE S01°31'09"W, 293.63 FEET; THENCE N25°29'24"E, 452.24 FEET; THENCE S80°20'33"E, 269.65 FEET; THENCE S66°52'19"E, 150.23 FEET; THENCE S52°56'25"E, 140.09 FEET; THENCE S79°33'33"E, 58.13 FEET TO A POINT ON THE ARC OF A CURVE; THENCE 384.25 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 39°18'50", SAID CURVE HAVING A RADIUS OF 560.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS N19°23'16"E, 376.76 FEET; THENCE N00°16'09"W, 384.99 FEET TO A POINT OF CURVATURE; THENCE 387.11 FEET ALONG THE ARC OF A CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19°48'12", SAID CURVE HAVING A RADIUS OF 1,120.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS N10°10'15"W, 385.19 FEET TO A POINT OF REVERSE CURVATURE; THENCE 460.43 FEET ALONG THE ARC OF A CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 20°36'36", SAID CURVE HAVING A RADIUS OF 1,280.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS N09°46'03"W, 457.95 FEET; THENCE N00°32'14"E, 150.00 FEET TO A POINT OF INTERSECTION WITH THE NORTH BOUNDARY OF THE SOUTHEAST 1/4 OF AFOREMENTIONED SECTION 9; THENCE S89°27'46"E, ALONG SAID BOUNDARY, 654.80 FEET TO THE NORTHWEST CORNER OF THOSE LANDS DESCRIBED IN OFFICIAL RECORD BOOK 1025, PAGE 3055 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA;

(CONTINUED)

PROJECT: ARTISAN LAKES CDD

CLIENT: TAYLOR WOODROW COMMUNITIES



Planners - Engineers - Ecologists - Surveyors - Landscape Architects - Transportation Consultants

Wilson Miller, Inc.

Naples - Fort Myers - Sarasota - Bradenton - Tampa - Tallahassee

2205 North 20th Street Tampa, Florida 33605 Phone 813-223-9500 Fax 813-223-0009 Web-Site www.wilsonmiller.com

[Signature]
MARK H. FOSTER, P.S.M.
FLORIDA LICENSE NO. 155535

SCALE	N/A	DATE	8/23/06
REV	9,16,17	DATE	33S 18E 00
PROJECT NO.	03160-001-000	FILE NO.	03160-001-001
SHEET NO.	LAT/1685	TOTAL SHEETS	3 OF 5

DESCRIPTION SKETCH - NOT A BOUNDARY SURVEY

(CONTINUED)

THENCE S02°28'37"W, 2,646.49 FEET (S02°28'51"W, 2,646.54 FEET PER DEED) TO THE SOUTHWEST CORNER OF SAID LANDS; THENCE N89°49'53"W, 29.86 FEET TO THE NORTHWEST CORNER OF THOSE LANDS DESCRIBED IN OFFICIAL RECORD BOOK 1030, PAGE 2797 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE ALONG THE WEST BOUNDARY OF SAID LANDS BY THE FOLLOWING FOUR (4) COURSES: (1) S00°17'37"E, 738.86 FEET (S00°17'15"E, 739.10 FEET PER DEED), (2) S00°19'09"E, 600.20 FEET (S00°19'00"E, 600.00 FEET PER DEED), (3) S00°25'40"E, 539.15 FEET (S00°25'54"E, 539.17 FEET PER DEED), (4) S00°13'12"E (S00°14'00"E PER DEED), 392.66 FEET; THENCE DEPARTING SAID WEST BOUNDARY, S88°02'25"W, 1,171.02 FEET; THENCE S28°58'04"W, 388.49 FEET; THENCE S00°05'47"W, 66.57 FEET; THENCE S46°39'28"W, 57.82 FEET; THENCE S01°53'50"E, 812.65 FEET; THENCE S44°37'09"W, 520.64 FEET; THENCE S04°12'24"W, 526.73 FEET; THENCE S62°33'13"E, 247.54 FEET TO A POINT OF INTERSECTION WITH THE NORTHWESTERLY BOUNDARY OF PARCEL 109.1-R(B) (FRONTAGE ROAD - ALSO KNOWN AS GILLET DRIVE) AS RECORDED IN OFFICIAL RECORD BOOK 855, PAGE 25 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S48°37'44"W, ALONG SAID BOUNDARY, 280.27 FEET; THENCE DEPARTING SAID BOUNDARY, N41°22'16"W, 126.09 FEET; THENCE S89°58'22"W, 665.46 FEET; THENCE S00°37'55"W, 362.47 FEET TO A POINT OF INTERSECTION WITH THE EASTERLY PROLONGATION OF THE NORTHERLY BOUNDARY OF THOSE LANDS DESCRIBED IN OFFICIAL RECORD BOOK 291, PAGE 245 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE N86°57'02"W, ALONG SAID EASTERLY PROLONGATION, 7.31 FEET TO THE NORTHEAST CORNER OF SAID LANDS; THENCE N86°57'02"W, ALONG SAID NORTH BOUNDARY, 197.87 FEET TO THE NORTHWEST CORNER OF SAID LANDS, SAID CORNER BEING A POINT ON THE WEST BOUNDARY OF THE SOUTHEAST 1/4 OF AFOREMENTIONED SECTION 16; THENCE N00°37'55"E, ALONG SAID WEST BOUNDARY, 778.36 FEET TO THE SOUTHWEST CORNER OF THOSE LANDS DESCRIBED IN OFFICIAL RECORD BOOK 898, PAGE 872 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S89°12'45"E, 199.78 FEET ("EAST" 200 FEET PER DEED) TO THE SOUTHEAST CORNER OF SAID LANDS; THENCE N04°45'20"E, 267.26 FEET (N04°04'13"E, 267.68 FEET PER DEED) TO THE NORTHEAST CORNER OF SAID LANDS; THENCE N89°11'22"W, 219.00 FEET ("WEST" 219 FEET PER DEED) TO THE NORTHWEST CORNER OF SAID LANDS, SAID CORNER BEING THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFOREMENTIONED SECTION 16; THENCE N89°38'23"W, ALONG THE NORTH BOUNDARY OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 16, A DISTANCE OF 1,380.32 FEET TO THE NORTHWEST CORNER OF SAID SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE S01°06'10"W, 510.56 FEET TO THE NORTHWEST CORNER OF PARCEL G AS RECORDED IN OFFICIAL RECORD BOOK 1357, PAGE 134 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE N89°29'28"W, 509.23 FEET; THENCE S00°01'36"W, 233.34 FEET TO A POINT OF CURVATURE; THENCE 238.94 FEET ALONG THE ARC OF A CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 49°47'01", SAID CURVE HAVING A RADIUS OF 275.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS S24°55'06"W, 231.50 FEET TO A POINT OF REVERSE CURVATURE; THENCE 210.65 FEET ALONG THE ARC OF A CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 48°16'36", SAID CURVE HAVING A RADIUS OF 250.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS S25°40'19"W, 204.47 FEET; THENCE S01°32'01"W, 114.60 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT-OF-WAY OF MOCCASIN WALLOW ROAD (PARCEL 104) AS RECORDED IN OFFICIAL RECORD BOOK 867, PAGE 838 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE N89°33'56"W, ALONG SAID RIGHT-OF-WAY LINE, 100.02 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 104; THENCE S00°26'04"W, ALONG THE WEST BOUNDARY OF SAID PARCEL 104, A DISTANCE OF 35.19 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF MOCCASIN WALLOW ROAD AS RECORDED IN OFFICIAL RECORD BOOK 1598, PAGE 1537 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA;

(CONTINUED)

PROJECT:	ARTISAN LAKES CDD																									
CLIENT:	TAYLOR WOODROW COMMUNITIES																									
 <small>Wilson Miller, Inc. - P.L.L.C. 000000 Wilson Miller, Inc. - Certificate of Authorization #43</small>		MARK H. FOSTER, P.S.M. FLORIDA LICENSE NO. L55535																								
<small>Planners - Engineers - Ecologists - Surveyors - Landscape Architects - Transportation Consultants</small>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">SCALE</td> <td style="width: 30%;">N/A</td> <td style="width: 40%;">DATE</td> <td style="width: 40%;">8/23/06</td> </tr> <tr> <td>9.16.17</td> <td>335</td> <td>18E</td> <td>00</td> </tr> <tr> <td colspan="2">PROJECT NO.</td> <td colspan="2">03160-001-000</td> </tr> <tr> <td colspan="2">PROJECT NAME</td> <td colspan="2">LAT/1685</td> </tr> <tr> <td colspan="2">DATE OF SURVEY</td> <td colspan="2">4</td> </tr> <tr> <td colspan="2">DATE OF PLOTTING</td> <td colspan="2">5</td> </tr> </table>	SCALE	N/A	DATE	8/23/06	9.16.17	335	18E	00	PROJECT NO.		03160-001-000		PROJECT NAME		LAT/1685		DATE OF SURVEY		4		DATE OF PLOTTING		5	
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PROJECT NO.		03160-001-000																								
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DATE OF SURVEY		4																								
DATE OF PLOTTING		5																								
<small>Wilson Miller, Inc. Naples • Fort Myers • Sarasota • Bradenton • Tampa • Tallahassee 2205 North 20th Street Tampa, Florida 33605 Phone: 813-223-9500 Fax: 813-223-0009 Web-Site: www.wilsonmiller.com</small>																										

DESCRIPTION SKETCH - NOT A BOUNDARY SURVEY

(CONTINUED)

THENCE N89°31'37"W, ALONG SAID RIGHT-OF-WAY LINE, 337.22 FEET; THENCE DEPARTING SAID LINE, N00°28'23"E, 212.91 FEET; THENCE N89°31'37"W, 99.36 FEET; THENCE N00°28'23"E, 349.61 FEET; THENCE N55°59'39"W, 83.63 FEET; THENCE S34°00'21"W, 18.51 FEET TO A POINT ON THE ARC OF A CURVE; THENCE 229.68 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 36°58'31", SAID CURVE HAVING A RADIUS OF 355.90 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS S52°29'30"W, 225.71 FEET; THENCE S19°01'15"E, 29.74 FEET; THENCE S70°58'45"W, 34.06 FEET; THENCE S00°26'25"W, 415.05 FEET TO THE POINT OF BEGINNING.

CONTAINING 856.589 ACRES (37,313,011 SQUARE FEET), MORE OR LESS.

LESS AND EXCEPT THAT PART THEREOF LYING WITHIN THE FOLLOWING METES AND BOUNDS DESCRIPTION:

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 33 SOUTH, RANGE 18 EAST AND RUN THENCE N00°54'44"E ALONG THE WEST BOUNDARY OF SAID SECTION 16, A DISTANCE OF 60.00 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF MOCCASIN WALLOW ROAD AS RECORDED IN OFFICIAL RECORD BOOK 1598, PAGE 1537 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S89°31'37"E, ALONG SAID RIGHT-OF-WAY, 423.69 FEET; THENCE DEPARTING SAID LINE, N00°17'08"E, 185.00 FEET TO THE POINT OF BEGINNING; THENCE N00°20'25"W, 155.34 FEET; THENCE N32°11'18"E, 242.08 FEET; THENCE S90°00'00"E, 215.88 FEET; THENCE N00°00'00"E, 230.99 FEET; THENCE S89°29'28"E, 51.96 FEET; THENCE S00°01'36"W, 201.75 FEET TO A POINT OF CURVATURE; THENCE 181.35 FEET ALONG THE ARC OF A CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 51°57'06", SAID CURVE HAVING A RADIUS OF 200.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS S26°00'09"W, 175.20 FEET TO A POINT OF REVERSE CURVATURE; THENCE 274.75 FEET ALONG THE ARC OF A CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 44°58'40", SAID CURVE HAVING A RADIUS OF 350.00 FEET AND BEING SUBTENDED BY A CHORD WHICH BEARS S29°29'22"W, 267.75 FEET; THENCE N89°31'43"W, 187.17 FEET TO THE POINT OF BEGINNING.

CONTAINING 2.304 ACRES (100,344 SQUARE FEET), MORE OR LESS.

ALL CONTAINING 854.285 NET ACRES (37,212,667 NET SQUARE FEET), MORE OR LESS AND BEING SUBJECT TO RIGHTS-OF-WAY FOR BUCKEYE ROAD, GRASS FARM ROAD, 40TH AVENUE EAST AND GILLET ROAD (A/K/A 56TH AVENUE EAST).

PROJECT: ARTISAN LAKES CDD

CLIENT: TAYLOR WOODROW COMMUNITIES

WilsonMiller

Planners • Engineers • Ecologists • Surveyors • Landscape Architects • Transportation Consultants

WilsonMiller, Inc.

Naples • Fort Myers • Sarasota • Bradenton • Tampa • Tallahassee
2205 North 20th Street Tampa, Florida 33605 Phone: 813-223-9500 Fax: 813-223-0009 Web-Gite: www.wilsonmiller.com

WilsonMiller, Inc. - FL LIC# LC-000009
WilsonMiller, Inc. - Certificate of Authorization #43

MARK H. FOSTER, P.S.M.
FLORIDA LICENSE NO. LS5535

SCALE:	N/A	DATE:	8/23/06
SECTION:	9,16,17	TAX:	33S 18E
PROJECT NO.:	03160-001-000	ROLL NO.:	03160-001-001
DATE OF SURVEY:	LAT/16B5	SHEET NO.:	5 OF 5

ARTISAN LAKES
COMMUNITY DEVELOPMENT DISTRICT

Special Assessment Methodology

Series 2017 Bonds – Esplanade at Artisan Lakes

Prepared by:

8/22/2017

JPWard & Associates LLC

JAMES P. WARD

954.658.4900

JimWard@JPWardAssociates.com

2900 NE 12TH TERRACE, SUITE 1
OAKLAND PARK
FLORIDA 33335

1.0 INTRODUCTION

This report is intended to stand alone as the initial allocation report for the District's special assessments ("**Series 2017 Assessments**") intended to finance the District's "**2017 Project**"¹ and secure the repayment of Series 2017 Bonds (defined herein) and is not an amendment, supplement, or restatement of the assessment methodologies considered and/or adopted by the District for previous financings.

The District's limited purpose is to manage the construction, acquisition, maintenance and financing of its public works including basic infrastructure, systems, facilities, services and improvements.²

When the District was initially established, a variety of public infrastructure improvements were constructed by the District, including but not limited to: a surface water management system, utilities, roadway improvements, exterior landscaping, off-site improvements and mitigation. The District has previously issued its Series 2013 Bonds (defined herein) to benefit portions of the District known as

¹ The 2017 Project is described in the District's 2017 Supplement to Report of the District Engineer - Phase 1 Capital Improvement Plan, dated August 22, 2017 ("**2017 Engineer's Report**").

² See Florida Statutes sections 190.002(1)(a) and (1)(c) and (3); Florida Statutes section 190.003(6); Florida Statutes section 190.012; and *State v. Frontier Acres Com. Develop.*, 472 So 2d 455 (Fla. 1985) in which the Florida Supreme Court opines about the "limited grant of statutory powers under chapter 190 [and] the narrow purpose of such districts" as "special purpose governmental units," where the narrow purpose is in the singular as applied to their powers in the plural. *Frontier Acres Com. Develop.*, at 456. The Supreme Court also references section 190.002, Florida Statutes, to "evidence the narrow objective" in providing community infrastructure in section 190.002(1)(a), Florida Statutes, opining that the "powers" of such districts "implement the single, narrow legislative purpose." *Id.* at 457.

“Esplanade,” and which are secured by special assessments³ levied on a mixture of residential unit types.

This report will identify the special and peculiar benefits for the works and services of the District’s 2017 Project, including added use of the property, added enjoyment of the property, and probability of increased marketability, value of the property and decreased insurance premiums. These benefits will be evaluated for each of the residential product types in order to ensure that the new assessments are fair, just and reasonable for all property.

2.0 THE DISTRICT AND BOND STRUCTURE

The District, which was established on or about August 16, 2007 by Manatee County Ordinance #07-64, is located near Bradenton, Florida, and currently encompasses approximately 854 acres planned for approximately 1,844 residential units.

The District is situated in the Gateway North Development of Regional Impact, an approved development of regional impact located at the northwest corner of the Moccasin Wallow Road and interstate 75 interchange in northeast Manatee County, Florida. The Gateway north DRI encompasses 1,040 acres and is bound on the east by Interstate 75, on the south by Moccasin Wallow Road, on the north by Buckeye Road and on the west by 40th Avenue East and undeveloped land. The development is one exit north of the Interstate 75 and Interstate 275 interchange and is located approximately twenty (20) minutes northeast of downtown Bradenton, approximately thirty-five (35) minutes southeast of downtown Tampa and approximately thirty (30) minutes northeast of Sarasota. In addition, the Sarasota International Airport and Tampa International Airport are located approximately twenty-five (25) minutes and forty (40) minutes from the Development, respectively.

³ The special assessments securing the Series 2013 Bonds are described in that Final Series 2013 Special Assessment Allocation Report, Phase 1 – Esplanade at Artisan Lakes, dated December 19, 2013, as revised December 26, 2013 (“**Series 2013 Assessment Methodology**”).

The District is intended to be developed in phases, the first of which is known as “Esplanade” and is located on the western portion of the District and encompasses approximately 398 acres. On or about October 12, 2007, the Circuit Court for the Twelfth Judicial Circuit validated the issuance of District Bonds in an amount not to exceed \$190,000,000.00. Thereafter, and on or about December 30, 2013, and in order to finance a portion of the District’s capital improvement plan for Esplanade known as the “2013 Project,” the District issued its \$3,430,000 Capital Improvement Revenue Bonds, Series 2013A-1 (“**Series 2013A-1 Bonds**”), \$2,585,000 Capital Improvement Revenue Bonds, Series 2013A-2 (“**Series 2013A-2 Bonds**”), and \$2,500,000 Capital Improvement Revenue Bonds, Series 2013A-3 (“**Series 2013A-3 Bonds**”) (collectively, “**Series 2013 Bonds**”). The Series 2013 Bonds were issued in the aggregate par amount of \$8,515,000.00. All of the Series 2013 Bonds are structured as amortizing current-interest bonds, with repayment occurring in thirty (30) substantially equal annual installments of principal and Interest.

The Series 2013 Bonds are secured by debt service assessments (“**Series 2013 Assessments**”) levied on benefitted lands within Esplanade.

Under the Series 2013 Assessment Methodology, the Series 2013 Assessments securing the Series 2013A-1 Bonds and Series 2013A-2 Bonds are considered a single lien and were to be assigned to, and layered together over, platted lots on a first-platted, first-assigned basis. Originally, it was expected that the Series 2013A-1 and A-2 Assessments would be absorbed by the first 311 platted units. As of the date of this report, and since 2013, three plats have been recorded for the community, including the plats entitled: (i) “Artisan Lakes Esplanade, Phase I, Subphases A, B, C & D,” (“**Phase I Plat**”) which was recorded on August 26, 2014 and in Official Records of Manatee County, Florida at Plat Book 57, Pages 65 et seq.; (ii) “Artisan Lakes Esplanade, Phase II,” (“**Phase II Plat**”) which replatted a portion of Esplanade Phase 1 Plat and which was recorded on October 30, 2015 and in Official Records of Manatee County, Florida at Plat Book 59, Pages 1 et seq.; and (iii) “Artisan Lakes Esplanade Phase III, Subphases A, B, C, D & E” (“**Phase III Plat**”), which was recorded on April 28, 2017 and in Official Records of Manatee County, Florida at Plat Book 61, Pages 119 et seq. These plats include a unit mix that is different than the unit mix proposed at the time of the issuance of the Series 2013 Bonds.

After taking into account the platted units, the Series 2013A-1 Assessments are now fully absorbed by 352 of the Platted Units. There are an additional 35 remaining Platted 60’ Platted Units that will be immediately allocated Series 2017 Assessments, and the remaining Series 2017 Assessments will be assigned to the remaining unplatted acreage.

With respect to the Series 2013A-2 Assessments, the Developer has chosen to exercise its right to prepay those assessments upon closing of each lot to an end user. As of May 1, 2017 there is outstanding \$1,375,000.00 in Series 2013 A-2 Bonds.

It is anticipated that the Developer will do the same for the Series A-3 Assessments, which are to be allocated to platted lots in Esplanade only after the Series 2013A-1 and A-2 Assessments are fully allocated to platted lots. The Series 2013 A-3 Bonds are outstanding in the par amount of \$2,240,000.00.

With the Phase III plat now being recorded, and consistent with the Series 2013 Assessment Methodology, the Series 2013 A-3 Assessments will be assigned to the 35 remaining units in the Phase III Plat that are not already assigned Series 2013 A-1 and A-2 Assessments, as well as the remaining undeveloped lands within Esplanade. This is also reflected in Table 1. Accordingly, and with the Series 2013A-1 and A-2 Assessments fully absorbed, the Series 2013 A-3 Assessments will now be assigned on a first-platted, first-assessed basis to lands within Esplanade and will be layered (aggregated) with the Series 2017 Assessments outlined in this report. The Series 2017 lien is considered overlapping debt and will on par with the Series 2013 A-3 Bonds. This table reflects that 35 Platted Lots identified as Single Family 60' product will carry overlapping Series 2013 A-3 Assessments and Series 2017 Assessments.

The Series 2017 Bonds will also be structured as amortizing current-interest bonds, with repayment occurring in thirty (30) substantially equal annual installments of principal and interest.

3.0 PURPOSE OF THIS REPORT

This Special Assessment Report and the Methodology described herein have been developed to provide a roadmap and lays out in detail each step for use by the Board of Supervisors of the District (the "Board") for the imposition and levy of non-ad valorem special assessments. The District's 2017 Project, as defined in the 2017 Engineer's Report, will allow for the development of property within Esplanade and will be partially or fully funded through the issuance by the District of the Series 2017 Bonds to be repaid from the proceeds of the Series 2017 Assessments levied by the Board on properties within Esplanade that benefit from the implementation of the 2017 Project. The 2017 Assessments will be liens against properties within Esplanade that receive special benefits from the 2017 Project.

The Methodology described herein has two goals: (1) determining the special and peculiar benefits that flow to the properties in Esplanade as a logical connection from the infrastructure systems and facilities constituting enhanced use and increased enjoyment of the property; and (2) apportion the special benefits on a basis that is fair and reasonable. The District has adopted the 2017 Project comprising certain public infrastructure and facilities that will allow for the development of property within Esplanade. The District plans to fund the 2017 Project, all or in part, through the issuance of the Series 2017 Bonds. The Methodology herein is intended to set forth a framework to

apportion the special and peculiar benefits from the portions of the 2017 Project financed with the proceeds of the Series 2017 Bonds payable from and secured by the Series 2017 Assessments imposed and levied on the properties Esplanade. The report is designed to conform to the requirements of the Constitution, Chapters 170, 190 and 197 F.S. with respect to the Series 2017 Assessments and is consistent with our understanding of the case law on this subject. Once levied by the Board, the Series 2017 Assessments will constitute liens co-equal with the liens of State, County, municipal and school board taxes, against properties within Esplanade that receive special benefits from the 2017 Project.

4.0 MASTER DEVELOPMENT PROGRAM

4.1 Land Use Plan

The anticipated Land Use Plan for the District is identified in Table II below, and constitutes the expected number of residential units to be constructed by type of unit by the Developer. As with any Land Use Plan, this may change during development, however, the District anticipates that in this methodology, by utilizing the concept that the assessments are levied on a per acre basis initially for all undeveloped lands, and as land is platted, the District assigns debt to the platted unit, based on the type of unit noted in the Land Use Plan in Table II below..

Table II - Land Use Plan					
Description	45-55'	50-55'	60'	70'	Total
Phase III	106	142	152	54	454
Total	106	142	152	54	454

As noted earlier, with the recordation of the Plat for Phase III, the District has fully absorbed the Series 2013 A-1 and Series 2013 A-2 Bonds, with 35 lots of the Single Family 60' product which will carry overlapping Series 2013 A-3 Debt, a shown in Tables I and III.

4.2 Capital Requirements

Waldrop Engineering (the "District Engineer") has identified certain public infrastructure and services that are being provided by the District Phase III and future remaining lands to be platted in

Table IV and has provided a cost estimate for these improvements. The detail of the District's CIP can also be found in the 2017 Engineer's Report, as referenced herein.

It is estimated the cost of the 2017 Project will be approximately 6,908,000.00 without taking into consideration the various costs of financing the improvements, including but not limited to Capitalized Interest, Reserve Account Requirements and Costs of Issuance.

5.0 BOND REQUIRMENTS

The District intends to finance some or all of its 2017 Project through the issuance of the Series 2017 Bonds. As shown in Table V, it is estimated that the District may issue not exceeding an aggregate principal amount of \$8,080,000.00 in Bonds to fund the implementation of the 2017 Project, assuming all of the 2017 Project is financed. A number of items comprise the estimated bond size required to fund the Series 2017 estimated par amount of bonds necessary to complete the 2017 Project.

These items may include, but are not limited to, a period of capitalized interest, a debt service reserve, an underwriter's discount, issuance costs, and rounding, as noted in Table V.

As the finance plan is implemented the final source and use of funds will be determined at the time of issuance of the Series 2017 Bonds and is dependent on a variety of factors, most importantly, the interest rate that the District is able to secure on the Series 2017 Bonds, along with such items as the capitalized interest period, reserve requirement and costs of issuance.

6.0 ASSIGNMENT OF ASSESSMENTS

It is useful to consider three broad states or conditions of development within Esplanade. The initial condition is the "unplatted state". At this point infrastructure may or may not be constructed, but in general, home sites or other development units have not been defined and all of the developable land within the assessment area is considered unplatted acreage ("**Unplatted Acres**"). In the unplatted state, all of the lands within the assessment area receive benefit from all or a portion of the components of the financed capital improvement plan and debt assessments would be imposed upon all of the land within the assessment area on an equal acre basis to repay the bonds in amount not in excess of the benefit accruing to such parcels.

The second condition is the interim or "approved state". At this point, a developer would have received approval for a site development plan from the County. By virtue of the County granting an approval for its site development plan for a neighborhood, certain development rights are committed to and peculiar to that neighborhood, thereby changing the character and value of the land by

enhancing the capacity of the Unplatted Acres within a neighborhood with the special and peculiar benefits flowing from components of the capital improvement plan and establishing the requisite logical connection for the flow of the special benefits peculiar to the property, while also incurring at the same time a corresponding increase in the responsibility for the payment of the levied debt assessment to amortize the portion of the debt associated with those improvements.

Therefore, in the event that the District issues bonds which have or will benefit the lands within such area, the District will designate such area, or in combination with other such areas, as an assessment area, and, allocate a portion of this debt to such assessment area in the “approved state”.

This apportionment of benefit is based on accepted practices for the fair and equitable apportionment of special and peculiar benefits in accordance with applicable laws and the procedure for the imposition, levy and collection of non-ad valorem special assessments in conformity with State laws applicable to such assessments.

Development enters its third and “**Platted State**”, as property is platted. Land becomes platted property (the “**Platted Property**”) which single-family units are platted or multifamily land uses receive a building permit and a separate tax parcel identification number is issued for such parcel. At this point, and only at this point, is the use and enjoyment of the property fixed and determinable and it is only at this point that the ultimate special and peculiar benefit can be determined flowing from the components of the CIP peculiar to such platted parcel. At this point, a specific apportionment of the debt assessments will be fixed and determinable from the supplemental assessment report to be prepared once the final pricing details of the bonds are known.

When the development program contains a mix of residential land uses, an accepted method of allocating the costs of public infrastructure improvements to benefiting properties is through the establishment of a system that “equates” the benefit received by each property to the benefit received by a single-family unit to other unit types. To implement this technique for project cost allocation purposes, a base unit type must be set.

Unlike property taxes, which are ad-valorem in nature, a community development district may levy special assessments under Florida Statutes only if the parcels to be assessed receive special benefit from the infrastructure improvement acquired and/or constructed by the District. Special benefits act as a logical connection to property from the improvement system or service facilities being constructed and include, but are not limited to, added use, added enjoyment, increased access and increased property values. These special benefits are peculiar to lands within the District and differ in nature to those general or incidental benefits that landowners outside the District or the general public may enjoy. A District must also apportion or allocate its special assessments so that

the assessments are fairly and reasonably distributed relative to the special benefit conferred. Generally speaking, this means the amount of special assessment levied on a parcel should not exceed the amount of special benefit enjoyed by that parcel. A District typically may develop and adopt an assessment methodology based on front footage, square footage, or any other reasonable allocation method, so long as the assessment meets the benefit requirement, and so long as the assessments are fairly and reasonably allocated.

A. Benefit Analysis

It is anticipated that the 2017 Project will provide special benefit to lands within Esplanade. This infrastructure project is a program of improvements and was designed specifically to facilitate the development of Esplanade into a viable portion of the community, from both a legal and socio-economic standpoint. Therefore, special benefits will accrue to the land uses within Esplanade.

As noted above, the 2017 Project includes not only subdivision (Esplanade specific) infrastructure, but also master infrastructure that will form part of a system of improvements servicing the entire District. Accordingly, the costs associated with the master infrastructure must be prorated so that the proportion of the master costs allocated to the 2017 Project is commensurate with the special benefit derived from the master infrastructure. The master infrastructure costs will be prorated based on the percentage of Equivalent Assessment Unit (EAU) factors assigned to Series 2017 Bonds relative to future development phases. These EAU factors are commonly accepted in the industry for similar product types and will result in an allocation that is fair and reasonable. As reflected in Table IV, and as more fully described in the Engineer's Report prepared by Waldrop Engineer's and dated, August 22, 2017.

Table VI demonstrates the allocation of the Esplanade Allocable Costs for the 2017 Project among the Esplanade development plan. These costs are allocated using an EAU factor applicable for each product type.

There are two amenities planned and related to Artisan Lakes. The first is a temporary amenity facility constructed outside the boundaries of the District and which was originally part of the Developer's sales center. Because it is outside the District's boundaries, no assessments are permitted nor owed in connection with said facility. Additionally, the site plan for Esplanade contemplates the construction of a privately-funded clubhouse/amenity center. As reflected in Table VI, the Esplanade Allocable Costs have not been allocated to the clubhouse; instead, and as contemplated by the Series 2013 Assessment Methodology, and as part of Requisition #3, a contribution of \$64,161.81 was previously made by the Developer to offset any levy of debt assessments on that facility. Even if no contribution had been made, a debt assessment is not

appropriate in connection with the development of Esplanade because the facility will be owned and operated by the Master Homeowner's Association, and is considered a common element for the exclusive benefit of lot owners. Stated differently, any benefit for this facility flows directly to the benefit of all of the Platted Lots in the District. As such, no assessment would be assigned to this amenity.

B. Allocation/Assignment Methodology

The Series 2017 Assessments assignable to Platted Units are provided on Tables VI. This table provides the Series 2017 Assessment amount associated with the Series 2017 Bonds. As noted earlier in this report, to the extent there are Unplatted Acres, the initial assessment on those parcels will be on an equal assessment per acre basis.

7.0 Prepayment of Assessments

The assessments encumbering a Platted Lot may be prepaid in full at anytime, without penalty, together with interest at the rate on the bond series to the interest Payment Date (as defined in the bond trust indenture) that is more than forty-five (45) days next succeeding the date of prepayment, or such other date as set forth in the applicable bond trust indenture. Notwithstanding the preceding provisions, the District does not waive the right to assess penalties and collection costs which would otherwise be permissible if the Platted Lot being prepaid is subject to an assessment delinquency.

8.0 Overview of the Inventory Adjustment Determination

The assessment methodology is based on the development plan that is currently proposed by the Developer. As with all projects of this size and magnitude, as development occurs there may be changes to various parts of the proposed project mix, the number of units, the types of units, etc. The inventory adjustment determination mechanism is intended to ensure that all of the debt assessments are levied only on developable properties, such that by the end of the development period there will be no remaining debt on any undevelopable property.

First, as property is taken from an undeveloped (raw land) state and readied for development, the property is platted or alternatively specific site plans are developed and processed through the County Property Appraiser, who assigns distinct parcel identification numbers for land that is ready to be built upon. Or in the case of property where a condominium is being developed the land is platted as a large tract of land, and ultimately as the developer files the declaration of condominium, the

County Property Appraiser assign distinct parcel identifications to each condominium unit that will be constructed on the property.

When either of these events occur, the District must allocate the appropriate portion of its' debt to the newly established and distinct parcel identification numbers. The inventory adjustment determination allows for the District to take the debt on these large tracts of land, and assign the correct allocation of debt to these newly created units. This mechanism is done to ensure that the principal assessment for each type of property constructed never exceeds the initially allocated assessment contained in this report.

This is done periodically as determined by the District Manager or their authorized representative, and is intended to insure that the remaining number of units to be constructed can be constructed on the remaining developable land. If at any time, the remaining units are insufficient to absorb the remaining development plan, the applicable landowner will be required to make a density reduction payment, such that the debt remaining after the density reduction payment does not exceed principal assessment for each type of property is exceeded in the initially allocated assessment contained in this report. The specific process for handling inventory adjustments is set forth in more detail in the District's assessment resolution adopting this report, as well as a true-up agreement entered into between the Developer and the District. Further, please note that, in the event that the District's capital improvement plan is not completed, required contributions are not made, or under certain other circumstances, the District may be required to reallocate the special assessments.

9.0 Preliminary Assessment Roll

Table VII provides the current folio numbers derived from the Manatee County Tax Rolls and matches those folio number's with the anticipated product on each folio numbers.

All properties in the unplatted portions of Esplanade are owned by the same developer entity.

**Artisan Lakes Community Development District
Series 2017 Assessment Allocation
Table VI**

Product Type	EAU Factor	Phase IV Development Plan	Total EAU	Total Par Debt Allocation	Toal Par Debt Allocation Per Unit	Estimated Annual Debt Service (1)	Estimated Discounts and Collections (2)	Annual Debt Service Per Unit	Total Annual Debt Service (3)	Total Annual Debt Service (4)
Single Family 40'	0.8	106	84.8	\$ 1,413,333.33	\$ 13,333.33	\$905.56	\$63.39	\$968.94	\$95,988.87	\$102,708.09
Single Family 50' (2)	1	142	142	\$ 2,366,666.67	\$ 16,666.67	\$1,131.94	\$79.24	\$1,211.18	\$160,736.08	\$171,987.61
Single Family 60'	1.2	152	182.4	\$ 3,040,000.00	\$ 20,000.00	\$1,358.33	\$95.08	\$1,453.42	\$206,466.63	\$220,919.29
Single Family 70'	1.4	54	75.6	\$ 1,260,000.00	\$ 23,333.33	\$1,584.72	\$110.93	\$1,695.65	\$85,574.98	\$91,565.23
Total Units:		454	484.80	\$ 8,080,000.00					\$548,766.57	\$587,180.23
Estimated Max Annual Debt Service:									\$548,766.57	
Rounding:									\$0.00	

(1) Excludes Discounts/Collection Costs

(2) Estimated at 4% for Discounts and 3% for Collection Costs by County

(3) Excludes Discounts and Collection Costs

(4) Includes Discounts and Collection Costs

Artisan Lakes Community Development District
Allocation of Platted units to Series 2013 Bonds and Allocation of Remaining Units to Series 2017 Bonds
Table 1

Series 2013 A-1	Product Type				Total	Platted	Allocated
	44/45	50/55	60 (1)	70			
<i>2013A-1/A-2</i>							
<i>Allocated</i>							
101		72			72	72	72
102A			34		34	34	34
103A	45				45	45	45
104A	8	3	5	15	31	31	31
103B	46				46	46	46
105		35			35	35	35
106	82				82	82	82
107A/102B			8		8	8	8
Total Units Allocated:	181	110	47	15	353	353	353
<i>Remainder</i>							
102B			35		35	35	0
107A			24		24	0	0
104B				10	10	0	0
107B	39				39	0	0
108		52			52	0	0
109A			65		65	0	0
109B			28		28	0	0
110A				26	26	0	0
110B				18	18	0	0
111A		19			19	0	0
111B		35			35	0	0
116	67				67	0	0
117		36			36	0	0
Total Unallocated Units:	106	142	152	54	454	35	0
Total Allocated and unallocated Units	287	252	199	69	807	388	353

(1) The lots marked as 102B - 35 - 60' lots will carry the overlapping debt of the Series 2013 A-3 Bonds

Artisan Lakes Community Development District
Land use Type
Table II

Description	Product Type				Total
	45-55'	50-55'	60'	70'	
Phase III	106	142	152	54	454
Total	106	142	152	54	454

**Artisan Lakes Community Development District
Allocation of Debt with the Plat of Phase III
Table III**

Table 2 Allocation of Debt with the Plat of Phase III								
Product Type	EAU Factor (1)	Phase I/II	Total EAU's	Debt Per Unit at 09/30/2017	Total Series 2013 A-1 Debt Allocation of Phase I/II	Total	Units	Total Debt Allocated
						Phase II/III Platted Units	Allocated to Remaining Debt	
Single Family 40'	0.8	99	79.2	\$ 7,987.95	\$ 790,807.05	82	82	\$ 1,445,818.95
Single Family 50' (2)	1	74	74	\$ 9,984.94	\$ 738,885.56	35	35	\$ 1,088,358.46
Single Family 60'	1.2	39	46.8	\$ 11,981.93	\$ 467,295.27	43	8	\$ 563,150.71
Single Family 70'	1.4	15	21	\$ 13,978.92	\$ 209,683.80	0		\$ 209,683.80
Total:	227				\$ 2,206,671.68	160	125	\$ 3,307,011.92
Total Debt at after 11/01/2017 prepayment					\$ 3,305,000.00			
Remaining Debt to be allocated:					\$ 1,098,328.32			\$ (2,011.92)

Note 1 - Source - Series 2013 Methodology

Note 2: One 50' Lot prepaid that is due to be prepaid on 11/01/2017 - prepayment amount will be \$10,000.00 (PID 610906659) -- as such the total debt amount has been adjusted down for the current outstanding at 07/26/2017 from \$3,315,000.00 to \$3,305,000.00. Additionally the total unit count for the 50' product for the Phase I/II has been changed from 75 units to 74 units to reflect the prepayment.

Overall Note: It should be noted, that the lots absorb \$2,012.05 in debt over the par amount remaining, and is considered insignificant, as such each lot fully allocated, will carry the fully assesment Debt Per Unit as noted in the table.

**Artisan Lakes Community Development District
Esplanade at Artisan Lakes Capital Improvement Program Cost Estimate - 2017 Project
Table IV**

No.	Facility	2013 Project	2017 Project		Developer Funded		Total Project Costs
		Series 2013 Project - Completed Improvements	Series 2017 Completed Improvements	Series 2017 Remaining Improvements	Completed Improvements - Developer Funded	Future Developer Funded Improvements	
1	Stormwater/Floodplain Management ⁽¹⁾⁽²⁾	\$2,871,400.00	\$926,454.00	\$767,946.00	\$2,327,900.00	\$822,000.00	\$7,715,700.00
2	Subdivision Roads				\$2,649,100.00	\$2,442,600.00	\$5,091,700.00
3	Subdivision Sanitary Sewer Collection System	\$840,910.00	\$607,564.23	\$988,900.00			\$2,437,374.23
4	Subdivision Potable Water System	\$840,910.00	\$533,859.22	\$555,505.00			\$1,930,274.22
5	Subdivision Landscape/Irrigation/Hardscape				\$309,400.00	\$735,900.00	\$1,045,300.00
6	Amenity Center				\$2,081,300.00	\$4,875,800.00	\$6,957,100.00
7	Phase I Inspection and Repair for County Acceptance				\$250,000.00		\$250,000.00
Subtotal (Esplanade)		\$4,553,220.00	\$2,067,877.45	\$2,312,351.00	\$7,617,700.00	\$8,876,300.00	\$25,427,448.45
Phase I (all improvements)							
8	Artisan Lakes Parkway ⁽⁴⁾⁽⁶⁾	\$1,877,436.47	\$1,580,394.50				\$3,457,830.97
Subtotal (Improvements Benefiting All Units)		\$1,877,436.47	\$1,580,394.50				\$3,457,830.97
9	Contingency (15%)			\$346,852.65		\$1,331,445.00	\$1,678,297.65
10	Professional Fees	\$624,994.03	\$312,433.88	\$288,902.30	\$105,100.00	\$533,297.70	\$1,864,727.91
Total Improvements		\$7,055,650.50	\$3,960,705.83	\$2,948,105.95	\$7,722,800.00	\$10,741,042.70	\$32,428,304.98

The cost estimates set forth herein are estimates based on current plans and market conditions, which are subject to change. Accordingly, the '2017 Project' as used herein refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units, which (subject to true-up determinations) number and type of units may be changed with the development of Esplanade."

Notes:

- ⁽¹⁾ Public Stormwater/Floodplain mgmt includes storm sewer pipes, inlets, catch basins, control structures, headwalls
- ⁽²⁾ Developer Funded Stormwater/Floodplain mgmt includes lake excavations, lot pad grading, road grading.
- ⁽³⁾ Value of Public Work Completed to Date is established from past Bills of Sale and Construction Invoices.
- ⁽⁴⁾ Artisan Lakes Parkway 1 improvements include: roadway, storm sewer, san. sewer, lift station no. 1, potable water & irrigation mains/landscape/hardscape, & street lights
- ⁽⁵⁾ Completed work includes the 27" gravity sanitary sewer main that conveys waste water from Artisan Lakes to the Manatee County master pump station

**Artisan Lakes Community Development District
Special Assessment Bonds - Series 2017
ESTIMATED - Source and Use of Funds**

Table V	
Sources:	
Bond Proceeds	
Par Amount	\$ 8,080,000.00
	\$ 8,080,000.00
Uses:	
Project Funds Deposit	
Const of Construction	\$ 6,908,811.78
Rounding Proceeds	\$ 1,438.37
	\$ 6,910,250.15
Other Funds Deposits:	
Capitalized Interest through 11/1/2018	\$548,766.57
Debt Service Reserve at 50% of MADS	\$274,383.28
	\$823,149.85
Delivery Date Expenses	
Cost of Issuance	\$ 185,000.00
Underwriter's Discount	\$ 161,600.00
	\$ 346,600.00
	\$ 8,080,000.00
Average Coupon:	
	5.50%
Anticipated Issuance Date	
	12/1/2017
Capitalized Interest	
	One Year (12 months)
ESTIMATED - Max Annual Debt Service	
	\$548,766.57

Artisan Lakes Community Development District

Financial Statements

July 31, 2017



Prepared by:

JPWARD AND ASSOCIATES LLC

*819 NE 23rd DRIVE, #3
WILTON MANORS, FLORIDA 33305
E-MAIL: JIMWARD@JPWARDASSOCIATES.COM
PHONE: (954) 658-4900*

Artisan Lakes Community Development District

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<i>Series 2013 Bonds</i>	<i>5</i>

JPWard & Associates, LLC
819 NE 23rd Drive, #3
Wilton Manors, Florida 33305

**Artisan Lakes Community Development District
Balance Sheet
for the Period Ending July 31, 2017**

Governmental Funds				
	General Fund	Series 2013	Account Groups General Long Term Debt	Totals (Memorandum Only)
Assets				
Cash and Investments				
General Fund - Invested Cash	\$ 98,370	\$ -	\$ -	\$ 98,370
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	-	164,288	-	164,288
Series 2013 A-3	-	206,981	-	206,981
Revenue				-
Series 2013 A-1 and A-2	-	39,545	-	39,545
Series 2013 A-3	-	8	-	8
Prepayment Account				-
Series 2013 A-1	-	-	-	-
Series 2013 A-2	-	202,492	-	202,492
Due from Other Funds				-
General Fund	-	-	-	-
Debt Service Fund(s)				-
Assessments Receivable				-
Amount Available in Debt Service Funds			887,226	887,226
Amount to be Provided by Debt Service Funds			7,357,774	7,357,774
Total Assets	\$ 98,370	\$ 887,226	\$ 8,245,000	\$ 9,230,596

**Artisan Lakes Community Development District
Balance Sheet
for the Period Ending July 31, 2017**

Governmental Funds				
	General Fund	Series 2013	Account Groups General Long Term Debt	Totals (Memorandum Only)
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	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,245,000</u>	<u>\$ -</u>
Fund Equity and Other Credits				
Investment in General Fixed Assets	-	-	-	-
Fund Balance				
Restricted				
Beginning: October 1, 2016 (Audited)	-	1,210,513	-	1,210,513
Results from Current Operations	-	(323,287)	-	(323,287)
Unassigned				
Beginning: October 1, 2016 (Audited)	59,057	-	-	59,057
Results from Current Operations	39,312	-	-	39,312
Total Fund Equity and Other Credits	<u>\$ 98,370</u>	<u>\$ 887,226</u>	<u>\$ -</u>	<u>\$ 985,596</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 98,370</u>	<u>\$ 887,226</u>	<u>\$ 8,245,000</u>	<u>\$ 985,596</u>

Prepared by:

JPWARD and Associates, LLC

Artisan Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2017

Description	October	November	December	January	February	March	April	May	June	July	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	1,667	1,667	1,667	16,667	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	-	-	-	-	157	285	797	2,500
Trustee Services	-	-	-	-	-	-	-	-	-	-	-	8,250
Dissemination Agent Services	-	-	-	-	-	-	-	5,000	-	-	5,000	5,000
Property Appraiser Fees	-	-	-	-	-	-	-	-	-	-	-	-
Bank Service Fees	-	19	19	14	20	19	18	9	12	12	142	360
Communications & Freight Services												
Postage, Freight & Messenger	25	-	25	35	9	9	27	60	18	66	274	750
Computer Services - Website Development												
Computer Services - Website Development	-	-	-	-	-	-	-	-	-	-	-	800
Insurance												
Insurance	4,282	-	-	-	-	-	-	-	-	-	4,282	6,000
Printing & Binding												
Printing & Binding	-	99	-	-	-	-	-	231	293	-	624	750
Subscription & Memberships												
Subscription & Memberships	175	-	-	-	-	-	-	-	-	-	175	175
Legal Services												

**Artisan Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2017**

Description	October	November	December	January	February	March	April	May	June	July	Year to Date	Total Annual Budget
Legal - General Counsel	-	-	150	1,777	-	203	-	1,183	-	3,731	7,044	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	8,149	2,146	5,762	35,131	74,185
Total Expenditures and Other Uses:	\$ 6,329	\$ 1,785	\$ 1,860	\$ 3,794	\$ 1,696	\$ 1,897	\$ 1,712	\$ 8,149	\$ 2,146	\$ 5,762	\$ 35,131	\$ 74,185
Net Increase/ (Decrease) in Fund Balance	(6,272)	1,862	3,804	(1,395)	7,366	12,123	37,883	(8,149)	(2,146)	(5,762)	39,313	-
Fund Balance - Beginning	59,057	52,785	54,647	58,451	57,056	64,422	76,545	114,429	106,279	104,133	59,057	-
Fund Balance - Ending	\$ 52,785	\$ 54,647	\$ 58,451	\$ 57,056	\$ 64,422	\$ 76,545	\$ 114,429	\$ 106,279	\$ 104,133	\$ 98,371	98,371	\$ -

Artisan Lakes Community Development District
Debt Service Fund - Series 2013
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2017

Description	October	November	December	January	February	March	April	May	June	July	Year to Date	Total Annual Budget
Revenue and Other Sources												
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	3	6	4	57	146	143	249	363	264	333	1,568	
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												
Series 2013 Bonds A-1					10,000				16,566		26,566	
Series 2013 Bonds A-2	38,102	22,753	75,301	79,819	19,578	40,663	81,675	12,098	39,157	39,157	448,304	
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue and Other Sources:	\$ 38,591	\$ 54,250	\$ 124,208	\$ 100,587	\$ 107,968	\$ 41,805	288,348	\$ 12,462	\$ 55,987	\$ 39,490	863,694	\$ 640,588
Expenditures and Other Uses												
Debt Service												
Principal Debt Service - Mandatory												
Series 2013 Bonds A-1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	40,000	\$ 40,000
Series 2013 Bonds A-2								\$ 30,000	-	-	30,000	\$ 30,000
Series 2013 Bonds A-3								\$ 30,000	-	-	30,000	\$ 30,000
Principal Debt Service - Early Redemptions												
Series 2013 Bonds A-1	-	-	-	-	-	-	-	10,000	-	-	10,000	-
Series 2013 Bonds A-2	-	255,000	-	-	-	-	-	290,000	-	-	545,000	-
Series 2013 Bonds A-3	-	-	-	-	-	-	-	-	-	-	-	-
Interest Expense												
Series 2013 Bonds A-1	-	115,669	-	-	-	-	-	115,669	-	-	231,338	231,338
Series 2013 Bonds A-2		65,813						57,206			123,019	131,625
Series 2013 Bonds A-3		88,813						88,813			177,625	177,625
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures and Other Uses:	\$ -	\$ 525,294	\$ -	\$ -	\$ -	\$ -	-	\$ 661,688	\$ -	\$ -	1,186,981	\$ 640,588
Net Increase/ (Decrease) in Fund Balance	38,591	(471,044)	124,208	100,587	107,968	41,805	288,348	(649,226)	55,987	39,490	(323,287)	-
Fund Balance - Beginning	1,210,513	1,249,104	778,060	902,268	1,002,855	1,110,823	1,152,628	1,440,976	791,750	847,737	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	791,750	\$ 847,737	\$ 887,226	887,226	\$ -