

BOARD OF SUPERVISOR'S

STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT

AGENDA

April 2, 2015



James P. Ward
District Manager
2041 Northeast 6th Terrace
Wilton Manors, FL 333051

Phone: 954-658-4900
E-mail: ward9490@comcast.net
www.StoneybrookatVeniceCDD.org



STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT

March 23, 2015

Board of Supervisors
Stoneybrook at Venice
Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Stoneybrook at Venice Community Development District will be held on **Thursday, April 2, 2015 at 12:00 P.M.** at the **Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292.**

1. Call to Order & Roll Call
2. Consideration of Resolution 2015-1 Canvassing and Certifying the Results of the Landowner's Election held on November 4, 2014.
3. Consideration of Resolution 2015-2 Re-designating the officer's of the Stoneybrook at Venice Community Development District.
4. Consideration of Minutes
 - a) September 18, 2014 – Regular Meeting
 - b) November 4, 2014 - Landowner's Meeting
5. Consideration of the acceptance of the Audited Financial Statements for the year ended September 30, 2014.
6. Consideration of Resolution 2015-3 Approving the Proposed Budget for Fiscal Year 2014 and Setting a Public Hearing for Thursday, September 3, 2015 on the Proposed Budget.
7. Staff Reports
 - a) Attorney
 - b) Engineer
 - c) Manager
 - I. Financial Statements for the period ending February 28, 2015
8. Supervisor's Requests and Audience Comments
9. Adjournment



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305

PHONE (954) 658-4900

E-MAIL ward9490@comcast.net

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The second item of business is consideration of the minutes from the September 5, 2013 Regular Meeting.

The second order of business is consideration of Resolution 2015-1 canvassing and certifying the election results of the Landowner's Election held November 4, 2014. The landowner's election was the final - four (4) year seat elected by landowner's, and Mr. Paul Zajac was elected to seat 2 and will be sworn in at the meeting.

In addition, two additional Supervisor's were elected by qualified elector's in the District. That election was also held n November 4, 2014 and conducted by the Supervisor of Elections in Sarasota County. Mr. Daniel Minnick and Mr. Carl Phillip Jones ran unopposed and were elected to fill those positions. Mr. Minnick fills seat 3 – and will serve until November, 2018 election. Mr. Jones fills seat 5 – and will serve until November, 2016 election. Both of these individuals have been administered their oath of office by the Supervisor of Election however, we will administer the oath of office again to both individuals.

The third order of business is to re-designate the officer's of the Stoneybrook at Venice Community Development District. Currently the Mr. Riley serves as the Vice Chairman and Mr. Hamilton serves as an Assistant Secretary, and I serve as the Secretary/Treasure of the District.

The board will be requested to discuss who amongst you will serve as Chairman and Vice Chairman, and the remaining three member's will serve as Assistant Secretaries. The Chairman and Vice Chairman primary responsibilities are to execute certain documents, such as agreements, resolutions, etc. on behalf of the District, and to conduct Board Meeting's, as appropriate.

The remaining members who are assistant secretaries, will only attest (if necessary) to documents executed by the Chair or Vice Chair.

Generally, as your District Manager, I will fill the ministerial roles of Secretary and Treasurer of the District, since both positions are the responsibility of the Manager's office.

The fourth order of business is approval of the minutes of the September 18, 2014 regular meeting and acceptance of the minutes of the Landowner's meeting of November 4, 2014 for purposes of inclusion in the record.

The fifth order of business is the acceptance of the Audited Financial Statements for the year ended September 30, 2014, and a representative of Grau & Associates will be available by phone to make a presentation to the Board and answer any questions.



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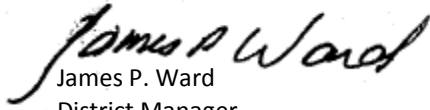
The sixth order of business is consideration of a Resolution 2015-3 approving the Proposed Budget for Fiscal Year 2015 and setting a Public Hearing for September 3, 2015 for Adoption of the Proposed Budget.

The District's enabling legislation requires the District Manager to submit a Proposed Budget to the Board by June 15th of each year for your review and approval. The approval of the Budget is only intended to permit the District to move through the process towards adopting the Budget at the Public Hearing scheduled for the September 3, 2015 Meeting of the Board of Supervisor's. The approval of the Budget does not bind the Board to any of the costs contained in the Budget, any of the programs contained in the Budget and most importantly it does not bind the Board to any of the Assessment Rates contemplated as a result of the preparation of the Budget.

Finally, in the summer months Board Meetings may not be required, therefore any input on the proposed Budget at this meeting would be important to incorporate into the Budget at this time.

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

Yours sincerely,
Stoneybrook at Venice
Community Development District


James P. Ward
District Manager

enclosure



James P. Ward
District Manager

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WILTON MANORS, FL. 33305

PHONE (954) 658-4900

E-MAIL ward9490@comcast.net

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A RESOLUTION OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT CANVASSING AND CERTIFYING THE RESULTS OF THE LANDOWNERS ELECTION OF SUPERVISORS HELD PURSUANT TO SECTION 190.006(2), FLORIDA STATUTES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE STONELAKE RANCH COMMUNITY DEVELOPMENT DISTRICT;

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RESOLUTION 2015-2

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT RE-DESIGNATING THE OFFICERS OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. Designation of Officer's of the District. The following persons are appointed to the offices shown:

| | |
|---------------------|----------------------|
| Chairman | _____ |
| Vice Chairman | _____ |
| Secretary | <u>James P. Ward</u> |
| Treasurer | <u>James P. Ward</u> |
| Assistant Secretary | _____ |
| Assistant Secretary | _____ |
| Assistant Secretary | _____ |

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

SECTION 3. Conflict. 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 4. Effective Date. This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED this 2nd day April, 2015

**STONEYBROOK AT VENICE
COMMUNITY DEVELOPMENT DISTRICT**

James P. Ward, Secretary

_____,Chairman

**MINUTES OF MEETING
STONEBROOK AT VENICE
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Board Meeting of the Stoneybrook at Venice Community Development District's Board of Supervisors was held on **Thursday, September 18, 2014**, at 12:00 p.m., at the **Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292**.

Present and constituting a quorum were:

| | |
|-----------------|---------------------|
| Anthony Burdett | Chairman |
| Jason Hamilton | Assistant Secretary |
| Matt Morris | Assistant Secretary |

Also present were:

| | |
|-------------------|---|
| James P. Ward | District Manager |
| Anthony Grau, Jr. | Grau & Associates, Auditor (Telephonic) |

Members of the Public

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 12:05 p.m., stating the record will reflect that all members of the Board are present at roll call with the exception of Supervisor Riley.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a) June 5, 2014, Regular Meeting

Mr. Ward stated you've all been previously distributed a copy. If there are any additions, corrections or deletions, it will be appropriate at this time to so indicate. Otherwise, a motion for their approval would be in order.

| |
|--|
| On MOTION by Mr. Hamilton and seconded by Mr. Morris, with all in favor of approving the June 5, 2014, regular meeting minutes. |
|--|

THIRD ORDER OF BUSINESS

**Consideration of Acceptance of the
Audited Financial Statements for the year
ended September 30, 2013**

Mr. Ward stated I had sent you all a separate item outside this particular agenda, which was the acceptance of the audited financial statements for September 30, 2013. Your auditor, Tony Grau, Jr., is on the phone with us. So I think what would be appropriate is that we go ahead and take the agenda out of order a little bit, and I'll ask Tony to go ahead and present the audit to you. It was completed some time ago, and filed as a matter of course with the appropriate regulatory agencies, but I'll ask Tony to take some time and go through that with you.

Mr. Grau stated thank you, Jim. Good afternoon. I'll do a presentation of the audit for Stoneybrook At Venice CDD. We'll start off with page one, which is the Independent Auditor's Report. The format is a little different. There are some new auditing standards, so the wording of the opinion is different than what you may have seen in years past. Basically, it says he awarded you a clean opinion. There is one new item on page two, it says it's a matter that relates to GASB 65, which was implemented during the year. That requires the write off bond issue cost in the year it occurred for you to capitalize that and then amortize it over the life of the bonds. I think you had about \$200,000 in bond issue costs that were written off during 2013.

The next section is called the Management and Discussion Analysis. It's basically a recap of the financial activity for the District. If you go to page four, at the bottom there, you'll see a statement of net position. That's another change that occurred that it used to be called net assets, now it's net position, so wherever we set net assets, which was all over the place, that changed to net position. You also have to put inflow and outflows, which the District didn't have any of those this year.

You can see that the balance sheet is pretty consistent between the two years. There was a decrease of about \$400,000 in your net position, and if you go to the next page, which is the changes in net position. You'll see that the change in net position was a loss of \$213,000. Remember, this is on the full accrual basis. Both of these statements include the long-term debt, and the capital assets of the District, so that loss is basically the result of the depreciation of the fixed assets. Then below the \$213,000, you'll see the \$207,248, that's the write off of the previous bond issue cost for the District.

Next I'd like you to go to page nine, which is the balance sheet of the District at the fund level, so this is on a modified accrual basis, and it's a very simple balance sheet, basically a cash investment, a little bit of accounts payable, and you see in your fund balances, you're positive \$66,139, and debt service of about \$710,000. If you go to page 11, you'll see the income statements for the funds. You'll see the special assessments, and you'll see what the money was spent on. Basically, the general government for the general fund, and the debt service fund is used to pay the debt service on the bonds. You can see that on the modified accrual basis, it's basically a wash.

Next, I'd like you to go to page 14. There'll you see a footnote on new accounting standards that explains the three standards that were adopted during the year on page 14 and 15, so this is a one-time footnote. You won't see that again in the following year. On page 16, at the very bottom there, which explains the outflows and inflows. You didn't have any of them, but if you did, the footnote explains what they are. On page 19, you have two notes on your capital assets and your long-term debt. Capital assets are basically unchanged, except for depreciation, which is \$332,000, the long-term debt. You started off with about \$6 million, you paid off \$115,000, so the outstanding balance now is \$5,140,000 on the long-term debt.

On page 20, at the bottom you will see a subsequent event, the bonds are paid down. The \$15,000 and \$30,000 were pre-payments that were collected during the prior year, and also some probably during the current fiscal year, and that's a good thing. You want to repay the bonds as much as possible. Page 21, you have the budget to actual, and it shows you're pretty much in line with the budget, nothing unusual there. After that, on page 23 and 25, we have our auxiliary reports. The first one is the Independent Auditor's Report, on internal control and compliance, and we had no findings there. On page 25, you have Management Letter that's required by the Auditor General. After that, you have all the provisions on page 26 that you had to comply with, and you were in compliance with all of them. That's basically it for the audit. Do you have any questions?

Mr. Ward asked questions from the Board? I know you haven't seen this, but any questions from the audience, Mr. Minnick?

Mr. Minnick stated if you do the audience a favor, those of us who didn't have a copy, are there any high points that should be shared as far as a recap from what that gentleman just said?

Mr. Ward stated no, and it sounds very complicated, but, at the end of the day, there really has been no change in the District's status from last year to this year. That's not unexpected.

Mr. Minnick said something about financial accounting change or something?

Mr. Ward stated yes, there has been a number of accounting standards changes this past year. The only one that affected us, not in a negative way, when we issue bonds, there are a number of costs included in the issuance of bonds. We call it bond issuance costs. In years past, those costs are amortized over the life of the bonds. There was a standard out this past year that required us to expense them all off in the current year, that's why you see such a change in what we call our net asset or net position. It doesn't have any effect whatsoever on our cash balances or our liabilities, it has no effect whatsoever. It's just an accounting standard change on how we account for a long-term cost.

Mr. Minnick stated I have a question. I had a preview of this audit, and it appears to me that the first 18 months that the CDD existed, Lennar or the CDD or somebody chose to not make any payments.

Mr. Burdett stated I think in the first year there's a bond issuance enough to cover the interest.

Mr. Ward stated yes.

Mr. Burdett stated at least for the first year.

Mr. Ward stated capitalized interest.

Mr. Burdett stated yes, thank you. I'll let Jim explain it, he's going to be much better at it than me.

Mr. Minnick stated it just surprised me.

Mr. Ward stated capitalized interest is used in virtually every single municipal issue, but it means from the date of issue through a certain period, it could be upwards to 24 months, the issuer does not pay principal and interest on the debt. There's enough money funded from bond proceeds to actually pay the principal and interest. After that, then the principle and interest kicks in on an annual basis that the entity has to pay. That's kind of

standard in ever municipal issue. Any other questions? Then a motion to accept the audit for purposes of inclusion in the record would be in order.

On MOTION by Mr. Morris and seconded by Mr. Hamilton, with all in favor of approving the audited financial statements for September 30, 2013.

Mr. Ward stated thank you, Tony.

Mr. Grau stated okay, have a good day, bye.

FOURTH ORDER OF BUSINESS

Public hearing

a) FISCAL YEAR 2015 BUDGET

I. Public Comment and Testimony

Mr. Ward stated the first public hearing is in relation to your Fiscal Year (FY) 2015 Budget. I have some extra budgets up here for you, if the members of the public would like to take them. I'll just take a minute and go through it. The Board saw the budget in May and approved it for purposes of setting the public hearing for today. The budget is comprised of two parts; one is a general fund, which is the administration of the District only. The key element is what you pay for the administrative side of the District. That's shown on page two. In Fiscal Year 2015, it will be \$75.53 that will be included on your tax bill in November of this year. In the prior year, it was \$77.36, so just a dollar or two lower from what it was in the prior year.

That number has remained relatively constant and has gone down in the past few years related to the administration of the District itself. There are a number of pages of detail that explain to you exactly what the numbers are composed of, but most of them are the minimal fees necessary in order to keep a community development district in operation on a yearly basis. The second part of the budget is what we call the debt service. That is related to the District's 2007 Series bonds, and that begins on page five of the budget that I provided to you. That also remains consistent from year to year.

It shows you the principal and interest that's due on the bonds each year. At the bottom of page five on the right side is the assessment rate per unit that each of you will pay based upon your lot size. That number remains consistent each year for this District. It's

the same number that amortizes the bonds out yearly. The last payment is due in May of 2038, so in November 2037 that will be the last payment that you will see on your tax bill. Sometimes I do get questions, especially here in Stoneybrook as to whether or not that can be paid off in advance. The answer is yes, it can. It can be paid off, and you would no longer see the debt service portion of that assessment on your tax bill.

You do that by contacting my office, and we will give you the payoff information and how to make the payoff, and then you may decide whether you choose to do that or not to do that, as the case may be. With that, that's the simplistic version of the budget itself. If you have any questions, I'm certainly glad to them for you. But before we do that, this is a public hearing, Mr. Chairman, so I'll ask that you go ahead and open it up for any public comment.

On MOTION by Mr. Burdett and seconded by Mr. Hamilton with all in favor of opening the public hearing to the public.

Mr. Ward stated Mr. Minnick.

Mr. Minnick stated I can't find it right now, but there was a budget item of about \$7,000 for computer services or something like that.

Mr. Ward stated yes, \$8,000. That as for the establishment of the website that we're doing.

Mr. Minnick stated so last year when we spoke about maybe spending some money to reduce this cost in the long term. So is this the one-time charge or is this the annual?

Mr. Ward stated somewhat on the high side. I've gotten most of it already done. This is going to be on the high side. The annual is probably going to be half of that once I get finished with it, but I left this in here for 2015 as a just in case kind of thing. But I don't think we'll spend that in next year. Most of it is being spent this current year.

Mr. Minnick, asked in general, the administrative charge went down \$2?

Mr. Ward stated yes.

Mr. Minnick stated but we didn't see an adjustment on the tax bill, is that correct, or did I miss that?

Mr. Ward stated I'm sorry, I didn't hear what you said.

Mr. Minnick stated in reading these documents, somewhere it seemed to me that the administrative budget from last year went down like \$2 per unit. I don't think I saw that reflected, so we're not doing a savings, it will just be a in the surplus next year?

Mr. Ward stated no, it actually went down. The overall budget went down by about \$2,000 from last year, so that's why you see a slight reduction in the assessment rate per unit.

Mr. Minnick oh, I see, I'm sorry. I was looking at the bond payments. Thank you.

A female speaker stated I have a question on the assessment comparison. That 399 doesn't include the 75?

Mr. Ward stated correct, they're two separate numbers. If my memory serves me, I think it's two separate line items on your tax bill.

Mr. Minnick stated yes, it is.

Mr. Ward stated you'll see both of those on there. Any other questions?

Mr. Parkins asked can I ask a question?

Mr. Ward stated yes, sir. Could you put your name of record.

Mr. Parkins stated Conrad Parkins.. You said something about an \$8,000 to get the website up. Are you setting it up or is that an outside vendor setting it up?

Mr. Ward stated an outside vendor does it. I don't do that work. Any other questions? Yes, sir.

A male speaker. Just out of curiosity, we're paying six and three quarter's percent on our bond. What are the current rates of similar bonds?

Mr. Ward stated the current interest rate on these type of municipal bonds is roughly 5.6 percent, so they're substantively less. For a community that's built out, it will be even less than that. But when you issue the kind of debt that we have issued, they have call protection on them, so for, generally, the first ten years of the bond issue, the bonds are not callable without payment premium on them. These bonds were issued in 2007, and so the call provision will come up in 2017, so we have another year or two before we can call the bonds, and it's probably at a premium, probably like 101, so they want 101 percent of whatever the par outstanding is at the time. That would be the first call date that we have available to us.

Mr. Minnick stated follow-up, so even if we wait till the 11th year, as an example, there is a premium to call The Bond?

Mr. Ward stated usually whenever you hit the call date, it's 102, 101, and then 100, so in 2017, it's probably 102, 2018, it's 101, and 2019, it's going to be a par.

Mr. Burdett stated but that's only to refinance.

Mr. Ward stated that's for a refinance.

Mr. Burdett stated now individuals can pay them off with no penalty; individual homeowners or property owners, no prepayment penalty for an individual.

Mr. Minnick asked so if we all went together and borrowed a large amount of money, we could pay it off.

Mr. Burdett stated that I don't know.

Mr. Ward stated since you guys started to bring it up, I was going to bring this up under my report, but I'll go ahead and do this now, because it's somewhat related, not to this budget, to a future budget. When we do bond issues, there is what's called a reserve account; it is a cash balance that sits in a bank account that pays basically one year's worth principal and interest on the bonds. For Stoneybrook at Venice, that number is roughly a half a million dollars in cash that sits in the bank. There is a provision in the bond indenture that when we hit a threshold, which is 75 percent of substantially absorbed, that means we have roof tops here in Stoneybrook at Venice that have issued COs and no vacant land.

Then we can reduce the reserve account by 50 percent. We have hit that threshold this year. We just hit it; when I saw the rolls this year, I noticed we just hit it. We will be reducing that reserve account by, roughly, \$220,000 or so come November 1 of this year, when we make our next bond payment. That will, in turn, reduce the annual principal and interest that we have on the bonds, and will in turn reduce your annual payment that you have starting with next year's payment. This year you will have the numbers that you see on page five. Next year you'll see a reduction in those numbers.

I don't know what the reduction will be yet, because I'm still working with the trustee on redoing the amortization schedules, and finalizing the exact amount of the call. I suspect it will probably be a little more than 15% percent reduction in the annual payment that you make. As I said, I was going to talk to you about that at my report, but since it's a budget

issue, we'll just bring it up. If you have any more questions on the budget or what I was just talking about, I'd be glad to answer them at this point.

Mr. Minnick stated only because of the degree of adjustment you just cited surprised me after doing some math in my head. I'm all choked up. Would you do us a favor and then crunch that number and get it back circulated rather than us speculating as to if it's 12 percent, nine percent, 100 percent?

Mr. Ward stated yes, I'll do that a little bit later in the year. As I said, I'm just running through the calculations now. I know what the \$222,000 is about the right number, so that looks like it will reduce debt service probably 15 percent or so. But once I run those numbers, it will be another month before they get fully vetted and run through all of the trustee in my office, etc., and then I'll produce another debt service schedule for you. Yes, ma'am.

Ms. Hancy stated I live at 12103 Granite WoodsnLoop, and the last name is Hancy asked is it worth paying it off? You just told me you're reducing it.

Mr. Ward stated I'll let Mr. Minnick, because that's his favorite subject, and I'll have my two cents when he's done.

Mr. Minnick stated it's my favorite subject, because I've talked maybe 12 to 14 residents through this process of what are the choices that Jim, who is the source of all the information I'm about to give you. I don't have the paperwork in front of me, so jump in if I really get the numbers wrong. But, as an example, if you're on Granite Woods Loop, you're paying the largest. Roughly speaking, it's going to be about \$8,500.

Ms. Hancy stated I just paid it off, so that's why I'm saying I burned myself, because now it's dropping 15 percent?

Mr. Minnick stated here's the deal, we all share in the mortgage on this bond. It's like mortgaging your house or buying a car, whatever. If I've buy cash, I avoid the interest. If I take the mortgage, I pay the interest. When you paid it off, it's like paying yourself \$6.75 percent for the next 24 years. If you've got the money, it's a great decision. If you don't, I'll just keep cranking along

A female speaker stated what if you're not going to stay here. If you're not going to stay in the community, then it's not worth it.

Mr. Minnick stated when you sell your house, I've always said it's that deal closer. "Hey, by the way, this is paid off."

Ms. Hancy stated yes, and you save yourself \$700 a year.

Mr. Ward asked any more questions.

A male speaker stated when you said you were going to reduce the amount next year, is that again reduce your payments you owe? Everybody would get a total reduction on the amount owed?

Mr. Ward stated right.

A male speaker stated this year, I'm just going to use a figure, let's say \$10,000 to pay it off, would that reduce 15 percent next year?

Mr. Ward stated it will reduce it. I don't know how much yet. We're just working on this this past week. I said ten percent on the annual payment. I don't know what it will be on the par amount yet. It will be a reduction, but I just don't know how much yet. Any other questions. A motion to close your public hearing would be in order.

On MOTION by Mr. Burdett and seconded by Mr. Hamilton with all in favor of closing the public hearing to the public.

II. Board Comment and Consideration

Their were no Board comments.

III. Consideration of Resolution 2014-3, adopting the annual appropriation and budget for Fiscal Year 2015

Mr. Ward stated that resolution is in order and recommended for your consideration.

On MOTION by Mr. Morris and seconded by Mr. Hamilton with all in favor of approving Resolution 2014-3.

b) FISCAL YEAR 2015, IMPOSING SPECIAL ASSESSEMENTS; ADOPTING AN ASSESSMENT ROLL, AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY.

I. Public Comment and Testimony

Mr. Ward stated let me just go through and explain this to everybody what this really is. As I said, it is an outshoot of what the budgeted option is. All it really does is put in place

the actual assessment rates that the Board just finished talking about, and it adopts an assessment roll. That means it shows for each folio number what the amount will be for operations and maintenance and, eventually, for debt service, and that is all this public hearing is really doing. I'll ask that you go through the same process.

On MOTION by Mr. Burdett and seconded by Mr. Hamilton with all in favor of opening the public hearing to the public.

Mr. Ward asked any questions from the public on this portion of the public hearing? Hearing none, a motion to close your public hearing would be in order.

On MOTION by Mr. Burdett and seconded by Mr. Hamilton with all in favor of closing the public hearing to the public.

II. Board Comment and Consideration

There were no Board comments.

III. Consideration of Resolution 2014-4, imposing special assessments, adopting an assessment roll, and approving the general fund special assessment methodology,

Mr. Ward stated that resolution is in order and recommended for your consideration.

On MOTION by Mr. Hamilton and seconded by Mr. Morris with all in favor of approving Resolution 2014-4.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2014-5 designating the dates, time and location for the regular meetings of the Board of Supervisors of the District for Fiscal Year 2015.

Mr. Ward stated they are set for the first Thursday of each month at 12 o'clock, here at the Stoneybrook Activity Center. As you know, we usually hold three or four meetings a year. We'll have a meeting in November for sure, and one in May, and then again another one in September for sure. Beyond those, we do have a new Board coming on in November, as a result of the election, and I'm sure if any changes occur at that time, I'm sure we'll

figure it out then. But the schedules in the agenda package that I gave you, if you have any questions, I'd be glad to answer them. Otherwise, that resolution is in order and recommended for your consideration.

On MOTION by Mr. Hamilton and seconded by Mr. Morris, with all in favor of approving Resolution 2014-5 as stated above.

FIFTH ORDER OF BUSINESS**Staff Reports****a. Manager**

Mr. Ward stated I had nothing for you.

SIXTH ORDER OF BUSINESS**Supervisor's Requests and Audience Comments**

Mr. Ward stated we'll do audience first, if everything is okay. It's an opportunity for the audience to ask any questions that they may have on an item that is either not on the agenda. So we will open it up at this point, and see if we have any questions from the audience.

Hearing none.

Anything from the Board? Hearing none, a motion to adjourn would be in order.

SEVENTH ORDER OF BUSINESS**Adjournment**

Mr. Ward stated a motion to adjourn would be in order.

On MOTION by Mr. Hamilton and seconded by Mr. Morris with all in favor of adjourning at 12:35 p.m.

James P. Ward Secretary

_____, Chairman

**MINUTES OF
THE STONEYBROOK AT VENICE
COMMUNITY DEVELOPMENT DISTRICT
LANDOWNERS MEETING**

The Landowners Meeting of the Stoneybrook at Venice Community Development District's Board of Supervisors was held on **Tuesday, November 4, 2014**, at **12:00 p.m.**, at the **Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292**.

Landowners:

Russell Levack

Staff:

James P. Ward

District Manager

Audience:

Paul Zajac

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 12:00 p.m. The record will reflect that we have one landowner present in person, Rusty Levack.

SECOND ORDER OF BUSINESS

**Election of a Chairperson for the purpose
of conducting the Landowners Meeting**

Mr. Ward stated the first thing we will do is elect a Chairman, and with your consent, Mr. Levack, I will continue as Chairman of the meeting for the purpose of conducting today's meeting. Is that okay?

Mr. Levack stated yes, sir.

THIRD ORDER OF BUSINESS

Election of Supervisors

a) Review of Landowners requirements for voting, including proxies, and landowners present in person.

None

b) Nomination to fill 1 (one) seat on the Board for Supervisors

Mr. Ward stated we have one seat up for election today; it is the final seat before we transition this to a qualified elector based election. It would be appropriate for you at this time to nominate an individual to serve in seat two.

Mr. Levack stated I'd like to nominate Paul Zajac to fill this position.

c) Casting of ballots

Mr. Ward stated well, since we only have one landowner present, I'm going to provide to you an official ballot. I'll ask that you take a few moments and fill it out and then return it to me.

Mr. Levack asked the number of votes is one?

Mr. Ward stated fill in your property address right here, and then number one right there, and then your name, and then you will fill in the candidate's name, and the number of votes you will be assigning to him, which will be one. Date it today, just November 4, 2014, and sign it, and then print your name below.

Mr. Levack stated just for the record, everybody calls me Rusty, that's my nickname, my given name is Russell, and I signed it Russell.

d) Ballot tabulations and results

Mr. Ward stated for the record, Mr. Levack returned his ballot to me, and with one vote, Paul Zajac was elected to serve the expired term in seat two.

FOURTH ORDER OF BUSINESS

Landowners' Questions and Comments

Mr. Ward stated this is an opportunity for any landowner's questions or comments. Did you have any questions?

Mr. Levack stated no, sir.

FIFTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at 12:05 p.m.

James P. Ward Secretary

**STONEYBROOK AT VENICE
COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2014**

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA**

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Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Stoneybrook at Venice Community Development District
Sarasota County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund, of Stoneybrook at Venice Community Development District, Sarasota County, Florida ("District") as of and for the fiscal year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2014, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2014, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated December 24, 2014, on our consideration of the District's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

December 24, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Stoneybrook at Venice Community Development District, Sarasota County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2014. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$6,252,583.
- The change in the District's total net position in comparison with the prior fiscal year was (\$161,981), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2014, the District's governmental funds reported combined ending fund balances of \$807,092, an increase of \$31,421 in comparison with the prior fiscal year. A portion of the fund balance is restricted for debt service and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

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

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

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

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

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

The District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, and debt service fund, all of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

| NET POSITION SEPTEMBER 30, | | |
|-------------------------------------|--------------|--------------|
| | 2014 | 2013 |
| Current and other assets | \$ 809,216 | \$ 777,577 |
| Capital assets, net of depreciation | 11,310,944 | 11,643,060 |
| Total assets | 12,120,160 | 12,420,637 |
| Current liabilities | 162,577 | 166,073 |
| Long-term liabilities | 5,705,000 | 5,840,000 |
| Total liabilities | 5,867,577 | 6,006,073 |
| NET POSITION | | |
| Net investment in capital assets | 5,605,944 | 5,803,060 |
| Restricted | 573,393 | 545,365 |
| Unrestricted | 73,246 | 66,139 |
| Total net position | \$ 6,252,583 | \$ 6,414,564 |

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

| CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30, | | |
|--|--------------|--------------|
| | 2014 | 2013 |
| Revenues: | | |
| Program revenues | | |
| Charges for services | \$ 626,090 | \$ 587,496 |
| Operating grants and contributions | 45 | 20 |
| General revenues | 80 | 77 |
| Total revenues | 626,215 | 587,593 |
| Expenses: | | |
| General government | 66,100 | 71,223 |
| Maintenance and operations | 332,116 | 332,116 |
| Interest | 389,980 | 397,968 |
| Total expenses | 788,196 | 801,307 |
| Change in net position | (161,981) | (213,714) |
| Net position - beginning, (previously reported) | 6,414,564 | 6,835,526 |
| Effect of adoption of GASB No. 65 (Note 2) | | (207,248) |
| Net position - beginning, as restated | 6,414,564 | 6,628,278 |
| Net position - ending | \$ 6,252,583 | \$ 6,414,564 |

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2014 was \$788,196. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, increased during the fiscal year as a result of a increase in prepayment revenue. Program revenues were comprised primarily of assessments in both the current and prior fiscal years. The decrease in expenses is primarily the result of the District having made prepayments on their Series 2007 bonds in the prior year thus lowering their interest expense.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2014.

Actual general fund expenditures for the fiscal year ended September 30, 2014 were less than appropriations due primarily to anticipated costs which were not incurred in the current fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2014, the District had \$13,580,404 invested in land, infrastructure, and improvements, for its governmental activities. In the government-wide financial statements depreciation of \$2,269,460 has been taken, which resulted in a net book value of \$11,310,944. More detailed information about the District's capital assets is presented in the notes of the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Debt

At September 30, 2014, the District had \$5,705,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Stoneybrook at Venice Community Development District at the office of the District Manager, James P. Ward at 2041 NE 6TH Terrace, Wilton Manors, Florida 33305, (954) 658-4900.

STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

| | <u>Governmental Activities</u> |
|----------------------------------|------------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 75,370 |
| Restricted assets: | |
| Investments | 733,846 |
| Capital assets: | |
| Nondepreciable | 5,277,000 |
| Depreciable, net | <u>6,033,944</u> |
| Total assets | <u>12,120,160</u> |
| LIABILITIES | |
| Accounts payable | 2,124 |
| Accrued interest payable | 160,453 |
| Non-current liabilities: | |
| Due within one year | 100,000 |
| Due in more than one year | <u>5,605,000</u> |
| Total liabilities | <u>5,867,577</u> |
| NET POSITION | |
| Net investment in capital assets | 5,605,944 |
| Restricted for debt service | 573,393 |
| Unrestricted | <u>73,246</u> |
| Total net position | <u><u>\$ 6,252,583</u></u> |

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) |
|-------------------------------|-----------|----------------------------|--|---|
| | | Charges for Services | Operating Grants and Contributions | Revenue and Changes in Net Position |
| | | | | Governmental Activities |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 66,100 | \$ 66,100 | \$ - | \$ - |
| Maintenance and operations | 332,116 | 7,027 | - | (325,089) |
| Interest on long-term debt | 389,980 | 552,963 | 45 | 163,028 |
| Total governmental activities | 788,196 | 626,090 | 45 | (162,061) |
| General revenues: | | | | |
| Investment earnings | | | | 80 |
| Total general revenues | | | | 80 |
| Change in net position | | | | (161,981) |
| Net position - beginning | | | | 6,414,564 |
| Net position - ending | | | | \$ 6,252,583 |

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

| | Major Funds | | Total |
|--------------------------------------|------------------|-------------------|-----------------------|
| | General | Debt Service | Governmental Funds |
| ASSETS | | | |
| Cash and cash equivalents | \$ 75,370 | \$ - | \$ 75,370 |
| Investments | - | 733,846 | 733,846 |
| Total assets | <u>\$ 75,370</u> | <u>\$ 733,846</u> | <u>\$ 809,216</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 2,124 | \$ - | \$ 2,124 |
| Total liabilities | <u>2,124</u> | <u>-</u> | <u>2,124</u> |
| Fund balances: | | | |
| Restricted for: | | | |
| Debt service | - | 733,846 | 733,846 |
| Unassigned | 73,246 | - | 73,246 |
| Total fund balances | <u>73,246</u> | <u>733,846</u> | <u>807,092</u> |
| Total liabilities and fund balances | <u>\$ 75,370</u> | <u>\$ 733,846</u> | <u>\$ 809,216</u> |

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

| | | |
|-----------------------------------|----|---------|
| Fund balance - governmental funds | \$ | 807,092 |
|-----------------------------------|----|---------|

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

| | | | |
|--------------------------|--------------------|--|------------|
| Cost of capital assets | 13,580,404 | | |
| Accumulated depreciation | <u>(2,269,460)</u> | | 11,310,944 |

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

| | | | |
|---|--------------------|--|----------------------------|
| Accrued interest payable | (160,453) | | |
| Bonds payable | <u>(5,705,000)</u> | | <u>(5,865,453)</u> |
| Net position of governmental activities | | | <u><u>\$ 6,252,583</u></u> |

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

| | Major Funds | | Total |
|--|------------------|-------------------|-----------------------|
| | General | Debt Service | Governmental Funds |
| REVENUES | | | |
| Special assessments | \$ 73,127 | \$ 500,682 | \$ 573,809 |
| Prepaid assessments | - | 52,281 | 52,281 |
| Interest earnings | 80 | 45 | 125 |
| Total revenues | <u>73,207</u> | <u>553,008</u> | <u>626,215</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 66,100 | - | 66,100 |
| Debt service: | | | |
| Principal | - | 135,000 | 135,000 |
| Interest | - | 393,694 | 393,694 |
| Total expenditures | <u>66,100</u> | <u>528,694</u> | <u>594,794</u> |
| Excess (deficiency) of revenues over (under) expenditures | 7,107 | 24,314 | 31,421 |
| Fund balances - beginning | <u>66,139</u> | <u>709,532</u> | <u>775,671</u> |
| Fund balances - ending | <u>\$ 73,246</u> | <u>\$ 733,846</u> | <u>\$ 807,092</u> |

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

| | |
|---|----------------------------|
| Net change in fund balances - total governmental funds | \$ 31,421 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities. | 135,000 |
| Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expenses in the statement of activities. | (332,116) |
| The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities, but not in the governmental fund financial statements. | <u>3,714</u> |
| Change in net position of governmental activities | <u><u>\$ (161,981)</u></u> |

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY

Stoneybrook at Venice Community Development District (the "District") was created on January 29, 2007 by Ordinance 2006-064 of Sarasota County, Florida pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

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

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

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Assessments (Continued)

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

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

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

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

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

| <u>Assets</u> | <u>Years</u> |
|-------------------------|--------------|
| Water management system | 25 |

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

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

The statement of net position reports, as applicable, a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For example, the District would record deferred outflows of resources related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

The statement of net position reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, when an asset is recorded in the governmental fund financial statements, but the revenue is not available, the District reports a deferred inflow of resources until such times as the revenue becomes available.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

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

NOTE 3 - BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 - DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2014:

| | Fair Value | Credit Risk | Maturities |
|--|-------------------|-------------|--|
| First American Government Obligation Fund Class Y | \$ 733,846 | S&P AAAM | Weighted average of the fund portfolio: 43 days |
| | <u>\$ 733,846</u> | | |

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2014 was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|--|----------------------|---------------------|-------------|----------------------|
| <u>Governmental activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 5,277,000 | \$ - | \$ - | \$ 5,277,000 |
| Total capital assets, not being depreciated | <u>5,277,000</u> | <u>-</u> | <u>-</u> | <u>5,277,000</u> |
| Capital assets, being depreciated | | | | |
| Water Management System | 8,303,404 | - | - | 8,303,404 |
| Total capital assets, being depreciated | <u>8,303,404</u> | <u>-</u> | <u>-</u> | <u>8,303,404</u> |
| Less accumulated depreciation for: | | | | |
| Water Management System | (1,937,344) | (332,116) | - | (2,269,460) |
| Total accumulated depreciation | <u>(1,937,344)</u> | <u>(332,116)</u> | <u>-</u> | <u>(2,269,460)</u> |
| Total capital assets, being depreciated, net | <u>6,366,060</u> | <u>(332,116)</u> | <u>-</u> | <u>6,033,944</u> |
| Governmental activities capital assets, net | <u>\$ 11,643,060</u> | <u>\$ (332,116)</u> | <u>\$ -</u> | <u>\$ 11,310,944</u> |

Depreciation was charged to the maintenance and operations function.

NOTE 6 - LONG TERM LIABILITIES

Series 2007

On November 1, 2007, the District issued \$6,410,000 of Capital Improvement Revenue Bonds, Series 2007 due on May 1, 2038 with a fixed interest rate of 6.75%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1. Principal on the Series 2007 Bonds is paid serially commencing on May 1, 2009 through May 1, 2038.

The Series 2007 Bonds are subject to redemption at the option of the District prior to their maturity as set forth in the Bond Indenture. The Series 2007 Bonds are also subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. For the Series 2007 Bonds, this occurred during the current fiscal year as the District collected prepaid assessments and prepaid \$45,000 of the Bonds. In addition, see Note – 10 Subsequent Events for extraordinary redemption amounts subsequent to year end.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2014.

Changes in long-term liability activity for the fiscal year ended September 30, 2014 were as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--------------------------------|----------------------|-----------|------------|-------------------|------------------------|
| <u>Governmental activities</u> | | | | | |
| Bonds payable: | | | | | |
| Series 2007 | \$ 5,840,000 | \$ - | \$ 135,000 | \$ 5,705,000 | \$ 100,000 |
| Total | \$ 5,840,000 | \$ - | \$ 135,000 | \$ 5,705,000 | \$ 100,000 |

At September 30, 2014, the scheduled debt service requirements on the long-term debt were as follows:

| Year ending September 30: | Governmental Activities | | |
|------------------------------|-------------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2015 | \$ 100,000 | \$ 385,088 | \$ 485,088 |
| 2016 | 105,000 | 378,338 | 483,338 |
| 2017 | 110,000 | 371,250 | 481,250 |
| 2018 | 120,000 | 363,825 | 483,825 |
| 2019 | 130,000 | 355,725 | 485,725 |
| 2020-2024 | 790,000 | 1,635,188 | 2,425,188 |
| 2025-2029 | 1,110,000 | 1,328,400 | 2,438,400 |
| 2030-2034 | 1,555,000 | 897,750 | 2,452,750 |
| 2035-2038 | 1,685,000 | 293,963 | 1,978,963 |
| | <u>\$ 5,705,000</u> | <u>\$ 6,009,527</u> | <u>\$ 11,714,527</u> |

NOTE 7 – DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE 9 - SUBSEQUENT EVENTS

In November 2014, the District prepaid \$245,000 of the Series 2007 Bonds. The prepayment was an extraordinary mandatory redemption as outlined in the Bond Indenture.

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

| | Budgeted Amounts | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|---------------------|-------------------|---|
| REVENUES | | | |
| Assessments | \$ 76,591 | \$ 73,127 | \$ (3,464) |
| Interest earnings | 100 | 80 | (20) |
| Total revenues | <u>76,691</u> | <u>73,207</u> | <u>(3,484)</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | <u>76,691</u> | <u>66,100</u> | <u>10,591</u> |
| Total expenditures | <u>76,691</u> | <u>66,100</u> | <u>10,591</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ -</u> | <u>7,107</u> | <u>\$ 7,107</u> |
| Fund balance - beginning | | <u>66,139</u> | |
| Fund balance - ending | | <u>\$ 73,246</u> | |

See notes to required supplementary information

**STONEBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT
SARASOTA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2014.

Actual general fund expenditures for the fiscal year ended September 30, 2014 were less than appropriations due primarily to anticipated costs which were not incurred in the current fiscal year.



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

To the Board of Supervisors
Stoneybrook at Venice Community Development District
Sarasota County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Stoneybrook at Venice Community Development District, Sarasota County, Florida ("District") as of and for the fiscal year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated December 24, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

December 24, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Stoneybrook at Venice Community Development District
Sarasota County, Florida

We have examined Stoneybrook at Venice Community Development District, Sarasota County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2014. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2014.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Stoneybrook at Venice Community Development District, Sarasota County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

December 24, 2014



**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Stoneybrook at Venice Community Development District
Sarasota County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Stoneybrook at Venice Community Development District, Sarasota County, Florida ("District") as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated December 24, 2014.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 24, 2014, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

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

We wish to thank Stoneybrook at Venice Community Development District, Sarasota County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

December 24, 2014

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2013.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2014.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2014.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2014 financial audit report.
6. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
7. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2014. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

RESOLUTION 2015-3

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2016 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors of Stoneybrook at Venice Community Development District (the "Board") prior to June 15, 2015, a proposed Budget for Fiscal Year 2016; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT:

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

SECTION 2. The proposed Budget prepared and submitted by the District Manager for Fiscal Year 2011 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said budget.

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

| | |
|------------------|---|
| DATE: | Thursday, September 3, 2015 |
| HOUR: | 12:00 P.M. |
| LOCATION: | Stoneybrook Activity Center 2365 Estuary Drive Venice, Florida 34292 |

SECTION 4. The District Manager is hereby directed to submit a copy of the proposed Budget to Sarasota County at least 60 days prior to the hearing set above.

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

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

SECTION 7. 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. This Resolution shall become effective immediately upon passage.

RESOLUTION 2015-3

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2016 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

PASSED AND ADOPTED this 2nd day of April, 2015

ATTEST:

**STONEYBROOK AT VENICE COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

_____, Chairman

BOARD OF SUPERVISOR'S

STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT

EXHIBIT A

PROPOSED BUDGET FISCAL YEAR 2016



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

Phone: 954-658-4900
E-mail: ward9490@comcast.net

www.StoneybrookatVeniceCDD.org





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**Stoneybrook at Venice
Community Development District**

**General Fund - Budget
Fiscal Year 2016**

| Description | Fiscal Year 2015 Budget | Actual at February 28, 2015 | Anticipated Year End 09/30/15 | Fiscal Year 2016 Budget |
|--|----------------------------|-----------------------------------|-------------------------------------|----------------------------|
| Revenues and Other Sources | | | | |
| Carryforward | \$ - | \$ - | \$ - | \$ - |
| Interest Income - General Account | \$ 100 | \$ 32 | \$ 75 | \$ 75 |
| Special Assessment Revenue | | | | |
| Special Assessment - On-Roll | \$ 74,771 | \$ 65,485 | \$ 74,771 | \$ 73,946 |
| Total Revenue & Other Sources | \$ 74,871 | \$ 65,517 | \$ 74,846 | \$ 74,021 |
| Appropriations | | | | |
| Legislative | | | | |
| Board of Supervisor's Fees | \$ - | \$ - | \$ - | \$ - |
| Board of Supervisor's - FICA | \$ - | \$ - | \$ - | \$ - |
| Executive | | | | |
| Executive Salaries | \$ 17,000 | \$ 7,192 | \$ 17,000 | \$ 17,000 |
| Executive Salaries - FICA | \$ 1,301 | \$ 550 | \$ 1,301 | \$ 1,301 |
| Executive Salaries - Insurance | \$ 2,400 | \$ 1,562 | \$ 3,100 | \$ 3,100 |
| Financial and Administrative | | | | |
| Audit Services | \$ 7,500 | \$ 2,500 | \$ 4,000 | \$ 4,400 |
| Accounting Services | \$ 5,000 | \$ 3,578 | \$ 5,500 | \$ 5,500 |
| Assessment Roll Preparation | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 |
| Arbitrage Rebate Fees | \$ 500 | \$ 500 | \$ 500 | \$ 500 |
| Other Contractual Services | | | | |
| Recording and Transcription | \$ 400 | \$ 16 | \$ 200 | \$ 400 |
| Legal Advertising | \$ 1,200 | \$ 289 | \$ 1,200 | \$ 1,200 |
| Trustee Services | \$ 2,795 | | \$ 2,795 | \$ 2,795 |
| Dissemination Agent Services | \$ 5,000 | \$ - | \$ 5,000 | \$ 5,000 |
| Property Appraiser Fees | \$ - | \$ - | \$ - | \$ - |
| Bank Service Fees | \$ 400 | \$ 175 | \$ 500 | \$ 400 |
| Travel and Per Diem | \$ - | \$ - | \$ - | \$ - |
| Communications and Freight Services | | | | |
| Telephone | \$ - | \$ - | \$ - | \$ - |
| Postage, Freight & Messenger | \$ 100 | \$ 6 | \$ 50 | \$ 100 |
| Rentals and Leases | | | | |
| Miscellaneous Equipment | \$ - | \$ - | \$ - | \$ - |
| Computer Services | \$ 8,000 | \$ 2,793 | \$ 7,600 | \$ 7,600 |
| Insurance | \$ 6,700 | \$ 6,285 | \$ 6,285 | \$ 6,700 |
| Printing and Binding | \$ 250 | \$ 10 | \$ 25 | \$ 250 |
| Office Supplies | \$ 30 | \$ - | \$ - | \$ 30 |
| Subscriptions and Memberships | \$ 175 | \$ 175 | \$ 175 | \$ 175 |

**Stoneybrook at Venice
Community Development District**

General Fund - Budget

Fiscal Year 2016

| Description | Fiscal Year 2015 Budget | Actual at February 28, 2015 | Anticipated Year End 09/30/15 | Fiscal Year 2016 Budget |
|--|----------------------------|-----------------------------------|-------------------------------------|----------------------------|
| Legal Services | | | | |
| General Counsel | \$ 1,000 | \$ 1,088 | \$ 2,500 | \$ 2,500 |
| Other General Government Services | | | | |
| Engineering Services | \$ - | \$ - | \$ - | \$ - |
| Contingencies | \$ 1,000 | \$ - | \$ - | \$ 1,000 |
| Other Fees and Charges | | | | |
| Discounts and Tax Collector Fees | \$ 4,120 | \$ - | \$ 4,120 | \$ 4,070 |
| Total Appropriations | \$ 74,871 | \$ 36,718 | \$ 71,851 | \$ 74,021 |
| Net Increase/(Decrease) in Fund Balance | | | \$ 2,996 | |
| Fund Balance - Beginning | | | \$ 73,246 | |
| Fund Balance - Ending (Projected) | | | \$ 76,241 | |
| Assessment Comparison | \$ 75.53 | | | \$ 74.69 |

**Stoneybrook at Venice
Community Development District**

**General Fund - Budget
Fiscal Year 2016**

Revenues and Other Sources

Carryforward \$ -

Interest Income - General Account \$ 75

With the levy of Special Assessments the District's operating account will earn interest on it's funds.
This amount reflects the anticipated earnings.

Appropriations

Legislative

Board of Supervisor's Fees \$ -

The Board's fees are statutorily set at \$200 for each meeting of the Board of Supervisor's not to exceed \$4,800 for each Fiscal Year. The current Board has waived their Board Compensation.

Executive

Executive Salaries and Benefits \$ 21,401

The District has one employee - that is the District Manager who handles the daily activities of the District, and which is shared with other CDD's. The expenditures are this District's anticipated share of those costs.

| | FY 2015 | FY 2016 |
|---------------|------------------|------------------|
| Salary | \$ 17,000 | \$ 17,000 |
| FICA | \$ 1,301 | \$ 1,301 |
| Insurance | \$ 2,400 | \$ 3,100 |
| Total: | \$ 20,701 | \$ 21,401 |

Financial and Administrative

Audit Services \$ 4,400

Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.

Accounting Services \$ 5,500

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

Assessment Roll Preparation \$ 10,000

For the preparation by the Financial Advisor of the Methodology for the General Fund and the Assessment Rolls including transmittal to the Sarasota County Property Appraiser.

Arbitrage Rebate Fees \$ 500

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

Other Contractual Services

Recording and Transcription \$ 400

Legal Advertising \$ 1,200

Stoneybrook at Venice
Community Development District
General Fund - Budget
Fiscal Year 2016

| | |
|--|------------------|
| Trustee Services | \$ 2,795 |
| 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 | |
| Dissemination Agent Services | \$ 5,000 |
| With the issuance of the District's Bonds, the District is required to report on a periodic basis the same information that is contained in the Official Statement that was issued for the Bonds. These requirements are pursuant to requirements of the Securities and Exchange Commission and sent to national repositories. | |
| Property Appraiser Fees | \$ - |
| Bank Service Fees | \$ 400 |
| Travel and Per Diem | \$ - |
| Communications and Freight Services | |
| Telephone | \$ - |
| Postage, Freight & Messenger | \$ 100 |
| Rentals and Leases | |
| Miscellaneous Equipment | \$ - |
| Computer Services | \$ 7,600 |
| The District maintains all of it's Public Records, including all of it's programs for accounting and the administration of the District in a secure Facility with constant redundancy of the system. The fee includes the yearly hardware and annual software licenses to maintain the District's records, along with the development/maintenace of a District web site. | |
| Insurance | \$ 6,700 |
| Printing and Binding | \$ 250 |
| Office Supplies | \$ 30 |
| Subscriptions and Memberships | \$ 175 |
| Legal Services | |
| General Counsel | \$ 2,500 |
| 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 | \$ - |
| 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 | \$ 1,000 |
| Other Fees and Charges | |
| Discounts and Tax Collector Fees | \$ 4,070 |
| 4% Discount permitted by Law for early payment and 1.5% Tax Collector . The Property Appraiser does not bill the District for any fees. | |
| Total Appropriations: | \$ 74,021 |

**Stoneybrook at Venice
Community Development District**

Debt Service Fund - Budget

Fiscal Year 2016

| Description | Fiscal Year 2015 Budget | Actual at February 28, 2015 | Anticipated Year End 09/30/15 | Fiscal Year 2016 Budget |
|--|----------------------------|-----------------------------------|-------------------------------------|----------------------------|
| Revenues and Other Sources | | | | |
| Interest Income | \$ - | \$ 22 | \$ 45 | \$ - |
| Special Assessment Revenue | | | | |
| Special Assessment - On-Roll | \$ 496,310 | \$ 453,330 | \$ 496,310 | \$ 489,034 |
| Special Assessment - Prepayments | \$ - | \$ - | \$ - | \$ - |
| Total Revenue & Other Sources | \$ 496,310 | \$ 453,351 | \$ 496,355 | \$ 489,034 |

Appropriations

Debt Service

Principal Debt Service - Mandatory

Series 2007 Bonds \$ 90,000 \$ - \$ 95,000 \$ 100,000

Principal Debt Service - Early Redemptions

Series 2007 Bonds \$ - \$ 245,000 \$ 245,000 \$ -

Interest Expense

Series 2007 Bonds \$ 379,013 \$ 192,544 \$ 379,013 \$ 362,138

Other Fees and Charges

Discounts and Tax Collector Fees \$ 27,297 \$ - \$ 27,297 \$ 26,897

Total Appropriations **\$ 496,310** **\$ 437,544** **\$ 746,310** **\$ 489,034**

Net Increase/(Decrease) in Fund Balance \$ (249,955)

Fund Balance - Beginning \$ 743,846

Fund Balance - Ending (Projected) **\$ 493,891**

Restricted Fund Balance:

Reserve Account Requirement \$ 240,000

Restricted for November 1, 2016 Interest Payment \$ 173,981

Total - Restricted Fund Balance: **\$ 413,981**

Assessment Comparison

| | | |
|----------------------|--------|--------|
| Single Family - 40ft | \$ 399 | \$ 377 |
| Single Family - 52ft | \$ 549 | \$ 519 |
| Single Family - 62ft | \$ 719 | \$ 680 |
| Cove Townhomes | \$ 297 | \$ 281 |

The reduction in assessments is due to a permitted reduction in the Reserve Account to 50% of Maximum Annual Debt Service, which results in approximately a 5.7% reduction in assessments

Stoneybrook at Venice
Community Development District
Debt Service Fund - Budget
Fiscal Year 2016

| Description | Principal | Coupon Rate | Interest | Annual Debt Service |
|-------------------------------------|--------------|-------------|---------------|---------------------|
| Principal Balance - October 1, 2015 | \$ 5,365,000 | 6.75% | | |
| 11/1/2015 | | | \$ 181,068.75 | |
| 5/1/2016 | \$ 100,000 | 6.75% | \$ 181,068.75 | \$ 462,138 |
| 11/1/2016 | | | \$ 177,693.75 | |
| 5/1/2017 | \$ 110,000 | 6.75% | \$ 177,693.75 | \$ 465,388 |
| 11/1/2017 | | | \$ 173,981.25 | |
| 5/1/2018 | \$ 115,000 | 6.75% | \$ 173,981.25 | \$ 462,963 |
| 11/1/2018 | | | \$ 170,100.00 | |
| 5/1/2019 | \$ 125,000 | 6.75% | \$ 170,100.00 | \$ 465,200 |
| 11/1/2019 | | | \$ 165,881.25 | |
| 5/1/2020 | \$ 130,000 | 6.75% | \$ 165,881.25 | \$ 461,763 |
| 11/1/2020 | | | \$ 161,493.75 | |
| 5/1/2021 | \$ 140,000 | 6.75% | \$ 161,493.75 | \$ 462,988 |
| 11/1/2021 | | | \$ 156,768.75 | |
| 5/1/2022 | \$ 150,000 | 6.75% | \$ 156,768.75 | \$ 463,538 |
| 11/1/2022 | | | \$ 151,706.25 | |
| 5/1/2023 | \$ 160,000 | 6.75% | \$ 151,706.25 | \$ 463,413 |
| 11/1/2023 | | | \$ 146,306.25 | |
| 5/1/2024 | \$ 175,000 | 6.75% | \$ 146,306.25 | \$ 467,613 |
| 11/1/2024 | | | \$ 140,400.00 | |
| 5/1/2025 | \$ 185,000 | 6.75% | \$ 140,400.00 | \$ 465,800 |
| 11/1/2025 | | | \$ 134,156.25 | |
| 5/1/2026 | \$ 200,000 | 6.75% | \$ 134,156.25 | \$ 468,313 |
| 11/1/2026 | | | \$ 127,406.25 | |
| 5/1/2027 | \$ 210,000 | 6.75% | \$ 127,406.25 | \$ 464,813 |
| 11/1/2027 | | | \$ 120,318.75 | |
| 5/1/2028 | \$ 225,000 | 6.75% | \$ 120,318.75 | \$ 465,638 |
| 11/1/2028 | | | \$ 112,725.00 | |
| 5/1/2029 | \$ 240,000 | 6.75% | \$ 112,725.00 | \$ 465,450 |
| 11/1/2029 | | | \$ 104,625.00 | |
| 5/1/2030 | \$ 260,000 | 6.75% | \$ 104,625.00 | \$ 469,250 |
| 11/1/2030 | | | \$ 95,850.00 | |
| 5/1/2031 | \$ 275,000 | 6.75% | \$ 95,850.00 | \$ 466,700 |
| 11/1/2031 | | | \$ 86,568.75 | |
| 5/1/2032 | \$ 295,000 | 6.75% | \$ 86,568.75 | \$ 468,138 |
| 11/1/2032 | | | \$ 76,612.50 | |
| 5/1/2033 | \$ 315,000 | 6.75% | \$ 76,612.50 | \$ 468,225 |

**Stoneybrook at Venice
Community Development District
Debt Service Fund - Budget
Fiscal Year 2016**

| Description | Principal | Coupon Rate | Interest | Annual Debt Service |
|--|--------------|----------------|--------------|------------------------|
| 11/1/2033 | | | \$ 65,981.25 | |
| 5/1/2034 | \$ 340,000 | 6.75% | \$ 65,981.25 | \$ 471,963 |
| 11/1/2034 | | | \$ 54,506.25 | |
| 5/1/2035 | \$ 365,000 | 6.75% | \$ 54,506.25 | \$ 474,013 |
| 11/1/2035 | | | \$ 42,187.50 | |
| 5/1/2036 | \$ 390,000 | 6.75% | \$ 42,187.50 | \$ 474,375 |
| 11/1/2036 | | | \$ 29,025.00 | |
| 5/1/2037 | \$ 415,000 | 6.75% | \$ 29,025.00 | \$ 473,050 |
| 11/1/2037 | | | \$ 15,018.75 | |
| 5/1/2038 | \$ 445,000 | 6.75% | \$ 15,018.75 | \$ 475,038 |
| Principal Balance - September 30, 2016 | \$ 5,265,000 | | | |

BOARD OF SUPERVISOR'S

STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT

FINANCIAL STATEMENTS February 28, 2015

James P. Ward
District Manager
2041 NE 6 Terrace
Wilton Manors, Florida 33305

Phone: 954-658-4900
E-mail: ward9490@comcast.net



Stoneybrook At Venice Community Development District

Balance Sheet - All Funds and Account Groups as of February 28, 2015

| | Governmental Funds | | Account Groups | | Totals (Memorandum Only) |
|--|--------------------|----------------------|---------------------------|-------------------------|-----------------------------|
| | General Fund | Debt Service Fund | General Long Term Debt | General Fixed Assets | |
| Assets | | | | | |
| Cash and Investments | | | | | |
| General Fund - Invested Cash | \$ 101,745 | \$ - | \$ - | \$ - | \$ 101,745 |
| Debt Service Fund | | | | | |
| Revenue Account | - | 509,276 | - | - | 509,276 |
| Reserve Account | - | 240,371 | - | - | 240,371 |
| Sinking Fund | - | - | - | - | - |
| Interest Account | - | - | - | - | - |
| Prepayment Account | - | 0 | - | - | 0 |
| Due from Other Funds | | | | | |
| General Fund | - | - | - | - | - |
| Debt Service Fund | - | - | - | - | - |
| Market Valuation Adjustments | - | - | - | - | - |
| Accrued Interest Receivable | - | - | - | - | - |
| Accounts Receivable | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - |
| Amount Available in Debt Service Funds | - | - | 749,648 | - | 749,648 |
| Amount to be Provided by Debt Service Funds | - | - | 4,710,352 | - | 4,710,352 |
| General Fixed Assets | - | - | - | 11,643,060 | 11,643,060 |
| Total Assets | \$ 101,745 | \$ 749,648 | \$ 5,460,000 | \$ 11,643,060 | \$ 17,954,452 |

Stoneybrook At Venice Community Development District

Balance Sheet - All Funds and Account Groups as of February 28, 2015

| | Governmental Funds | | Account Groups | | Totals (Memorandum Only) |
|---|--------------------|----------------------|---------------------------|-------------------------|-----------------------------|
| | General Fund | Debt Service Fund | General Long Term Debt | General Fixed Assets | |
| Liabilities | | | | | |
| Accounts Payable & Payroll Liabilities | \$ - | \$ - | \$ - | \$ - | \$ - |
| Contracts Payable | - | - | - | - | - |
| Due to Other Funds | | | | | |
| General Fund | - | - | - | - | - |
| Debt Service Fund | - | - | - | - | - |
| Bonds Payable - Series 2007 | - | - | 5,460,000 | - | 5,460,000 |
| Total Liabilities | \$ - | \$ - | \$ 5,460,000 | \$ - | \$ 5,460,000 |
| Fund Equity and Other Credits | | | | | |
| Investment in General Fixed Assets | - | - | - | 11,643,060 | 11,643,060 |
| Fund Balance | | | | | |
| Restricted | | | | | |
| Beginning: October 1, 2014 | - | 733,846 | - | - | 733,846 |
| Results from Current Operations | - | 15,801 | - | - | 15,801 |
| Unassigned | | | | | |
| Beginning: October 1, 2014 | 73,246 | - | - | - | 73,246 |
| Results from Current Operations | 28,499 | - | - | - | 28,499 |
| Total Fund Equity and Other Credits | 101,745 | 749,648 | - | 11,643,060 | 12,494,452 |
| Total Liabilities, Fund Equity and Other Credits | \$ 101,745 | \$ 749,648 | \$ 5,460,000 | \$ 11,643,060 | \$ 17,954,452 |

Stoneybrook at Venice Community Development District

General Fund

Statement of Revenue, Expenditures and Changes in Fund Balance for the Period Ending February 28, 2015

| | October | November | December | January | February | Year to Date | Annual Budget | % of Budget |
|---|-------------|------------------|------------------|-----------------|-----------------|------------------|------------------|-------------|
| Revenue and Other Sources | | | | | | | | |
| Miscellaneous Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | N/A |
| Interest | | | | | | | | |
| Interest - General Checking | 4 | 6 | 10 | 6 | 6 | 32 | 100 | 32% |
| Special Assessment Revenue | | | | | | | | |
| Special Assessments - On-Roll | - | 39,019 | 21,499 | 2,678 | 2,290 | 65,486 | 70,651 | 93% |
| Special Assessments - Other | - | - | - | - | - | - | - | N/A |
| Total Revenue and Other Sources: | \$ 4 | \$ 39,025 | \$ 21,509 | \$ 2,684 | \$ 2,295 | \$ 65,518 | \$ 70,751 | 93% |
| Expenditures and Other Uses | | | | | | | | |
| Legislative | | | | | | | | |
| Board of Supervisor's Fees | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | N/A |
| Board of Supervisor's - FICA | - | - | - | - | - | - | - | N/A |
| Executive | | | | | | | | |
| Executive Salaries | 1,308 | 1,308 | 1,308 | 1,962 | 1,308 | 7,192 | 17,000 | 42% |
| Executive Salaries - FICA | 100 | 100 | 100 | 150 | 100 | 550 | 1,301 | 42% |
| Executive Salaries - Insurance | 312 | 312 | 312 | 312 | 312 | 1,562 | 2,400 | 65% |
| Financial and Administrative | | | | | | | | |
| Audit Services | - | - | 2,500 | - | - | 2,500 | 7,500 | 33% |
| Accounting Services | 150 | 428 | 2,375 | 514 | 411 | 3,878 | 5,000 | 78% |
| Assessment Roll Preparation | 10,000 | | | | | 10,000 | 10,000 | 100% |
| Arbitrage Rebate Services | - | - | 500 | - | - | 500 | 500 | 100% |
| Other Contractual Services | | | | | | | | |
| Recording and Transcription | - | - | 16 | - | - | 16 | 400 | 4% |
| Legal Advertising | 97 | 191 | - | - | - | 289 | 1,200 | 24% |
| Trustee Services | - | - | - | - | - | - | 2,795 | 0% |

Stoneybrook at Venice Community Development District

General Fund

Statement of Revenue, Expenditures and Changes in Fund Balance for the Period Ending February 28, 2015

| | October | November | December | January | February | Year to Date | Annual Budget | % of Budget |
|--|------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------|
| Dissemination Agent Services | - | - | - | - | - | - | 5,000 | 0% |
| Property Appraiser Fees | - | - | - | - | - | - | - | N/A |
| Bank Services | 21 | 22 | 60 | 36 | 37 | 176 | 400 | 44% |
| Travel and Per Diem | - | - | - | - | - | - | - | N/A |
| Communications & Freight Services | | | | | | | | |
| Telephone | - | - | - | - | - | - | - | N/A |
| Postage, Freight & Messenger | - | - | - | 6 | - | 6 | 100 | 6% |
| Rentals & Leases | | | | | | | | |
| Miscellaneous Equipment Leasing | - | - | - | - | - | - | - | N/A |
| Computer Services | 559 | 559 | 559 | 559 | 559 | 2,793 | 8,000 | 35% |
| Insurance | 6,285 | - | - | - | - | 6,285 | 6,700 | 94% |
| Printing & Binding | - | - | - | - | 10 | 10 | 250 | 4% |
| Office Supplies | - | - | - | - | - | - | 30 | 0% |
| Subscription & Memberships | - | 175 | - | - | - | 175 | 175 | 100% |
| Legal Services | | | | | | | | |
| Legal - General Counsel | - | 305 | 566 | - | 218 | 1,088 | 1,000 | 109% |
| Other General Government Services | | | | | | | | |
| Engineering Services - General Fund | - | - | - | - | - | - | - | N/A |
| Contingencies | - | - | - | - | - | - | 1,000 | 0% |
| Capital Outlay | - | - | - | - | - | - | - | N/A |
| Total Expenditures and Other Uses: | \$ 18,832 | \$ 3,399 | \$ 8,295 | \$ 3,539 | \$ 2,954 | \$ 37,019 | \$ 70,751 | 52% |
| Net Increase/ (Decrease) of Fund Balance | (18,828) | 35,626 | 13,214 | (854) | (658.66) | 28,499 | N/A | |
| Fund Balance - Beginning | 73,246 | 54,417 | 90,044 | 103,258 | 102,403 | 73,246 | 69,558 | |
| Fund Balance - Ending | <u>\$ 54,417</u> | <u>\$ 90,044</u> | <u>\$ 103,258</u> | <u>\$ 102,403</u> | <u>\$ 101,745</u> | <u>\$ 101,745</u> | <u>\$ 69,558</u> | |

Stoneybrook at Venice Community Development District

Debt Service Fund

Statement of Revenue, Expenditures and Changes in Fund Balance

for the Period Ending February 28, 2015

| | October | November | December | January | February | Year to Date | Budget | % of Budget |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|
| Revenue and Other Sources | | | | | | | | |
| Fund Balance - Carryforward | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | N/A |
| Interest Income | | | | | | | | |
| Revenue Account | 1 | 1 | 0 | 1 | 2 | 7 | - | N/A |
| Reserve Account | 2 | 2 | 1 | 1 | 1 | 8 | - | N/A |
| Prepayment Account | 0 | 0 | 0 | - | - | 0 | - | N/A |
| Special Assessment Revenue | | | | | | | | |
| Special Assessments - On-Roll | - | 265,911 | 151,617 | 20,189 | 15,612 | 453,330 | 469,013 | 97% |
| Special Assessments - Off-Roll | - | - | - | - | - | - | - | N/A |
| Prepayment Revenue | - | - | - | - | - | - | - | N/A |
| Total Revenue and Other Sources: | \$ 4 | \$ 265,915 | \$ 151,619 | \$ 20,191 | \$ 15,616 | \$453,345 | \$ 469,013 | 97% |
| Expenditures and Other Uses | | | | | | | | |
| Debt Service | | | | | | | | |
| Principal - Mandatory | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 90,000 | 0% |
| Principal - Early Redemptions | - | 245,000 | - | - | - | 245,000 | - | N/A |
| Interest Expense | - | 192,544 | - | - | - | 192,544 | 379,013 | 51% |
| Operating Transfers Out | - | - | - | - | - | - | - | N/A |
| Total Expenditures and Other Uses: | \$ - | \$ 437,544 | \$ - | \$ - | \$ - | \$ 437,544 | \$ 469,013 | 93% |
| Net Increase/ (Decrease) of Fund Balance | 4 | (171,629) | 151,619 | 20,191 | 15,616 | 15,801 | N/A | |
| Fund Balance - Beginning | 733,846 | 733,850 | 562,222 | 713,840 | 734,032 | 733,846 | 703,369 | |
| Fund Balance - Ending | <u>\$ 733,850</u> | <u>\$ 562,222</u> | <u>\$ 713,840</u> | <u>\$ 734,032</u> | <u>\$ 749,648</u> | <u>\$ 749,648</u> | <u>\$ 703,369</u> | |