

## **BOARD OF SUPERVISOR'S**

# **STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT**

## **AGENDA**

**February 2, 2017**

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

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[www.StoneybrookatVeniceCDD.org](http://www.StoneybrookatVeniceCDD.org)



# STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT

January 24, 2017

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, February 2, 2017 at 12:00 P.M.** at the **Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292.**

1. Call to Order & Roll Call
2. Acceptance of the resignation for record purposes only of Mr. Joe Buckley, effective October 10, 2016.
3. Consideration of Resolution 2017-1 of the Board of Supervisor's of the Stoneybrook at Venice Community Development District appointing qualified electors to fill vacancies in certain seats on the Board of Supervisor's pursuant to Section 190.006(3)(b), Florida Statutes.
4. Administration of the Oath of Office for the newly appointed members.
  - a) Form 1 – Statement of Financial Interests
  - b) Guide to the Sunshine Amendment and Code of Ethics for Public Officer's and Employees.
5. Consideration of Resolution 2017-2 re-designating the officers of the District.
6. Discussion of Refinancing of the District's Series 2007 Bonds.
7. Consideration of acceptance of the Audited Financial Statements for the Fiscal Year Ended September 30, 2016.
8. Consideration of Minutes
  - a) September 1, 2016 - Regular Meeting
9. Consideration of Proposals for the continuation of Dissemination Agent Services for the Stoneybrook at Venice CDD.
10. Staff Reports
  - a) District Manager



*James P. Ward*  
*District Manager*

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b) District Attorney

11. Supervisor's Requests and Audience Comments

12. Adjournment

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The second order of business is the acceptance of the resignation of Mr. Joe Buckley for record purposes only from Seat 1, effective October 10, 2016, Mr. Buckley's resignation is included in the Agenda.

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The third order of business is consideration of Resolution 2017-1 appointing qualified electors to fill the vacancies in Seats 1 and 4 to fill vacancies in those seats pursuant to Section 190.006(3)(b), Florida Statutes.

For Seat 1 - Mr. Buckley's seat was set to terminate in November, 2016, and was to be filled by a qualified elector, and since no individual qualified for the seat, then the statute provides that the balance of the Board may appoint an individual to fill the new term of office which will run from the date of appointment for four (4) years, and terminate in November, 2020.

For Seat 4 currently held by Mr. Bill Riley. This seat was to be filled by qualified electors also, and since no one qualified for election, the statute provides that Mr. Riley continues be a member of the Board of Supervisor's until such time as the Board fills Seat 4 by appointment. Mr. Riley will not be in attendance at the meeting, however, the Board is being requested to consider the appointment of an individual to fill the term for Seat 4, which will also be a four (4) year term, and terminate in November, 2020.

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The fourth and fifth order of business is Administration of the Oath of Office for the newly appointed individual to fill the term of office for Seat 1 and 4, along with a review of the Sunshine Amendment and Code of Ethics for Public Officer's and Employees, and finally instructions for the newly appointed members of the Board of Supervisor's for the filing requirements of Form 1.

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The fifth order of business is consideration of Resolution 2017-2 re-designating the officer's of the Board. The Board has the option of completely re-organizing the Board, or may continue with it's current slate of officer's and simply add the newly appointed members as Assistant Secretary's of the District.

<b>Chairman:</b>	<b>Mr. Daniel Minnick</b>
<b>Vice Chairman:</b>	<b>Mr. Carl Phillip Jones</b>
<b>Secretary/Treasurer</b>	<b>Mr. James P. Ward</b>
<b>Assistant Secretary</b>	<b>To be filled by board members not appointed as Chairman or Vice-Chairman.</b>

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The sixth order of business deals with the refinancing of the District's Series 2007 Bonds, The Board has retained the firm of MBS Capital Market's (Mr. Brett Sealy) as the underwriter for the bonds, and as you may recall, May 1, 2017 will be the first opportunity to refinance these bonds. The purpose of this item is



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for Mr. Sealy to review with the Board the steps necessary to refinance the bonds, costs involved in the refinance, and most importantly, the potential savings (if any) from a refinance.

The seventh order of business is acceptance of the audited financial statements for the fiscal year ended September 30, 2016. The firm of Grau and Associates, prepared the audit and a representative of the firm will be available by phone at the meeting to review the audit with the board.

The eighth order of business is consideration of proposals to provide the required continuing disclosure reports for the District's Series 2007 bonds.

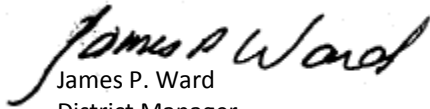
In the way of some background, the current firm that is providing that service is Prager and Company, and recently, and as you may recall, the underwriter for the District is currently providing that service to the District under the Prager name. Recently, they have established a new firm name, called Disclosure Services, LLC, and as such, the District will need to amend it's existing agreement.

Additionally, the District has been contacted by the firm of Lerner Reporting Services who also provides the continuing disclosure services for bond issues, and as such, the firm has submitted a proposal to provide that service for the District.

Enclosed are both proposals, the fee structure for both firms is \$5,000.00 yearly, and is the same fee that the District is currently paying for the service.

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

**The Fiscal Year 2017 schedule is as follows**

October 6, 2016	November 3, 2016
December 1, 2016	January 5, 2017
February 2, 2017	March 2, 2017
April 6, 2017	May 4, 2017
June 1, 2017	July 6, 2017
August 3, 2017	September 7, 2017



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**From:** [joseph buckley](#)  
**To:** [Jim Ward](#)  
**Subject:** Resignation from Stoneybrook at Venice CDC Board  
**Date:** Monday, October 10, 2016 7:02:50 PM

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Dear Jim,

Please accept this e mail as notice of my resignation from the Stoneybrook at Venice Community Development District board. This resignation is effective immediately. I have family medical issues which need to be addressed which will take up a great deal of time, and not allow me to control scheduling of my time. I am sorry to leave the board in this position, but I have no control of the current situation.

Thank you. Joe Buckley

## **RESOLUTION 2017-1**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT APPOINTING QUALIFIED ELECTORS TO FILL VACANCIES IN CERTAIN SEATS ON THE BOARD OF SUPERVISORS PURSUANT TO SECTION 190.006(3)(b), FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Stoneybrook at Venice Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

**WHEREAS**, on November 8, 2016, two (2) members of the Board of Supervisors (the “Board”) were to be elected by the Qualified Electors of the District, as that term is defined in Section 190.003, Florida Statutes; and

**WHEREAS**, the District published a notice of qualifying period set by the Supervisor of Elections at least two (2) weeks prior to the start of said qualifying period; and

**WHEREAS**, at the close of the qualifying period no Qualified Electors qualified to run for the seats available for election by the Qualified Electors of the District; and

**WHEREAS**, pursuant to Section 190.006(3)(b), Florida Statutes, the Board declared such seats as vacant, effective the second Tuesday following the general election; and

**WHEREAS**, Qualified Electors are to be appointed by the Board to the vacant seats within 90 days thereafter; and

**WHEREAS**, on February 2, 2017, the Board appointed two Qualified Electors to fill the two vacant seats; and

**WHEREAS**, the Board finds that it is in the best interests of the District to adopt this Resolution appointing Qualified Electors to fill the remaining vacant seats.

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

**SECTION 1.** The following vacant seats are hereby filled by the Qualified Electors designated below, each for a four (4) year term:

Seat # 1 \_\_\_\_\_  
Seat # 4 \_\_\_\_\_

**SECTION 2.** This Resolution shall become effective upon its passage.

**PASSED AND ADOPTED** this 2<sup>nd</sup> day of February, 2017

ATTEST:

**STONEBROOK AT VENICE COMMUNITY  
DEVELOPMENT DISTRICT**

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James P. Ward, Secretary

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Daniel Minnick, Chairperson

**OATH OR AFFIRMATION OF OFFICE**

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

\_\_\_\_\_  
Signature

Printed Name: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF SARASOTA

Sworn to (or affirmed) before me this \_\_\_\_ day of \_\_\_\_\_, 2017, by \_\_\_\_\_, whose signature appears hereinabove, who is personally known to me or who produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC  
STATE OF FLORIDA

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**FORM 1****STATEMENT OF  
FINANCIAL INTERESTS****2015**Please print or type your name, mailing  
address, agency name, and position below:**FOR OFFICE USE ONLY:**

LAST NAME -- FIRST NAME -- MIDDLE NAME :

MAILING ADDRESS :

CITY : ZIP : COUNTY :

NAME OF AGENCY :

NAME OF OFFICE OR POSITION HELD OR SOUGHT :

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

**CHECK ONLY IF** ☐ CANDIDATE OR ☐ NEW EMPLOYEE OR APPOINTEE**\*\*\*\* BOTH PARTS OF THIS SECTION MUST BE COMPLETED \*\*\*\*****DISCLOSURE PERIOD:**

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

☐ DECEMBER 31, 2015 OR ☐ SPECIFY TAX YEAR IF OTHER THAN THE CALENDAR YEAR: \_\_\_\_\_**MANNER OF CALCULATING REPORTABLE INTERESTS:**FILERS HAVE THE OPTION OF USING REPORTING THRESHOLDS THAT ARE ABSOLUTE DOLLAR VALUES, WHICH REQUIRES FEWER CALCULATIONS, OR USING COMPARATIVE THRESHOLDS, WHICH ARE USUALLY BASED ON PERCENTAGE VALUES (see instructions for further details). CHECK THE ONE YOU ARE USING (**must check one**):☐ **COMPARATIVE (PERCENTAGE) THRESHOLDS** OR ☐ **DOLLAR VALUE THRESHOLDS****PART A -- PRIMARY SOURCES OF INCOME** [Major sources of income to the reporting person - See instructions]

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

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

**PART B -- SECONDARY SOURCES OF INCOME**

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

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

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

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

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


**FILING INSTRUCTIONS** for when  
and where to file this form are  
located at the bottom of page 2.**INSTRUCTIONS** on who must file  
this form and how to fill it out  
begin on page 3.

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

TYPE OF INTANGIBLE	BUSINESS ENTITY TO WHICH THE PROPERTY RELATES

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

NAME OF CREDITOR	ADDRESS OF CREDITOR

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

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

**PART G — TRAINING**

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

☐ **I CERTIFY THAT I HAVE COMPLETED THE REQUIRED TRAINING.**

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

**SIGNATURE OF FILER:**

**Signature:**

\_\_\_\_\_

**Date Signed:**

\_\_\_\_\_

**CPA or ATTORNEY SIGNATURE ONLY**

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

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

CPA/Attorney Signature: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**FILING INSTRUCTIONS:**

**WHAT TO FILE:**

After completing all parts of this form, **including signing and dating it**, send back only the first sheet (pages 1 and 2) for filing.

If you have nothing to report in a particular section, you must write "none" or "n/a" in that section(s).

**NOTE:**

**MULTIPLE FILING UNNECESSARY:**

A candidate who previously filed Form 1 because of another public position must file a copy of his or her Form 1 when qualifying. A candidate who files a Form 1 with a qualifying officer is not required to file with the Commission or Supervisor of Elections.

**Facsimiles will not be accepted.**

**WHERE TO FILE:**

If you were mailed the form by the Commission on Ethics or a County Supervisor of Elections for your annual disclosure filing, return the form to that location.

**Local officers/employees** file with the Supervisor of Elections of the county in which they permanently reside. (If you do not permanently reside in Florida, file with the Supervisor of the county where your agency has its headquarters.)

**State officers or specified state employees** file with the Commission on Ethics, P.O. Drawer 15709, Tallahassee, FL 32317-5709; physical address: 325 John Knox Road, Building E, Suite 200, Tallahassee, FL 32303.

**Candidates** file this form together with their qualifying papers.

To determine what category your position falls under, see page 3 of instructions.

**WHEN TO FILE:**

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

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

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

**Finally**, file a final disclosure form (Form 1F) within 60 days of leaving office or employment. Filing a CE Form 1F (Final Statement of Financial Interests) does not relieve the filer of filing a CE Form 1 if the filer was in his or her position on December 31, 2015.

## NOTICE

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

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

## **WHO MUST FILE FORM 1:**

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

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

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

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

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

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

7) Persons holding any of these positions in local government: mayor; county or city manager; chief administrative employee or finance director of a county, municipality, or other political subdivision; county or

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

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

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

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

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

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

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

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

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

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

## **INSTRUCTIONS FOR COMPLETING FORM 1:**

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

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

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

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

**DISCLOSURE PERIOD:** The tax year for most individuals is the calendar year (January 1 through December 31). If that is the case for you, then your financial interests should be reported for the calendar year 2015; check that box. If you file your IRS tax return based on a tax year that is not the calendar year, you should specify the dates of your tax year in this portion of the form and check the appropriate box. This is the "disclosure period" for your report.

## **MANNER OF CALCULATING REPORTABLE INTEREST**

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

### **IF YOU HAVE CHOSEN DOLLAR VALUE THRESHOLDS THE FOLLOWING INSTRUCTIONS APPLY**

#### **PART A — PRIMARY SOURCES OF INCOME**

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

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

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

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

Examples:

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

#### **PART B — SECONDARY SOURCES OF INCOME**

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

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

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

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

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

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

Examples:

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

#### **PART C — REAL PROPERTY**

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

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

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

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

#### **PART D — INTANGIBLE PERSONAL PROPERTY**

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

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

## PART E — LIABILITIES

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

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

## PART F — INTERESTS IN SPECIFIED BUSINESSES

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

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

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

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

## PART G — TRAINING CERTIFICATION

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

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

(End of Dollar Value Thresholds Instructions.)

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

## PART A — PRIMARY SOURCES OF INCOME

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

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

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

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

Examples:

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

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

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

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

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

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

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

## PART B — SECONDARY SOURCES OF INCOME

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

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

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

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

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

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

Examples:

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

## PART C — REAL PROPERTY

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

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

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

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

## PART D — INTANGIBLE PERSONAL PROPERTY

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

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

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

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

## PART E — LIABILITIES

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

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

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

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

## PART F — INTERESTS IN SPECIFIED BUSINESSES

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

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

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**(End of Percentage Thresholds Instructions.)**

# FLORIDA COMMISSION ON ETHICS



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

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**2016**

# State of Florida

## COMMISSION ON ETHICS

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Jacksonville

**Matthew F. Carlucci, *Vice Chair***  
Jacksonville

**Michelle Anchors**  
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(850) 488-7864\*

\*Please direct all requests for information to this number.

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**FLORIDA COMMISSION ON ETHICS**  
**GUIDE TO THE SUNSHINE AMENDMENT**  
and  
**CODE OF ETHICS**  
for  
**PUBLIC OFFICERS and EMPLOYEES**

**I. HISTORY OF FLORIDA'S ETHICS LAWS**

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

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

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

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

**II. ROLE OF THE COMMISSION ON ETHICS**

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

- Renders advisory opinions to public officials;
- Prescribes forms for public disclosure;

- Prepares mailing lists of public officials subject to financial disclosure for use by Supervisors of Elections and the Commission in distributing forms and notifying delinquent filers;
- Makes recommendations to disciplinary officials when appropriate for violations of ethics and disclosure laws, since it does not impose penalties;
- Administers the Executive Branch Lobbyist Registration and Reporting Law;
- Maintains financial disclosure filings of constitutional officers and state officers and employees; and,
- Administers automatic fines for public officers and employees who fail to timely file required annual financial disclosure.

### III. THE ETHICS LAWS

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

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

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

#### A. PROHIBITED ACTIONS OR CONDUCT

##### 1. *Solicitation and Acceptance of Gifts*

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

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

Persons required to file FORM 1 or FORM 6, and state procurement employees are prohibited from directly or indirectly **accepting** a gift worth more than \$100 from such a lobbyist, from a partner, firm,

employer, or principal of the lobbyist, or from a political committee or vendor doing business with their agency. [Sec.112.3148, Fla. Stat.]

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

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

## *2. Unauthorized Compensation*

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

## *3. Misuse of Public Position*

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

## *4. Disclosure or Use of Certain Information*

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

## *5. Solicitation or Acceptance of Honoraria*

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

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

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

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

## **B. PROHIBITED EMPLOYMENT AND BUSINESS RELATIONSHIPS**

### *1. Doing Business With One's Agency*

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

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

### *2. Conflicting Employment or Contractual Relationship*

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

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

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

### *3. Exemptions*

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

- (a) When the business is rotated among all qualified suppliers in a city or county.
- (b) When the business is awarded by sealed, competitive bidding and neither the official nor his or her spouse or child have attempted to persuade agency personnel to enter the contract. NOTE: Disclosure of the interest of the official, spouse, or child and the nature of the business must be filed prior to or at the time of submission of the bid on Commission FORM 3A with the Commission on Ethics or Supervisor of Elections, depending on whether the official serves at the state or local level.
- (c) When the purchase or sale is for legal advertising, utilities service, or for passage on a common carrier.
- (d) When an emergency purchase must be made to protect the public health, safety, or welfare.
- (e) When the business entity is the only source of supply within the political subdivision and there is full disclosure of the official's interest to the governing body on Commission FORM 4A.
- (f) When the aggregate of any such transactions does not exceed \$500 in a calendar year.
- (g) When the business transacted is the deposit of agency funds in a bank of which a county, city, or district official is an officer, director, or stockholder, so long as agency records show that the governing body has determined that the member did not favor his or her bank over other qualified banks.
- (h) When the prohibitions are waived in the case of ADVISORY BOARD MEMBERS by the appointing person or by a two-thirds vote of the appointing body (after disclosure on Commission FORM 4A).
- (i) When the public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.
- (j) When the public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency where the price and terms of the transaction are available to similarly situated members of the general public and the officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

#### *4. Additional Exemptions*

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

#### *5. Lobbying State Agencies By Legislators*

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

#### *6. Employees Holding Office*

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

#### *7. Professional and Occupational Licensing Board Members*

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

#### *8. Contractual Services: Prohibited Employment*

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

#### *9. Local Government Attorneys*

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

#### *10. Dual Public Employment*

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

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

### *1. Anti-Nepotism Law*

A public official is prohibited from seeking for a relative any appointment, employment, promotion or advancement in the agency in which he or she is serving or over which the official exercises jurisdiction or control. No person may be appointed, employed, promoted, or advanced in or to a position in an agency if such action has been advocated by a related public official who is serving in or exercising jurisdiction or control over the agency; this includes relatives of members of collegial government bodies. NOTE: This prohibition does not apply to school districts (except as provided in Sec. 1012.23, Fla. Stat.), community colleges and state universities, or to appointments of boards, other than those with land-planning or zoning responsibilities, in municipalities of fewer than 35,000 residents. Also, the approval of budgets does not constitute “jurisdiction or control” for the purposes of this prohibition. This provision does not apply to volunteer emergency medical, firefighting, or police service providers. [Sec. 112.3135, Fla. Stat.]

### *2. Additional Restrictions*

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

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

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

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

### *2. Lobbying by Former State Employees*

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

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

- (b) Persons serving in the following position classifications: the Auditor General; the director of the Office of Program Policy Analysis and Government Accountability (OPPAGA); the Sergeant at Arms and Secretary of the Senate; the Sergeant at Arms and Clerk of the House of Representatives; the executive director and deputy executive director of the Commission on Ethics; an executive director, staff director, or deputy staff director of each joint committee, standing committee, or select committee of the Legislature; an executive director, staff director, executive assistant, legislative analyst, or attorney serving in the Office of the President of the Senate, the Office of the Speaker of the House of Representatives, the Senate Majority Party Office, the Senate Minority Party Office, the House Majority Party Office, or the House Minority Party Office; the Chancellor and Vice-Chancellors of the State University System; the general counsel to the Board of Regents; the president, vice presidents, and deans of each state university; any person hired on a contractual basis and having the power normally conferred upon such persons, by whatever title; and any person having the power normally conferred upon the above positions.

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

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

### *3. Additional Restrictions on Former State Employees*

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

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

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

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

#### *4. Lobbying by Former Local Government Officers and Employees*

A person elected to county, municipal, school district, or special district office is prohibited from representing another person or entity for compensation before the government body or agency of which he or she was an officer for two years after leaving office. Appointed officers and employees of counties, municipalities, school districts, and special districts may be subject to a similar restriction by local ordinance or resolution. [Sec. 112.313(13) and (14), Fla. Stat.]

### **E. VOTING CONFLICTS OF INTEREST**

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

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

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

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

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

## F. DISCLOSURES

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

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

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

### 1. FORM 1 - Limited Financial Disclosure

Who Must File:

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

STATE OFFICERS include:

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

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

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

LOCAL OFFICERS include:

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

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

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

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

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

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

SPECIFIED STATE EMPLOYEE includes:

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

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

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

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

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

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

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

#### What Must Be Disclosed:

FORM 1 requirements are set forth fully on the form. In general, this includes the reporting person's sources and types of financial interests, such as the names of employers and addresses of real property holdings. **NO DOLLAR VALUES ARE REQUIRED TO BE LISTED.** In addition, the form requires the disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

#### When to File:

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

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

#### Where to File:

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

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

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

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

## 3. *FORM 2 - Quarterly Client Disclosure*

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

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

When to File:

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

Where To File:

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

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

## 4. *FORM 6 - Full and Public Disclosure*

Who Must File:

Persons required by law to file FORM 6 include all elected constitutional officers and candidates for such office; the mayor and members of the city council and candidates for these offices in Jacksonville; the Duval County Superintendent of Schools; judges of compensation claims (pursuant to Sec. 440.442, Fla. Stat.); and members of the Florida Housing Finance Corporation Board and the Florida Prepaid College Board; and members of expressway authorities, transportation authorities (except the

Jacksonville Transportation Authority), bridge authority, or toll authorities created pursuant to Ch. 348 or 343, or 349, or other general law.

#### What Must be Disclosed:

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

#### When and Where To File:

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

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

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

#### 6. FORM 9 - Quarterly Gift Disclosure

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

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

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

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

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

In addition, a person required to file FORM 1 or FORM 6, or a state procurement employee, who receives expenses or payment of expenses related to an honorarium event from someone who is prohibited from giving him or her an honorarium, must disclose annually the name, address, and affiliation of the donor, the amount of the expenses, the date of the event, a description of the expenses paid or provided, and the total value of the expenses on FORM 10. The donor paying the expenses must provide the officer or employee with a statement about the expenses within 60 days of the honorarium event.

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

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

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

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

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

However, notwithstanding Section 112.3148, Fla. Stat., no executive branch lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or

FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. This may include gifts that formerly were permitted under Section 112.3148. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts from political committees are prohibited. [Sec. 112.31485, Fla. Stat.]

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

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

#### **IV. AVAILABILITY OF FORMS**

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

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

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

#### **V. PENALTIES**

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

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

*B. Penalties for Candidates*

CANDIDATES for public office who are found in violation of the Sunshine Amendment or the Code of Ethics may be subject to one or more of the following penalties: disqualification from being on the ballot, public censure, reprimand, or a civil penalty not to exceed \$10,000, and triple the value of a gift received from a political committee.

### *C. Penalties for Former Officers and Employees*

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

### *D. Penalties for Lobbyists and Others*

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

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

### *E. Felony Convictions: Forfeiture of Retirement Benefits*

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

### *F. Automatic Penalties for Failure to File Annual Disclosure*

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

## **VI. ADVISORY OPINIONS**

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

### *A. Who Can Request an Opinion*

Any public officer, candidate for public office, or public employee in Florida who is in doubt about the applicability of the standards of conduct or disclosure laws to himself or herself, or anyone who has

the power to hire or terminate another public employee, may seek an advisory opinion from the Commission about himself or herself or that employee.

#### *B. How to Request an Opinion*

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

#### *C. How to Obtain Published Opinions*

All of the Commission's opinions are available for viewing or download at its website: [www.ethics.state.fl.us](http://www.ethics.state.fl.us).

### **VII. COMPLAINTS**

#### *A. Citizen Involvement*

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

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

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

#### *B. Referrals*

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

#### *C. Confidentiality*

The complaint or referral, as well as all proceedings and records relating thereto, is confidential until the accused requests that such records be made public or until the matter reaches a stage in the

Commission's proceedings where it becomes public. This means that unless the Commission receives a written waiver of confidentiality from the accused, the Commission is not free to release any documents or to comment on a complaint or referral to members of the public or press, so long as the complaint or referral remains in a confidential stage.

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

#### *D. How the Complaint Process Works*

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

Once a complaint is filed, it goes through three procedural stages under the Commission's rules. The first stage is a determination of whether the allegations of the complaint are legally sufficient: that is, whether they indicate a possible violation of any law over which the Commission has jurisdiction. If the complaint is found not to be legally sufficient, the Commission will order that the complaint be dismissed without investigation, and all records relating to the complaint will become public at that time.

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

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

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

*E. Dismissal of Complaints At Any Stage of Disposition*

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

*F. Statute of Limitations*

All sworn complaints alleging a violation of the Sunshine Amendment or the Code of Ethics must be filed with the Commission within five years of the alleged violation or other breach of the public trust. Time starts to run on the day AFTER the violation or breach of public trust is committed. The statute of limitations is tolled on the day a sworn complaint is filed with the Commission. If a complaint is filed and the statute of limitations has run, the complaint will be dismissed. [Sec. 112.3231, Fla. Stat.]

## **VIII. EXECUTIVE BRANCH LOBBYING**

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

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

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

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

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

## **IX. WHISTLE-BLOWER'S ACT**

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

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

## **X. ADDITIONAL INFORMATION**

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

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

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

## **XI. TRAINING**

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

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

**RESOLUTION 2017-2**

**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	<u>Daniel Minnick</u>
Vice Chairman	<u>Carl Phillip Jones</u>
Secretary	<u>James P. Ward</u>
Treasurer	<u>James P. Ward</u>
Assistant Secretary	_____
Assistant Secretary	_____
Assistant Secretary	<u>Gary Compton</u>

**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 2<sup>nd</sup> day February, 2017.

**STONEYBROOK AT VENICE  
COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
Daniel Minnick, Chairman

**STONEYBROOK AT VENICE  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2016**

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

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## 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, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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, 2016, 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 January 17, 2017, 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 January 17, 2017, 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.

January 17, 2017

## 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, 2016. 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 \$5,861,784.
- The change in the District's total net position in comparison with the prior fiscal year was (\$216,174), 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, 2016, the District's governmental funds reported combined ending fund balances of \$587,025, a decrease of (\$27,996) in comparison with the prior fiscal year. The decrease was a result of lower assessments in the DSF than the amount required to pay debt service. 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.
- During fiscal year 2016, the District implemented Governmental Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Please see New Accounting Standards Adopted in Note 2 of the financial statements for additional information.

### 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,		
	2016	2015
Current and other assets	\$ 587,025	\$ 615,171
Capital assets, net of depreciation	10,646,712	10,978,828
Total assets	11,233,737	11,593,999
Current liabilities	146,953	151,041
Long-term liabilities	5,225,000	5,365,000
Total liabilities	5,371,953	5,516,041
NET POSITION		
Net investment in capital assets	5,421,712	5,613,828
Restricted	351,812	385,068
Unrestricted	88,260	79,062
Total net position	\$ 5,861,784	\$ 6,077,958

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,		
	2016	2015
Revenues:		
Program revenues		
Charges for services	\$ 534,575	\$ 590,290
Operating grants and contributions	34	37
General revenues	52	60
Total revenues	534,661	590,387
Expenses:		
General government	61,363	65,639
Maintenance and operations	332,116	332,116
Interest	357,356	367,257
Total expenses	750,835	765,012
Change in net position	(216,174)	(174,625)
Net position - beginning	6,077,958	6,252,583
Net position - ending	\$ 5,861,784	\$ 6,077,958

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2016 was \$750,835. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, decreased during the fiscal year as a result of a decrease 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 current and prior years 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, 2016.

Actual general fund expenditures for the fiscal year ended September 30, 2016 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, 2016, the District had \$13,580,404 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$2,933,692 has been taken, which resulted in a net book value of \$10,646,712. 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, 2016, the District had \$5,225,000 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 6<sup>TH</sup> Terrace, Wilton Manors, Florida 33305, (954) 658-4900.

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT  
SARASOTA COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2016**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 88,260
Restricted assets:	
Investments	498,765
Capital assets:	
Nondepreciable	5,277,000
Depreciable, net	5,369,712
Total assets	<u>11,233,737</u>
 <b>LIABILITIES</b>	
Accrued interest payable	146,953
Non-current liabilities:	
Due within one year	110,000
Due in more than one year	5,115,000
Total liabilities	<u>5,371,953</u>
 <b>NET POSITION</b>	
Net investment in capital assets	5,421,712
Restricted for debt service	351,812
Unrestricted	88,260
Total net position	<u>\$ 5,861,784</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, 2016**

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Primary government:				Governmental Activities
Governmental activities:				
General government	\$ 61,363	\$ 61,363	\$ -	\$ -
Maintenance and operations	332,116	9,146	-	(322,970)
Interest on long-term debt	357,356	464,066	34	106,744
Total governmental activities	750,835	534,575	34	(216,226)
General revenues:				
Investment earnings				52
Total general revenues				52
Change in net position				(216,174)
Net position - beginning				6,077,958
Net position - ending				\$ 5,861,784

See notes to the financial statements

**STONEYBROOK AT VENICE COMMUNITY DEVELOPMENT DISTRICT  
SARASOTA COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2016**

	Major Funds		Total
	General	Debt Service	Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 88,260	\$ -	\$ 88,260
Investments	-	498,765	498,765
<b>Total assets</b>	<b>\$ 88,260</b>	<b>\$ 498,765</b>	<b>\$ 587,025</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances:			
Restricted for:			
Debt service	-	498,765	498,765
Unassigned	88,260	-	88,260
<b>Total fund balances</b>	<b>88,260</b>	<b>498,765</b>	<b>587,025</b>
<b>Total liabilities and fund balances</b>	<b>\$ 88,260</b>	<b>\$ 498,765</b>	<b>\$ 587,025</b>

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, 2016**

Fund balance - governmental funds \$ 587,025

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>(2,933,692)</u>	10,646,712

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	(146,953)	
Bonds payable	<u>(5,225,000)</u>	(5,371,953)
Net position of governmental activities		<u><u>\$ 5,861,784</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, 2016**

	Major Funds		Total
	General	Debt Service	Governmental Funds
<b>REVENUES</b>			
Special assessments	\$ 70,509	\$ 464,066	\$ 534,575
Interest earnings	52	34	86
Total revenues	70,561	464,100	534,661
<b>EXPENDITURES</b>			
Current:			
General government	61,363	-	61,363
Debt service:			
Principal	-	140,000	140,000
Interest	-	361,294	361,294
Total expenditures	61,363	501,294	562,657
Excess (deficiency) of revenues over (under) expenditures	9,198	(37,194)	(27,996)
Fund balances - beginning	79,062	535,959	615,021
Fund balances - ending	\$ 88,260	\$ 498,765	\$ 587,025

See notes to the financial statements

**STONEBROOK 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, 2016**

Net change in fund balances - total governmental funds	\$	(27,996)
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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.		140,000
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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)
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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.		3,938
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Change in net position of governmental activities	\$	(216,174)
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See notes to the financial statements

**STONEBROOK 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. At September 30, 2016, two of the five supervisors were elected by qualified electors residing in 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 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.

### **New Accounting Standards Adopted**

During fiscal year 2016, the District adopted three new accounting standards as follows:

#### ***GASB 72, Fair Value Measurement and Application***

The Statement improves financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, *Measurement of Elements of Financial Statements*, and other relevant literature.

#### ***GASB 76 - The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments***

The Statement identifies—in the context of the current governmental financial reporting environment—the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles.

#### ***GASB 79 - Certain External Investment Pools and Pool Participants***

This Statement establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. This Statement also establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost.

### **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).

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities and Net Position or Equity (Continued)

#### Deposits and Investments (Continued)

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. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

#### Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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.

#### 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 ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities and Net Position or Equity (Continued)

#### Long-Term Obligations (Continued)

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

Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s). For example, the District would record deferred outflows of resources on the statement of net position 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).

Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s). For example, when an asset is recorded in the governmental fund financial statements, but the revenue is unavailable, the District reports a deferred inflow of resources on the balance sheet until such times as the revenue becomes available.

#### 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.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 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 public 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, 2016:

	Fair Value	Credit Risk	Maturities
First American Government Obligation Fund Class Y	\$ 498,765	S&P AAAm	Weighted average of the fund portfolio: 25 days
	<u>\$ 498,765</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 4 - DEPOSITS AND INVESTMENTS (Continued)

### Investments (Continued)

*Fair Value Measurement* – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

## NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2016 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	5,277,000	-	-	5,277,000
Capital assets, being depreciated				
Water Management System	8,303,404	-	-	8,303,404
Total capital assets, being depreciated	8,303,404	-	-	8,303,404
Less accumulated depreciation for:				
Water Management System	(2,601,576)	(332,116)	-	(2,933,692)
Total accumulated depreciation	(2,601,576)	(332,116)	-	(2,933,692)
Total capital assets, being depreciated, net	5,701,828	(332,116)	-	5,369,712
Governmental activities capital assets, net	\$ 10,978,828	\$ (332,116)	\$ -	\$ 10,646,712

Depreciation was charged to the maintenance and operations function.

## NOTE 6 - LONG TERM LIABILITIES

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 \$40,000 of the Bonds.

## NOTE 6 - LONG TERM LIABILITIES (Continued)

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, 2016.

Changes in long-term liability activity for the fiscal year ended September 30, 2016 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2007	\$ 5,365,000	\$ -	\$ 140,000	\$ 5,225,000	\$ 110,000
Total	<u>\$ 5,365,000</u>	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ 5,225,000</u>	<u>\$ 110,000</u>

At September 30, 2016, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2017	\$ 110,000	\$ 352,688	\$ 462,688
2018	115,000	345,263	460,263
2019	125,000	337,500	462,500
2020	130,000	329,063	459,063
2021	140,000	320,288	460,288
2022-2026	860,000	1,445,175	2,305,175
2027-2031	1,210,000	1,008,350	2,218,350
2032-2036	1,695,000	638,213	2,333,213
2037-2038	840,000	82,708	922,708
	<u>\$ 5,225,000</u>	<u>\$ 4,859,248</u>	<u>\$ 10,084,248</u>

## NOTE 7 - 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. There were no settled claims during the past three years.

**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, 2016**

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Assessments	\$ 73,946	\$ 70,509	\$ (3,437)
Interest earnings	75	52	(23)
Total revenues	<u>74,021</u>	<u>70,561</u>	<u>(3,460)</u>
<b>EXPENDITURES</b>			
Current:			
General government	74,021	61,363	12,658
Total expenditures	<u>74,021</u>	<u>61,363</u>	<u>12,658</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	9,198	<u>\$ 9,198</u>
Fund balance - beginning		<u>79,062</u>	
Fund balance - ending		<u>\$ 88,260</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, 2016.

The actual general fund expenditures for the 2016 fiscal year were lower than budgeted amounts 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, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated January 17, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing 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.

January 17, 2017



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**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, 2016. 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, 2016.

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.

January 17, 2017



**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, 2016, and have issued our report thereon dated January 17, 2017.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the 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 January 17, 2017, 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.

January 17, 2017

## **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, 2015.

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, 2016.

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, 2016.

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, 2016 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, 2016. 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.

Presented By: MBS Capital Markets



**MBS CAPITAL MARKETS, LLC**

# **Stoneybrook at Venice CDD**

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*February 1, 2017*



# The Series 2007 Bonds Overview

## Series 2007 Bonds Overview

### Overview Series 2007 Bonds:

- The District issued \$6,410,000 of the Series 2007 Bonds on November 20, 2007. The Series 2007 Bonds are due May 1, 2038 with an average coupon of 6.75%.
- The Series 2007 Bonds were issued as non-rated tax-exempt securities due to the concentration of ownership and the infancy stage of development at the time the Series 2007 Bonds were issued.

### Current Status of the Series 2007 Bonds:

- The Series 2007 Bonds are currently outstanding in the amount of \$5,225,000.
- Callable: May 1, 2018 @ par.

Series	Coupon	Outstanding Par	First Call	Maturity
Series 2007 Bonds	6.750%	\$ 5,225,000	May 1, 2018	May 1, 2038



# Credit Considerations

In order to obtain an investment grade rating from one of the rating agencies, a commitment from a bond insurer or a commitment letter from a bank (in the case of a private placement), the rating agencies, insurers or banks will review certain credit statistics including, without limitation, the following:

## Current Composition

- Level of vertical build-out
- Assessed value of the land within the assessment area
- Value to lien analysis of each individual land use and product type within the assessment area
- Size of the assessment area

## Diversification

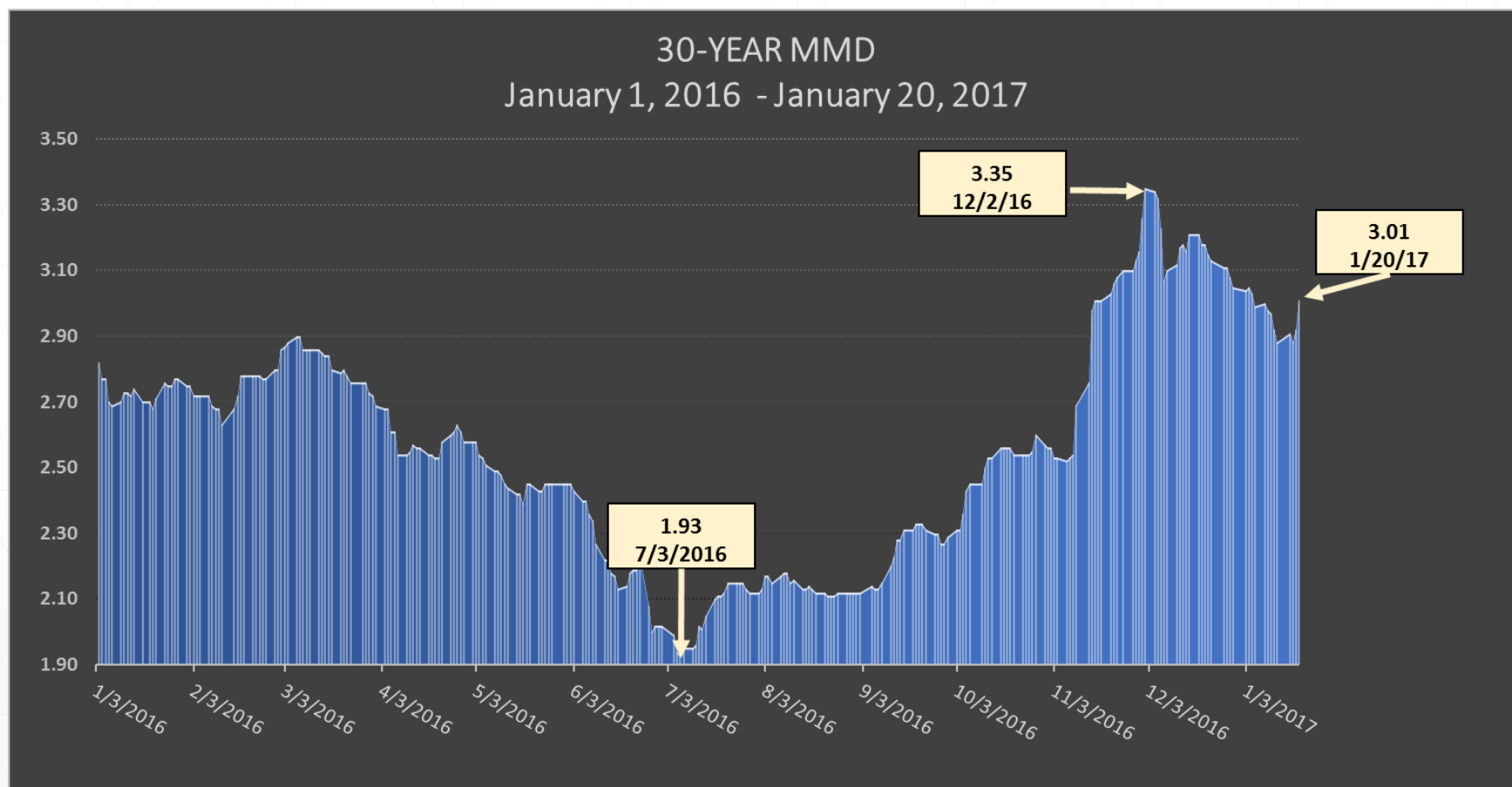
- Top ten tax payers in the assessment area
- Concentration of top ten tax payers

## Collection History

- History of delinquent taxes
- Success of tax certificate process
- Foreclosure, short sale and resale activity



## 30 Year MMD: January 2016 – YTD





## Advanced Refunding vs. Current Refunding

Advanced Refunding: March 1, 2017		Current Refunding: February 1, 2018 Close	
Dated Date/Delivery Date:	March 1, 2017	Dated Date/Delivery Date:	February 1, 2018
<b>Refunding Par<sup>(3)</sup> :</b>	<b>\$5,690,000</b>	<b>Refunding Par<sup>(3)</sup> :</b>	<b>\$5,275,000</b>
Refunded Par:	\$5,225,000	Refunded Par:	\$5,120,000
<b>Average Coupon:</b>	<b>4.13%</b>	<b>Average Coupon ** :</b>	<b>4.16%</b>
Final Maturity <sup>(6)</sup> :	May 1, 2038	Final Maturity <sup>(6)</sup> :	May 1, 2038
DSRF Requirement:	50% of MADS	DSRF Requirement:	50% of MADS
NPV Savings \$ <sup>(4)</sup> :	\$674,888	NPV Savings \$ <sup>(4)</sup> :	\$857,688
NPV Savings %:	12.92%	NPV Savings %:	16.75%
Negative Arbitrage:	\$202,964	Negative Arbitrage:	\$49,082
Gross Annual DS Reduction \$ <sup>(2)</sup> :	\$55,446	Gross Annual DS Reduction \$ <sup>(2)</sup> :	\$72,741
Gross Annual DS Reduction %:	11.36%	Gross Annual DS Reduction %:	14.91%

**\*\*Market rates are reflected as of January 19<sup>th</sup> 2017. Rates are subject to change and may not be reflective of rates on the dated/delivery of February 1, 2018.**



## Annual Debt Service Savings – Current Refunding

Product-Type	# Units	Current Gross Annual Assessment Per Unit <sup>(2)</sup>	Series 2018		Projected Annual Savings	Series 2018 Refunding Savings Per Unit
			Gross Annual Assessment Per Unit <sup>(2)</sup>			
Townhomes	106	\$280	\$238	\$42	14.91%	
Single-Family 40'	148	377	321	56	14.91%	
Single-Family 52'	487	518	441	77	14.91%	
Single-Family 62'	221	679	578	101	14.91%	
Total	962			\$72,741	14.91%	



## Annual Debt Service Savings – Advanced Refunding

Product-Type	# Units	Current Gross Annual Assessment Per Unit <sup>(2)</sup>	Series 2017 Gross Annual Assessment Per Unit <sup>(2)</sup>	Projected Annual Savings	Series 2017 Refunding Savings Per Unit
Townhomes	106	\$280	\$248	\$32	11.36%
Single-Family 40'	148	377	334	43	11.36%
Single-Family 52'	487	518	459	59	11.36%
Single-Family 62'	221	679	602	77	11.36%
<b>Total</b>	<b>962</b>			<b>\$55,446</b>	<b>11.36%</b>



## Annual Debt Service Savings Con't

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1. The net annual debt service excludes 4% discount for early payment and the 2% collection fees charged by the Sarasota County Tax Collector and Appraiser.
2. The projected gross annual assessments per unit includes the gross-up to provide for the 4% discount for early payment and the 2% collection fees charged by the Sarasota County Tax Collector and Appraiser.
3. If an increase in principal occurs, it would result in the necessity to undertake the Chapter 170 assessment process which includes the notification and holding of a public hearing.
4. These figures are net of all costs and transfers from the existing trust estate.
5. The reduction of annual debt service is calculated based upon comparing the debt service on the Series 2007 Bonds and the debt service on the proposed refunding bonds
6. The maturity date on the proposed refunding bonds is 5/1/2038 which is consistent with the maturity date on the Series 2007.
7. The underwriter's discount or placement agent fee is 1.5%. This fee is contingent upon the closing of the refinancing transaction. The estimated costs of issuance of the refinancing are consistent with other similarly recently closed CDD refinancing transactions. Such costs are to be negotiated between the District and the various financing team members.
8. Assumed the District has deferred cost liability remaining and as such reduced the Series 2007 Reserve Fund in half to account for such liability.



# Next Steps

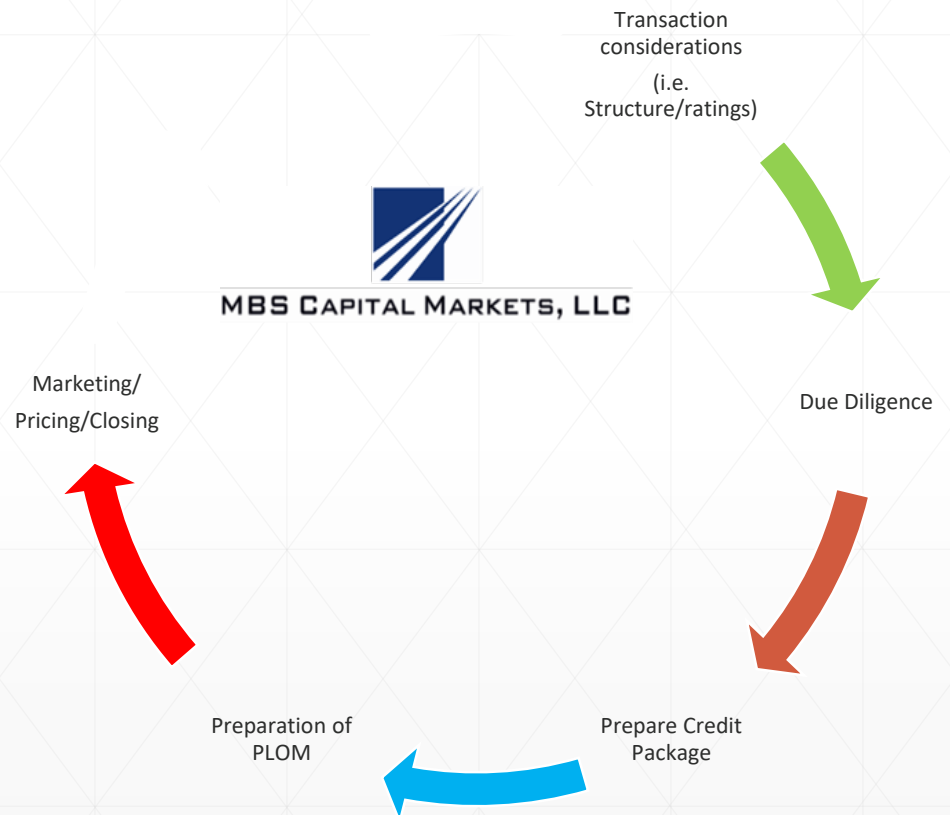
**Step 1:** Due Diligence including research and credit work

**Step 2:** Compile a credit package to submit to rating agencies to obtain an underlying credit rating

**Step 3:** Engage the working team to start on necessary bond documents

**Step 4:** Prepare offering document for wide-spectrum of Investors

**Step 5:** Market and Close the Bonds





## **Disclosures Regarding Underwriter's Role – MSRB Rule G-17**

### **Disclosures Concerning the Underwriter's Role**

- i. Municipal Securities Rulemaking Board Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;
- ii. The Underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the District and it has financial and other interests that differ from those of the District;
- iii. Unlike a municipal advisor, the Underwriter does not have a fiduciary duty to the District under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the District without regard to its own financial or other interests;
- iv. The Underwriter has a duty to purchase securities from the District at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; and
- v. The Underwriter will review the official statement for the District's securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

### **Disclosure Concerning the Underwriter's Compensation**

Underwriter's compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest, because it may cause the Underwriter to recommend a transaction that it is unnecessary or to recommend that the size of the transaction be larger than is necessary.



## **Disclosures Regarding Underwriter's Role – MSRB Rule G-17**

**Payments to or from Third Parties.** There are no undisclosed payments, values, or credits to be received by the Underwriter in connection with its underwriting of this new issue from parties other than the District, and there are no undisclosed payments to be made by the Underwriter in connection with this new issue to parties other than the District (in either case including payments, values, or credits that relate directly or indirectly to collateral transactions integrally related to the issue being underwritten). In addition, there are no third-party arrangements for the marketing of the District's securities.

**Profit-Sharing with Investors.** There are no arrangements between the Underwriter and an investor purchasing new issue securities from the Underwriter (including purchases that are contingent upon the delivery by the District to the Underwriter of the securities) according to which profits realized from the resale by such investor of the securities are directly or indirectly split or otherwise shared with the Underwriter.

**Credit Default Swaps.** There will be no issuance or purchase by the Underwriter of credit default swaps for which the reference is the District for which the Underwriter is serving as underwriter, or an obligation of that District.

**Retail Order Periods.** For new issues in which there is a retail order period, the Underwriter will honor such agreement to provide the retail order period. No allocation of securities in a manner that is inconsistent with an District's requirements will be made without the District's consent. In addition, when the Underwriter has agreed to underwrite a transaction with a retail order period, it will take reasonable measures to ensure that retail clients are bona fide.

**Dealer Payments to District Personnel.** Reimbursements, if any, made to personnel of the District will be made in compliance with MSRB Rule G-20, on gifts, gratuities, and non-cash compensation, and Rule G-17, in connection with certain payments made to, and expenses reimbursed for, District personnel during the municipal bond issuance process.

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

The Regular Meeting of the STONEYBROOK AT VENICE Community Development District's Board of Supervisors was held on **Thursday, September 1, 2016, at 12:00 p.m.**, at the **Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292.**

**Present and constituting a quorum were:**

Dan Minnick	Chairman
Carl Jones	Vice Chairman
William Riley	Assistant Secretary
Joe Buckley	Assistant Secretary
Gary Compton	Assistant Secretary

**Also present were:**

James P. Ward	District Manager
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**1. Call to Order & Roll Call**

Mr. Ward called the meeting to order at 12:00 p.m. and roll call determined that all members of the Board were present.

**2. Administration of the Oath of Office for Mr. Buckley, who was appointed at the April 7, 2016 meeting to fill Seat 1, and Mr. Compton who was appointed at the April 7, 2016 meeting to fill Seat 2. Mr. Buckley's seat will terminate in November, 2016 and Mr. Compton's seat will terminate in November, 2018.**

Mr. Ward stated that as a notary for the State of Florida, he is authorized to administer oaths of office. The oath was administered to both supervisors and the oaths were signed. Both were given the Form 1 Statement of Financial Interest and instructed to complete and submit to the Supervisor of Elections in Sarasota County where they reside within 30 days. Mr. Ward explained that in Florida, the State and the Supervisor of Elections can fine individuals for not filing the form on time, and the fine is \$50 per day. Mr. Ward thoroughly explained that the Sunshine Law states that no two members of a Board may do business outside of one of the open noticed public meetings, nor may they use a member of their staff or public to communicate to another member of the Board on any matter which may foreseeably appear before the Board, including email communications or any other form of communication. He encouraged them to contact him as District Manager or the District Attorney should there be any question on a matter which may come up at a future meeting. He added that in

Florida violations of the Sunshine Law are considered ethics violations under the statute, which means if someone files an ethic complaint against a Board member, that member would be considered to be acting outside of his/her scope of authority as a member of the Board. He further explained that it would reflect on the Board member individually, and the District's directors and officers liability policy does not cover it.

**3. Consideration of Agreement with Hopping Green & Sams, PA to serve as District Attorney**

Mr. Ward gave a brief background for Agenda items 3 and 4, stating that Districts generally have three professionals that they hire by law: District Manager, District Engineer and District Counsel. He explained that the attorney from the current firm, Buchanan Ingersoll & Rooney, PC., has left the firm, and the firm does not represent a great deal of CDDs in the state. He stated that to his knowledge there are only two that the firm represents.

Mr. Ward indicated that in the coming year, there will be a consideration of refinancing of existing 2007 bonds, and a number of professionals will be necessary. He stated that, in addition, there have been a number of changes to the law in the last couple of years, and therefore it is appropriate to consider the retention of another firm to assist the District. He stated that the recommended firm is Hopping Green & Sams, specifically Jere Earlywine. He said this firm is a longstanding, extremely well-respected and well-rounded firm in the area of governmental law, and specifically in the area of Community Development Districts. Mr. Ward stated that he has personally worked with this firm for the last thirty years. He stated that their fee structure is better than the previous firm's charges, and he recommends the retention of Hopping Green & Sams as general counsel.

**Motion was made by Mr. Minnick and seconded by Mr. Jones to approve the Agreement with Hopping Green & Sams, PA, as described above, and with all in favor the motion was approved.**

**4. Consideration of removal of Buchanan Ingersoll Rooney, PC, as District Attorney**

**Motion was made by Mr. Minnick and seconded by Mr. Jones to remove as District Attorney the firm named above, and with all in favor, the motion was approved.**

**5. Consideration of Minutes**

a) April 7, 2016 – Regular Meeting

Mr. Ward asked if there were any additions, corrections, or deletions, to the Minutes of April 7, 2016..

**Motion was made by Mr. Minnick and seconded by Mr. Jones to approve the April 7, 2016 minutes, and with all in favor, the motion was approved.**

6. Public Hearings

a) Fiscal Year 2017 Budget

I. Public Comment and Testimony

**Motion was made by Mr. Minnick and seconded by Mr. Jones to open the Public Hearing, and with all in favor, the motion was approved.**

Mr. Ward stated that there were no members of the public present in person nor have any written comments or telephone comments been received with respect to this particular public hearing.

**Motion was made by Mr. Minnick and seconded by Mr. Jones to close the Public Hearing, and with all in favor, the motion was approved.**

II. Board Comment and Consideration

Mr. Ward stated for the new Board members that the budget is comprised of two funds: 1) General Operating Fund, which basically covers the administration operations of the District, and 2) The Debt Service, the principal and interest due on the 2007 bond. He reported that the rates for both funds are exactly the same as last year.

Discussion ensued regarding the nuts and bolts of the finances, especially for the benefit of the new members. It was mentioned that the 2007 bond has been paid down somewhat in the last nine years, and the Board can choose to reissue the bond. It was stated that the rate of \$74.69 is used to pay for administrative services, and that the bond is proportioned on the width of the properties. It was explained that bonds cannot be reissued more often than every 10 years, and hopes are that next year the bond can be reissued to take advantage of lower interest rates.

Mr. Ward indicated that he plans to begin working on the re-financing in November, and it will require an investment banker. He stated that the firm

originally retained was Prager Sealy and Company, who have been re-retained to look at this issue. He stated that the refinance cannot be done before May 1, 2017, but in November, the rest of the team of professionals, a bond counsel, an underwriter, general counsel, and few other minor professional consultants will begin the process.

In response to a question, Mr. Ward explained that there will be one refinancing for the entire Stoneybrook District, which will be much less expensive. He stated that the term of the bond will not be extended, but hopefully the interest rate will be lowered, which will lower the payment. Mr. Ward said that the key to refinancing is to ensure that the cost of issuance amount does not raise the par debts on the lots.

III. Consideration of Resolution 2016-4 Adopting the Annual Appropriation and Budget for Fiscal Year 2017

**Motion was made by Mr. Jones and seconded by Mr. Minnick to adopt Resolution 2016-4 as described above, and with all in favor, the motion was approved.**

b) Fiscal Year 2017 Imposing Special Assessments; Adopting an Assessment Roll and Approving the General Fund Special Assessment Methodology

I. Public Comment and Testimony

**Motion was made by Mr. Minnick and seconded by Mr. Jones to open the Public Hearing, and with all in favor, the motion was approved.**

Mr. Ward stated that there were no members of the public present in person nor have any written comments or telephone comments been received with respect to this particular public hearing.

**Motion was made by Mr. Minnick and seconded by Mr. Jones to close the Public Hearing, and with all in favor, the motion was approved.**

II. Board Comment and Consideration

Mr. Ward explained that this Resolution defines how assessments are levied for General Operations. He stated that for this district, it is done on an equal basis, and the methodology has remained the same for some time.

- III. Consideration of Resolution 2016-5 Imposing Special Assessments; Adopting an Assessment Roll and Approving the General Fund Special Assessment Methodology

**Motion was made by Mr. Minnick and seconded by Mr. Jones to adopt Resolution 2016-5 as described above, and with all in favor, the motion was approved.**

Mr. Minnick asked the Board to keep in mind that it is not uncommon that a CDD has the responsibility for the maintenance of the capital investment, and stated that if that were the case, the budget would be more complicated in order to deal with those factors. He explained that with this District, the maintenance is fully the responsibility of the HOA.

7. **Consideration of Resolution 2016-6 designating the dates, time and location for the regular meetings of the Board of Supervisors of the District for Fiscal Year 2017**

Mr. Ward stated that these meetings are scheduled for the first Thursday of every month at 12:00 p.m. at the Stoneybrook Activity Center, 2365 Estuary Drive, Venice, Florida 34292. He said that, generally, there have only been about three meetings a year; however, this fiscal year 2017, there will be a few more, possibly four or five, because of the refinancing. He stated that Fiscal Year 2017 starts October 1, 2016, and runs through September 30, 2017, and that he will set the schedule and let the Board know three or four weeks in advance.

**Motion was made by Mr. Minnick and seconded by Mr. Jones to adopt Resolution 2016-6, and with all in favor, the motion was approved.**

8. **Consideration of Resolution 2016-7 declaring a vacancy in Seats 1 (currently held by Joe Buckley) and Seat 4 (currently held by William Riley)**

Mr. Ward explained that Mr. Riley's seat terms out this November, and he is elected from a Landowner Election. He added that this seat turned over to a qualified election base this year; however, no one qualified for the seat in June, so the statute provides that the Board declares the vacancy in the two seats that came up for election. He said that in November the Board members will appoint two individuals to fill those two terms, just like has been done in the past, but the difference is Mr. Riley can no longer serve on the Board since he is not a resident of Stoneybrook at Venice. Mr. Ward said that in November, the Board will be asked to appoint two individuals to Seats 1 and 4, and the seats will be filled by November 22. Mr. Buckley was asked if he wants to be appointed again,

and he answered in the affirmative. It was agreed that only one seat needs to be filled.

**Motion was made by Mr. Minnick and seconded by Mr. Jones to adopt Resolution 2016-7, and with all in favor, the motion was approved.**

**9. Consideration of Resolution 2016-8 re-designating the officers of the District**

Mr. Ward stated that this resolution designates the officers of the board. Mr. Ward said he added Mr. Buckley and Mr. Compton as Assistant Secretaries and kept the remaining slate as is. He explained that the Board does not have to accept this; it can be changed, but this process will be done again in November.

**Motion was made by Mr. Minnick and seconded by Mr. Jones to adopt Resolution 2016-8 as described above, and with all in favor, the motion was approved.**

**10. Staff Reports**

a) Manager – No further report.

**11. Supervisor's Requests and Audience Comments**

Mr. Ward asked if there were any comments from the Board. There were none. He requested that the record reflect that there were no audience members present.

**12. Adjournment**

**Motion was made by Mr. Minnick and seconded by Mr. Jones to adjourn the meeting, and with all in favor, the motion was approved.**

The meeting was adjourned at 12:30 p.m.

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James P. Ward, Secretary

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Daniel Minnick, Chairman

# **DISCLOSURE SERVICES, LLC**

## **DISSEMINATION AGREEMENT Stoneybrook at Venice Community Development District**

October 4, 2016

Board of Supervisors  
**Stoneybrook at Venice Community Development District**

Dear Supervisors:

**DISCLOSURE SERVICES, LLC** ("Dissemination Agent") hereby agrees with the Stoneybrook at Venice Community Development District (the "District") to act as the District's Dissemination Agent. The duties of the Dissemination Agent are set forth in this Dissemination Agreement (the "Agreement"). The purpose of this Agreement is to facilitate the District's compliance with the Securities and Exchange Commission's (the "SEC's") Rule 15c2-12(b)(5) (the "Rule") related to continuing disclosure. The Dissemination Agent is acting as an independent contractor for purposes of facilitating the District's Rules obligations and is not an agent of the District. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Continuing Disclosure Agreements.

1. **Duties:** The Dissemination Agent shall have only such duties as are specifically set forth in the Continuing Disclosure Agreements.
2. **Fees:** The Dissemination Agent will be responsible for all out-of-pocket expenses. The annual fee for the Dissemination Agent's services under this Agreement is \$1,000 for the District's 2007 Bonds, plus \$1,000 for each additional bond issue of the District, subject to these disclosure requirements.
3. **Assignment:** The Dissemination Agent reserves the right to engage a third party for the purpose of carrying out the services outlined in this Agreement.
4. **Termination:** Both the District and the Dissemination Agent will have the right to terminate this Agreement upon 30 days prior written notice.
5. **Representation of the District:** The District represents and warrants that it will not withhold any information necessary for the Dissemination Agent to carry out its duties under this Agreement and that it will supply all information requested by the Dissemination Agent.

# DISCLOSURE SERVICES, LLC

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Page 2

6. **Indemnification**: To the extent permitted by law, the District will indemnify the Dissemination Agent for any action or actions brought by Owners as a result of the failure (including omission and misrepresentation) of the District to meet its requirements under this Agreement and the Continuing Disclosure Agreement as determined by a court of competent jurisdiction. To the extent permitted by law, the Dissemination Agent will indemnify the District for any action or actions brought by Owners as a result of the Dissemination Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction.
7. **Responsibility for Information**: The District acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be produced by the District. The Dissemination Agent's duties are those of collection and collation and not of authorship or production, consequently the Dissemination Agent shall have no responsibility for the content of the information disseminated by it and any and all securities law liabilities, including compliance with the Rule, will remain with the District.
8. **Agreement Governed by Florida Law**: The terms and conditions of this Agreement shall be governed by the laws of the State of Florida.

This Agreement shall be effective upon the District's acceptance hereof.

Very truly yours,

**DISCLOSURE SERVICES, LLC**



Robert Gardner  
Manager

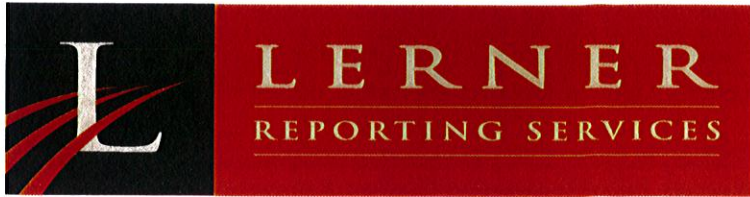
*Approved and Accepted:*

Stoneybrook at Venice Community Development District

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



September 21, 2016

Board of Supervisors  
Stoneybrook at Venice Community Development District  
c/o Jim Ward, District Manager

Dear Supervisors,

I would like to request that the Board consider the enclosed proposal for Lerner Reporting Services, Inc. (LRS) to assume the role of Dissemination Agent on behalf of the Stoneybrook at Venice Community Development District.

In light of the SEC's increased scrutiny over compliance reporting, LRS customizes a unique disclosure report for each District that provides comprehensive financial and development analytics. Our firm has the simultaneous goal of ensuring the District is protected from Continuing Disclosure Agreement compliance violations administered by the SEC and facilitates the investor's comprehension of the District's performance to preserve a quality credit rating and aid in future financing, refinancing, or restructuring of the District's debt. We have supplied copies of disclosure reports for various Districts we are actively engaged in to facilitate understanding of the level of service our firm provides.

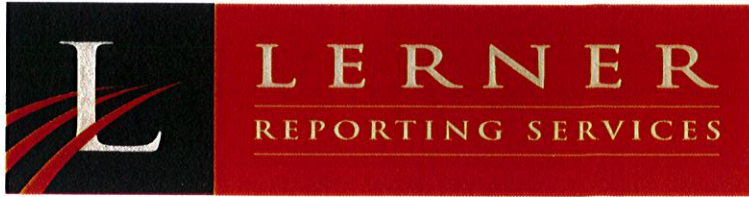
Our team is extremely familiar with the operations of the Stoneybrook at Venice community and we believe that this knowledge will allow us to provide an enhanced level of continuing disclosure reporting under the Securities and Exchange Commission's Rule 15c2-12(b)(5). We believe this enhanced level of reporting will protect and benefit the District, while also serving to provide the current, and potentially, future investors of the District's bonds with timely and accurate financial, entitlement and development information particularly with the anticipated ramp-up of builder activity within the community.

We propose an annual fee of \$5,000 for dissemination agent services. Thank you for your consideration and please feel free to contact me directly should you have any questions with regard to our proposal.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Scott H. Campbell'.

Scott H. Campbell  
Vice President  
Lerner Reporting Services, Inc.



September 21, 2016

Board of Supervisors  
Stoneybrook at Venice Community Development District  
c/o Jim Ward, District Manager

Dear Supervisors:

Lerner Reporting Services, Inc. ("LRS, Inc." or the "Dissemination Agent") hereby agrees with the Stoneybrook at Venice Community Development District (the "District") to act as the District's Dissemination Agent effective for the District's 2016-2017 fiscal year. The duties of the Dissemination Agent are set forth in this Dissemination Agreement (the "Agreement") and in that certain Continuing Disclosure Agreement dated November 30, 2007 (the "Continuing Disclosure Agreement"). The purpose of this Agreement is to facilitate the District's compliance with the Securities and Exchange Commission's (the "SEC's") Rule 15c2-12(b)(5) (the "Rule") related to continuing disclosure. LRS, Inc. is acting as an independent contractor for purposes of facilitating the District's Rules obligations and is not an agent of the District. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Continuing Disclosure Agreement.

1. Duties:

The Dissemination Agent's duties shall consist of the following:

- (a) To assist the District in developing information collection systems to be used in complying with the requirements of the Continuing Disclosure Agreement.
- (b) To collect, from District Management, the Developer, Landowner, or other parties, as appropriate, financial data and other factual information required by the Continuing Disclosure Agreement information noted in the attached and to distribute such information supplied to us by the respective parties, including quarterly and annual development and financial data, the audited financial statements for the District (collectively, the "Annual Report"), to the Electronic Municipal Market Access system ("EMMA").
- (c) To work with the District and the Trustee and report any "Significant Events", disclosed to LRS, Inc. by the District, all in accordance with the Continuing Disclosure Agreement.

- (d) To file quarterly and annual reports through EMMA detailing development updates, financial performance, and all other relevant data.
- (e) To collect and disseminate directly to the Beneficial Owners through the use of EMMA the following Annual Financial information in an Annual Report, which is beyond the requirements of the Rule, and as is set forth in more detail in the Continuing Disclosure Agreement:
  - (i) The amount of Assessments levied for the most recent prior Fiscal Year.
  - (ii) The amount of Assessments collected from the property owners during the most recent prior Fiscal Year.
  - (iii) If available, the amount of delinquencies greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners.
  - (iv) If available, the amount of tax certificates sold, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.
  - (v) All fund balances in all Funds and Accounts for the Bonds. The Issuer shall provide any Bondholder with this information no more frequently than annually within thirty (30) days of the written request of the Bondholder.
  - (vi) The total amount of Bonds of each Series Outstanding.
  - (vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.
  - (viii) The most recent audited financial statements of the Issuer.
- (f) To work with the District and the Trustee to prepare reports no later than thirty (30) days after the end of each quarter of the calendar year and file these reports with EMMA and the Beneficial Owners. These quarterly reports may address the following information requirements of the Beneficial Owners, as supplied to LRS, Inc. by the District and all as controlled by the Continuing Disclosure Agreement:
  - (i) The number of lots owned in the Development by the Primary Landowner.
  - (ii) The number of lots in the Development under contract with a homebuilder and the name of such builder.
  - (iii) The number of homes under construction and the number of homes constructed in the Development.
  - (iv) The number of homes under contract with homebuyers in the Development.
  - (v) The number of homes closed with homebuyers (delivered to end users) in the Development.

(vi) Any Change to the number of lots planned to be developed in the Development.

- (g) To collect and disseminate directly to the Beneficial Owners any additional information specifically requested by the Beneficial Owners at the time of closing or subsequent to the closing of the Bonds.
- (h) To comply with the terms of the Continuing Disclosure Agreement as Dissemination Agent for the duration of this Agreement.

2. Fees:

LRS, Inc. will be responsible for all out-of-pocket expenses. The annual fee for LRS, Inc.'s services under this Agreement is \$5,000 for the Capital Improvement Revenue Bonds, Series 2007, subject to these disclosure requirements.

3. Termination:

Both the District and LRS, Inc. will have the right to terminate this Agreement upon 30 days prior written notice.

4. Representation of the District:

The District represents and warrants that it will not withhold any information necessary for LRS, Inc. to carry out its duties under this Agreement and that it will supply all information requested by LRS, Inc.

5. Indemnification:

To the extent permitted by law, the District will indemnify LRS, Inc. for any action or actions brought by Beneficial Owners as a result of the failure (including omission and misrepresentation) of the District to meet its requirements under this Agreement and the Continuing Disclosure Agreement.

6. Responsibility for Information:

The District acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be produced by the District and the Developer. The Dissemination Agent's duties are those of the collection and collation and not of authorship or production, consequently the Dissemination Agent shall have no responsibility for the content of the information disseminated by it and any and all securities law liabilities, including compliance with the Rule, will remain with the District and the Developer.

7. Waiver of Jury Trial:

EACH OF THE DISTRICT AND LRS, INC. KNOWINGLY WAIVES ANY RIGHT TO TRIAL BY JURY.

8. Agreement Governed by Florida Law:

The terms and conditions of this Agreement shall be governed by the laws of the State of Florida.

This Agreement shall be effective upon the District's acceptance hereof.

Very truly yours,



Scott Campbell  
Vice President  
Lerner Reporting Services, Inc.

Approved and Accepted:

Stoneybrook at Venice Community Development District

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ESTANCIA AT WIREGRASS COMMUNITY DEVELOPMENT DISTRICT  
SERIES 2013 BONDS

QUARTERLY DISCLOSURE REPORT  
PERIOD ENDING JUNE 30, 2016



PREPARED BY:  
**LERNER REPORTING SERVICES, INC.**  
5020 W. LINEBAUGH AVENUE, SUITE 250  
TAMPA, FL 33624  
PHONE: 813-915-3449 FAX: 813-915-0649  
[WWW.LERNERADVISORS.COM](http://WWW.LERNERADVISORS.COM)

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**PREPARED BY:  
LERNER REPORTING SERVICES, INC.**

5020 W. LINEBAUGH AVENUE, SUITE 250  
TAMPA, FLORIDA 33624  
PHONE: 813-915-3449 FAX: 813-915-0649  
WWW.LERNERADVISORS.COM

## Project Overview

The Estancia at Wiregrass Community Development District is a master-planned, single-family residential development located within Pasco County, Florida and comprising approximately 677 acres. The Series 2013 Bonds financed public infrastructure servicing the development, consisting of 1,143 lots at final buildout. The target market for the Development is first time and move up homebuyers, with estimated average home prices ranging from \$250,000 to \$640,000 for a single-family 45' to a single-family 120' home, respectively. Public amenities include an amenity center, cabana, pool/deck, a playground, tennis and basketball courts, and other amenities. Standard Pacific of Florida is the exclusive developer/builder of the project and is actively selling homes.

*Lerner Reporting Services* (“LRS”) has been engaged as the dissemination agent tasked with submission of quarterly, annual, and material event disclosures, as outlined within the Continuing Disclosure Agreement of the Series 2013 Bonds.

**All questions pertaining to the data supplied within the attached should be directed to LRS at 813-915-3449.**

## Financial Snapshot

The District issued \$15,430,000 in Series 2013 Capital Improvement Revenue Bonds to service public infrastructure, with assessment liens on assessable, private property securing the bonds. Series 2013 assessments commenced in 2015, with the District collecting 100% of direct-billed assessments levied for the Fiscal Year 2014/2015. To date, the District has collected 66% of the FY2015/2016 annual assessment levy, with direct-billed assessments representing the District's remaining receivable balance.

## Landowner Composition and Product Absorption

To date, Standard Pacific has closed 197 homes, representing 23% of the 859 units planned for Phases 1-3.

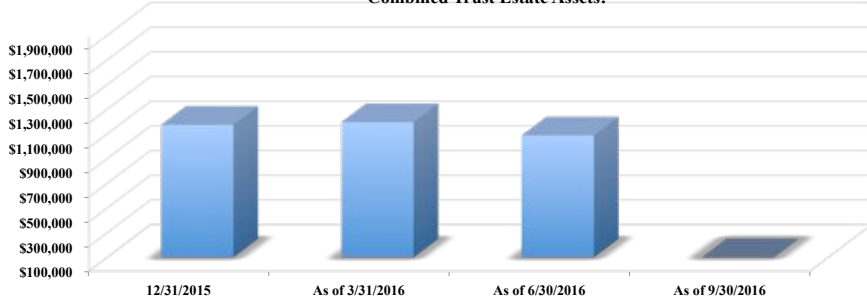
FINANCIAL OVERVIEW:

	FISCAL YEAR 2015/2016 TRUST ESTATE ASSETS:											
	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016		
SERIES 2013 SPECIAL ASSESSMENT BOND OVERVIEW:	297321AA9	297321AB7	TOTAL	297321AA9	297321AB7	TOTAL	297321AA9	297321AB7	TOTAL	297321AA9	297321AB7	TOTAL
Par Amount of Bonds Outstanding:	\$ 2,640,000	\$ 12,790,000	\$ 15,430,000	\$ 2,640,000	\$ 12,790,000	\$ 15,430,000	\$ 2,640,000	\$ 12,790,000	\$ 15,430,000	\$ -	\$ -	\$ -
% of Bonds Prepaid	0%	0%		0%	0%		0%	0%		0%	0%	
Combined Trust Estate Assets:			\$ 1,174,517			\$ 1,195,911			\$ 1,088,693			\$ -
Interest Fund Balance:			\$ -			\$ -			\$ -			\$ -
Revenue Fund Balance:			\$ 374,515			\$ 395,909			\$ 288,690			\$ -
Reserve Fund Balance:			\$ 799,916			\$ 799,916			\$ 795,669			\$ -
Prepayment Fund Balance:			\$ 86			\$ 86			\$ 4,334			\$ -

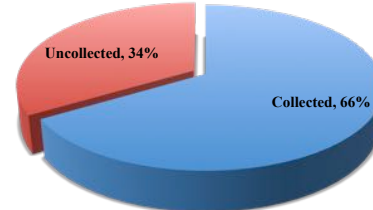
  

FISCAL YEAR 2015/2016 DEBT SERVICE ANALYSIS:	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016			Funds Required to Service 2016/2017 Payment:
	297321AA9	297321AB7	TOTAL	297321AA9	297321AB7	TOTAL	297321AA9	297321AB7	TOTAL	297321AA9	297321AB7	TOTAL	TOTAL
SEMI-ANNUAL DEBT SERVICE PAYMENTS DUE:													
November 1, 2015:	\$ 84,150	\$ 447,650	\$ 531,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May 1, 2016:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,150	\$ 447,650	\$ 531,800	\$ -	\$ -	\$ -	\$ -
Fiscal Year 2016/2017 Debt Service Payments Due:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,233,022
Total Debt Service Payments Due:	\$ 84,150	\$ 447,650	\$ 531,800	\$ -	\$ -	\$ -	\$ 84,150	\$ 447,650	\$ 531,800	\$ -	\$ -	\$ -	1,233,022
SPECIAL ASSESSMENT LEVY:													
Capitalized Interest Proceeds:													
Capitalized Interest Funds Utilized to Service Payment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Levy and District Invoicing:													
Tax-Levied Assessments:	\$ 406,290	\$ 406,290	\$ 406,290	\$ 406,290	\$ 406,290	\$ 406,290	\$ 406,290	\$ 406,290	\$ 406,290	\$ -	\$ -	\$ -	\$ -
Direct-Billed Assessments:	\$ 833,311	\$ 833,311	\$ 833,311	\$ 833,311	\$ 833,311	\$ 833,311	\$ 833,311	\$ 833,311	\$ 833,311	\$ -	\$ -	\$ -	\$ -
Total District Assessment Levy:	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ 1,239,601	\$ -	\$ -	\$ -	\$ -
Total Assessment Collections:													
Tax-Levied Collections (Servicing May and Nov 2016 Payments)	\$ -	\$ -	\$ -	\$ 395,607	\$ 395,607	\$ 395,607	\$ 406,535	\$ 406,535	\$ 406,535	\$ -	\$ -	\$ -	\$ -
Direct-Billed Collections (Servicing May and Nov 2016 Payments)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 416,655	\$ 416,655	\$ 416,655	\$ -	\$ -	\$ -	\$ -
Total Assessment Collections:	\$ -	\$ -	\$ -	\$ 395,607	\$ 395,607	\$ 395,607	\$ 823,190	\$ 823,190	\$ 823,190	\$ -	\$ -	\$ -	\$ -
Assessment Collections Surplus/(Shortfall):	\$ (1,239,601)	\$ (1,239,601)	\$ (1,239,601)	\$ (843,994)	\$ (843,994)	\$ (843,994)	\$ (416,411)	\$ (416,411)	\$ (416,411)	\$ -	\$ -	\$ -	\$ -
Assessment Collections Rate:	0%			32%			66%			0%			
Delinquent Assessment Overview:													
Amount of delinquencies greater than 150 days (if greater than 10% of 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount of tax certificates sold, if any:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance remaining for sale from the most recent Fiscal Year:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Combined Trust Estate Assets:



2016 Assessment Collections Rate. Figure corresponds with payments to be made for the May 2016 and November 2016 periods, as District levies assessments in this capacity.



Estancia at Wiregrass Community Development District

Pasco County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375% CUSIP - 2

\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000% CUSIP -

**DEBT SERVICE REQUIREMENTS FOR 2013 BONDS, CUSIP 297321AA9:**

*Coupon Rate 6.375%*

	Principal		Interest		Total
5/1/14 \$	-	\$	87,688.45	\$	87,688.45
11/1/14 \$	-	\$	84,150.00	\$	84,150.00
5/1/15 \$	-	\$	84,150.00	\$	84,150.00
11/1/15 \$	-	\$	84,150.00	\$	84,150.00
5/1/16 \$	-	\$	84,150.00	\$	84,150.00
11/1/16 \$	175,000.00	\$	84,150.00	\$	259,150.00
5/1/17 \$	-	\$	78,571.88	\$	78,571.88
11/1/17 \$	185,000.00	\$	78,571.88	\$	263,571.88
5/1/18 \$	-	\$	72,675.00	\$	72,675.00
11/1/18 \$	195,000.00	\$	72,675.00	\$	267,675.00
5/1/19 \$	-	\$	66,459.38	\$	66,459.38
11/1/19 \$	210,000.00	\$	66,459.38	\$	276,459.38
5/1/20 \$	-	\$	59,765.63	\$	59,765.63
11/1/20 \$	220,000.00	\$	59,765.63	\$	279,765.63
5/1/21 \$	-	\$	52,753.13	\$	52,753.13
11/1/21 \$	235,000.00	\$	52,753.13	\$	287,753.13
5/1/22 \$	-	\$	45,262.50	\$	45,262.50
11/1/22 \$	250,000.00	\$	45,262.50	\$	295,262.50
5/1/23 \$	-	\$	37,293.75	\$	37,293.75
11/1/23 \$	265,000.00	\$	37,293.75	\$	302,293.75
5/1/24 \$	-	\$	28,846.88	\$	28,846.88
11/1/24 \$	285,000.00	\$	28,846.88	\$	313,846.88
5/1/25 \$	-	\$	19,762.50	\$	19,762.50
11/1/25 \$	300,000.00	\$	19,762.50	\$	319,762.50
5/1/26 \$	-	\$	10,200.00	\$	10,200.00
11/1/26 \$	320,000.00	\$	10,200.00	\$	330,200.00
<b>TOTAL</b>	<b>\$ 2,640,000.00</b>	<b>\$</b>	<b>1,451,619.70</b>	<b>\$</b>	<b>4,091,619.70</b>

Estancia at Wiregrass Community Development District

Pasco County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375%

\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000%

**DEBT SERVICE REQUIREMENTS FOR 2013 BONDS, CUSIP 297321AB7:**

*Coupon Rate 7.000%*

	<b>Principal</b>		<b>Interest</b>		<b>Total</b>
5/1/14	\$	-	\$	464,792.71	\$ 464,792.71
11/1/14	\$	-	\$	447,650.00	\$ 447,650.00
5/1/15	\$	-	\$	447,650.00	\$ 447,650.00
11/1/15	\$	-	\$	447,650.00	\$ 447,650.00
5/1/16	\$	-	\$	447,650.00	\$ 447,650.00
11/1/16	\$	-	\$	447,650.00	\$ 447,650.00
5/1/17	\$	-	\$	447,650.00	\$ 447,650.00
11/1/17	\$	-	\$	447,650.00	\$ 447,650.00
5/1/18	\$	-	\$	447,650.00	\$ 447,650.00
11/1/18	\$	-	\$	447,650.00	\$ 447,650.00
5/1/19	\$	-	\$	447,650.00	\$ 447,650.00
11/1/19	\$	-	\$	447,650.00	\$ 447,650.00
5/1/20	\$	-	\$	447,650.00	\$ 447,650.00
11/1/20	\$	-	\$	447,650.00	\$ 447,650.00
5/1/21	\$	-	\$	447,650.00	\$ 447,650.00
11/1/21	\$	-	\$	447,650.00	\$ 447,650.00
5/1/22	\$	-	\$	447,650.00	\$ 447,650.00
11/1/22	\$	-	\$	447,650.00	\$ 447,650.00
5/1/23	\$	-	\$	447,650.00	\$ 447,650.00
11/1/23	\$	-	\$	447,650.00	\$ 447,650.00
5/1/24	\$	-	\$	447,650.00	\$ 447,650.00
11/1/24	\$	-	\$	447,650.00	\$ 447,650.00
5/1/25	\$	-	\$	447,650.00	\$ 447,650.00
11/1/25	\$	-	\$	447,650.00	\$ 447,650.00
5/1/26	\$	-	\$	447,650.00	\$ 447,650.00
11/1/26	\$	-	\$	447,650.00	\$ 447,650.00
5/1/27	\$	-	\$	447,650.00	\$ 447,650.00
11/1/27	\$	340,000.00	\$	447,650.00	\$ 787,650.00
5/1/28	\$	-	\$	435,750.00	\$ 435,750.00
11/1/28	\$	365,000.00	\$	435,750.00	\$ 800,750.00
5/1/29	\$	-	\$	422,975.00	\$ 422,975.00
11/1/29	\$	390,000.00	\$	422,975.00	\$ 812,975.00
5/1/30	\$	-	\$	409,325.00	\$ 409,325.00
11/1/30	\$	420,000.00	\$	409,325.00	\$ 829,325.00
5/1/31	\$	-	\$	394,625.00	\$ 394,625.00
11/1/31	\$	450,000.00	\$	394,625.00	\$ 844,625.00
5/1/32	\$	-	\$	378,875.00	\$ 378,875.00
11/1/32	\$	480,000.00	\$	378,875.00	\$ 858,875.00
5/1/33	\$	-	\$	362,075.00	\$ 362,075.00
11/1/33	\$	515,000.00	\$	362,075.00	\$ 877,075.00
5/1/34	\$	-	\$	344,050.00	\$ 344,050.00
11/1/34	\$	550,000.00	\$	344,050.00	\$ 894,050.00
5/1/35	\$	-	\$	324,800.00	\$ 324,800.00
11/1/35	\$	590,000.00	\$	324,800.00	\$ 914,800.00
5/1/36	\$	-	\$	304,150.00	\$ 304,150.00

Estancia at Wiregrass Community Development District

Pasco County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375%

\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000%

**DEBT SERVICE REQUIREMENTS FOR 2013 BONDS, CUSIP 297321AB7:**

*Coupon Rate 7.000%*

	<b>Principal</b>		<b>Interest</b>		<b>Total</b>
11/1/36	\$ 630,000.00	\$	304,150.00	\$	934,150.00
5/1/37	\$ -	\$	282,100.00	\$	282,100.00
11/1/37	\$ 675,000.00	\$	282,100.00	\$	957,100.00
5/1/38	\$ -	\$	258,475.00	\$	258,475.00
11/1/38	\$ 720,000.00	\$	258,475.00	\$	978,475.00
5/1/39	\$ -	\$	233,275.00	\$	233,275.00
11/1/39	\$ 770,000.00	\$	233,275.00	\$	1,003,275.00
5/1/40	\$ -	\$	206,325.00	\$	206,325.00
11/1/40	\$ 825,000.00	\$	206,325.00	\$	1,031,325.00
5/1/41	\$ -	\$	177,450.00	\$	177,450.00
11/1/41	\$ 880,000.00	\$	177,450.00	\$	1,057,450.00
5/1/42	\$ -	\$	146,650.00	\$	146,650.00
11/1/42	\$ 945,000.00	\$	146,650.00	\$	1,091,650.00
5/1/43	\$ -	\$	113,575.00	\$	113,575.00
11/1/43	\$ 1,010,000.00	\$	113,575.00	\$	1,123,575.00
5/1/44	\$ -	\$	78,225.00	\$	78,225.00
11/1/44	\$ 1,080,000.00	\$	78,225.00	\$	1,158,225.00
5/1/45	\$ -	\$	40,425.00	\$	40,425.00
11/1/45	\$ 1,155,000.00	\$	40,425.00	\$	1,195,425.00
<b>TOTAL</b>	<b>\$ 12,790,000.00</b>	<b>\$</b>	<b>22,377,592.71</b>	<b>\$</b>	<b>35,167,592.71</b>

Estancia at Wiregrass Community Development District  
Pasco County, Florida  
Quarterly Disclosure Report, Period Ending June 30, 2016  
\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375% CUSIP - 297321AA9  
\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000% CUSIP - 297321AB7

LANDOWNERS COMPRISING DELINQUENT ASSESSMENTS:

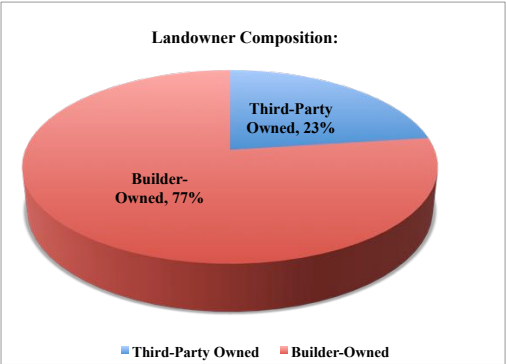
DELINQUENT LANDOWNERS, AS DELINEATED BY % OF DELINQUENT ASSESSMENTS:	AMOUNT OF DELINQUENT ASSESSMENTS:	% OF DELINQUENT ASSESSMENTS:
LANDOWNER NAME:		
There are no delinquent landowners as of the 3Q FY2015/2016. Direct-billed invoices are provided semi-annually in accordance with coupon payment dates. The May 1, 2016 payment was collected in full, and the November 1, 2016 payment will be collected in October 2016.		
	\$ -	\$ -
	\$ -	\$ -

Estancia at Wiregrass Community Development District  
Pasco County, Florida  
Quarterly Disclosure Report, Period Ending June 30, 2016  
\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375% CUSIP - 297321AA9  
\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000% CUSIP - 297321AB7

BOND ALLOCATION AND CAPITAL IMPROVEMENT OVERVIEW:

PROPERTY SECURING SERIES 2013 BONDS, BY PRODUCT TYPE:	Potential Development Plan (1)	SERIES 2013 BONDS			
		Par Value, Per Product (2)	Par Value, Per Unit (2)	Annual Asmt, Per Product (2)	Annual Asmt, Per Unit (2)
Phase 1:					
Single-Family 45'	70	\$ 941,948	\$ 13,456	\$ 80,640	\$ 1,152
Single-Family 55'	88	\$ 1,367,555	\$ 15,540	\$ 116,600	\$ 1,325
Single-Family 65'	81	\$ 1,468,562	\$ 18,130	\$ 125,550	\$ 1,550
Single-Family 80'	61	\$ 1,279,377	\$ 20,973	\$ 109,068	\$ 1,788
Phase 2A:					
Villas	98	\$ 1,468,373.20	\$ 14,983	\$ 125,342	\$ 1,279
Phase 2B:					
Single-Family 65'	146	\$ 2,941,812	\$ 20,149	\$ 251,266	\$ 1,721
Single-Family 80'	101	\$ 2,348,189	\$ 23,249	\$ 200,485	\$ 1,985
Phase 3:					
Single-Family 45'	33	\$ 494,452	\$ 14,983	\$ 42,207	\$ 1,279
Single-Family 55'	181	\$ 3,117,073	\$ 17,221	\$ 266,251	\$ 1,471
Principal Redemption Upon Final Platting		\$ 2,656			
Total Units:	859	\$ 15,430,000	\$ 158,688	\$ 1,317,409	\$ 13,550

LANDOWNER COMPOSITION:	Units (1)	Acreage	% of Total	Estimated Buildout Date:
Third-Party Owned:				TBD
Villas	-	-	0%	
Single Family 45'	44	-	5%	
Single-Family 55'	52	-	6%	
Single-Family 65'	51	-	6%	
Single-Family 80'	50	-	6%	
Total Third-Party Owned Units:	197	-	23%	
Builder-Owned (Standard Pacific):				
Villas	98	-	11%	
Single Family 45'	59	-	7%	
Single-Family 55'	217	-	25%	
Single-Family 65'	176	-	20%	
Single-Family 80'	112	-	13%	
Total Developer-Held Units:	662	-	77%	
Total Development Acreage/Density:	859	-	100%	



CAPITAL IMPROVEMENT PROGRAM OVERVIEW:	
Improvements Financed With Series 2013 Bonds:	\$ 12,002,319
Estimated Additional CIP Construction Costs Funded by Developer or Future Bonds (District issued 2015 Series):	\$ 32,196,545
Total Capital Improvement Plan Cost Estimate:	\$ 44,198,864

SERIES 2013 FINANCING OVERVIEW:				
	As of 12/31/2015	As of 3/31/2016	As of 6/30/2016	As of 9/30/2016
Percentage of total construction proceeds spent:	Series 2013 capital proceeds fully utilized with all contemplated capital infrastructure improvements completed.			
Estimated cost to complete capital improvement plan:				
Remaining capital proceeds available to facilitate capital plan:				

Notations:

(1) Original plan of development contemplated 1,181 units; density subsequently reduced to 1,143 units; Bond assessments are allocated on a first platted, first assigned basis with an allocation of probable assessments demonstrated above and contingent upon final platting

Estancia at Wiregrass Community Development District  
Pasco County, Florida  
Quarterly Disclosure Report, Period Ending June 30, 2016  
\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375% CUSIP - 297321AA9  
\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000% CUSIP - 297321AB7

HOMEBUILDER ABSORPTION STATISTICS (STANDARD PACIFIC):							
	As of 6/30/2016						
	Under Construction	Fully Constructed	Under Contract w/ End-User	Closed to End-User	Increase from 3/31/2016	Builder Inventory Not Closed or Under Contract	Average Sales Prices of Homes Closed
PHASES 1, 2, AND 3A (SEE ATTACHED MAP FOR GRAPHICAL DEPICTION OF PHASING):							
Standard Pacific:							
Villa	18	2	7	-	-	91	385,443
Single Family 45'	8	48	7	44	5	52	323,888
Single-Family 55'	11	58	10	52	12	207	426,892
Single-Family 65'	3	56	4	51	2	172	514,944
Single-Family 80'	3	52	-	50	4	112	781,716
Total Units:	43	216	28	197	23	634	

**Estancia at Wiregrass Community Development District**

**Pasco County, Florida**

**Quarterly Disclosure Report, Period Ending June 30, 2016**

**\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375% CUSIP - 297321AA9**

**\$12,790,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2045, 7.000% CUSIP - 297321AB7**

## **DEVELOPMENT CHANGES AND STATUS UPDATES:**

1. Detailed description of construction status: Phase 1A-1D all platted and actively selling.

Phase 2A – Villas all platted and actively selling.

Phase 2B1 - (65s & 80s) – 64 platted of the 65s and 59 platted of the 80s – selling soon

Phase 2B2 – (65s & 80s) – 82 of the 65s not platted to be platted at later date and 43 of the 80s not platted to be platted at a later date

Phase 3A – (45s) – all 97 platted, no sales yet

2. Status of sales activity within the Development: See Homebuilder Absorption

3. Amount of delinquent tax-levied and direct-billed assessments for fiscal year 2015/2016 (2015 tax year). If applicable, do sufficient reserves exist to bridge deficit in collections?. (See Financial Overview)

4. Any bulk sales of land within the District other than in the ordinary course of business. None to report.

5. The anchor (more than 10% of the square footage) tenants of non-residential property, if any: N/A

6. The status of development approvals for the Development: Development approvals being obtained on an ongoing/as needed basis. Future phases are being platted and developed as lot supply warrants it

7. Any materially adverse changes or determinations to permits/approvals for the Development of the Assessment Area which necessitate changes to the land use plans of any Obligated Person. None to report.

8. The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area, including the amount, interest rate and terms of repayment. No data to report.

9. Sale, Assignment, or Transfer of ownership of real property in the Assessment Area to a third party, which will in turn be an Obligated Person? No sales to report.

### **Notations:**

(1) Assessments assigned on a first platted, first assessed basis. Units demonstrated on the basis of potential development plan, with 859 units ultimately subject to Series 2013 assessments and 284 units subject to Series 2015 assessments.

Estancia at Wiregrass Community Development District

Pasco County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$2,640,000 Capital Improvement Revenue Bonds Series 2013 Term Bond, November 1, 2026, 6.375% CUSIP - 297321AA9

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**PROJECT MAP**

PHASE 1 – VILLAGES A, B, C, D, AND E

PHASE 2 – VILLAGES F, G, H, AND I

PHASE 3 – VILLAGES J, K, L, AND N

PHASE 4 – VILLAGE M



WATERFORD ESTATES COMMUNITY DEVELOPMENT DISTRICT  
SERIES 2006 BONDS

QUARTERLY DISCLOSURE REPORT  
PERIOD ENDING JUNE 30, 2016



PREPARED BY:  
**LERNER REPORTING SERVICES, INC.**  
5020 W. LINEBAUGH AVENUE, SUITE 250  
TAMPA, FL 33624  
PHONE: 813-915-3449 FAX: 813-915-0649  
[WWW.LERNERADVISORS.COM](http://WWW.LERNERADVISORS.COM)

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**PREPARED BY:**  
**LERNER REPORTING SERVICES, INC.**

5020 W. LINEBAUGH AVENUE, SUITE 250  
TAMPA, FLORIDA 33624  
PHONE: 813-915-3449 FAX: 813-915-0649  
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## Project Overview

The Waterford Estates Community Development District is a master-planned, single-family residential community located within Charlotte County, Florida and comprising approximately 193.42 acres. The Series 2006 Bonds financed public infrastructure improvements, as noted below, and serving an estimated 701 units at final buildout. The original developer, Touse Homes, Inc., is no longer affiliated with the development. Maxcy Development Group Holdings-Waterford Estates, Inc., an SPE established for the benefit of the Trustee and Bondholders, presently retains ownership of all private property subject to bond assessments excluding 76 units taken down by DR Horton. The development information contained herein has been provided by Lerner Real Estate Advisors, an asset management firm engaged to manage SPE-held assets. The District Manager and Trustee have provided all financial data supplied herein.

*Lerner Reporting Services* (“LRS”) has been engaged as the dissemination agent tasked with submission of quarterly, annual, and material event disclosures, as outlined within the Continuing Disclosure Agreement of the Series 2006 Bonds.

**All questions pertaining to the data supplied within the attached should be directed to LRS at 813-915-3449.**

## Financial Snapshot

The District is presently holding Series 2006 capital assessments in abeyance, subject to disposition of SPE-held assets.

## Landowner Composition and Product Absorption

DR Horton has acquired 105 developed lots and subsequently sold 81 of the units. All other privately-held lots are presently owned by the SPE.

Waterford Estates Community Development District

Charlotte County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$5,900,000 Special Assessment Bonds Series 2006A Term Bond, May 1, 2037, 5.500% CUSIP - 941386AA2

\$6,895,000 Special Assessment Bonds Series 2006B Term Bond, May 1, 2013, 5.125% CUSIP - 941386AB0

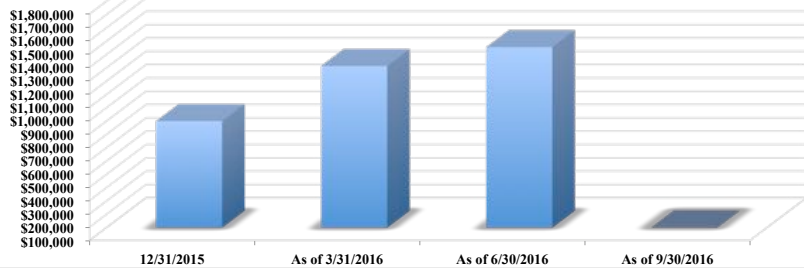
FINANCIAL OVERVIEW:

SERIES 2006 SPECIAL ASSESSMENT BOND OVERVIEW:	FISCAL YEAR 2015/2016 TRUST ESTATE ASSETS:											
	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016		
	2006A Bonds	2006B Bonds	TOTAL	2006A Bonds	2006B Bonds	TOTAL	2006A Bonds	2006B Bonds	TOTAL	2006A Bonds	2006B Bonds	TOTAL
Par Amount of Bonds Outstanding:	\$ 5,755,000	\$ 6,200,000	\$ 11,955,000	\$ 5,755,000	\$ 6,200,000	\$ 11,955,000	\$ 5,755,000	\$ 6,200,000	\$ 11,955,000	\$ -	\$ -	\$ -
% of Bonds Prepaid	2%	10%		2%	10%		2%	10%		0%	0%	
Combined Trust Estate Assets:	\$ 717,335	\$ 182,003	\$ 899,338	\$ 828,918	\$ 484,071	\$ 1,312,990		\$ 610,138	\$ 1,454,512	\$ -	\$ -	\$ -
Construction Fund Balance:	\$ -	\$ 366,650	\$ 366,650	\$ -	\$ 363,465	\$ 363,465	\$ -	\$ 363,511	\$ 363,511	\$ -	\$ -	\$ -
Prepayment Fund Balance:	\$ 16,008	\$ 117,600	\$ 133,608	\$ 42,510	\$ 321,825	\$ 364,335	\$ 67,377	\$ 456,088	\$ 523,465	\$ -	\$ -	\$ -
Reserve Fund Balance:	\$ 86,553	\$ 3,323	\$ 89,876	\$ 86,561	\$ 3,324	\$ 89,885	\$ 86,572	\$ 3,324	\$ 89,896	\$ -	\$ -	\$ -
Revenue Fund Balance:	\$ -	\$ 12	\$ 12	\$ -	\$ 12	\$ 12	\$ -	\$ 12	\$ 12	\$ -	\$ -	\$ -
Expenditure Fund Balance:	\$ -	\$ 3,581	\$ 3,581	\$ -	\$ 3,582	\$ 3,582	\$ -	\$ 3,582	\$ 3,582	\$ -	\$ -	\$ -
Interest Fund Balance:	\$ 244,542	\$ 61,068	\$ 305,610	\$ 332,800	\$ 158,910	\$ 491,710	\$ 323,320	\$ 150,726	\$ 474,046	\$ -	\$ -	\$ -

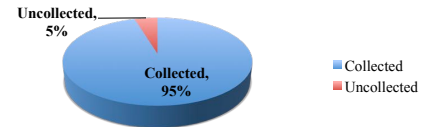
FISCAL YEAR 2016/ DEBT SERVICE ANALYSIS: **	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016			FISCAL YEAR 2016/2017 DEBT SERVICE PAYMENTS DUE:
SEMI-ANNUAL DEBT SERVICE PAYMENTS DUE:	2006A Bonds	2006B Bonds	TOTAL	2006A Bonds	2006B Bonds	TOTAL	2006A Bonds	2006B Bonds	TOTAL	2006A Bonds	2006B Bonds	TOTAL	
November 1, 2015:	\$ 140,800	\$ 176,684	\$ 317,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May 1, 2016:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,800	\$ 176,684	\$ 442,484	\$ -	\$ -	\$ -	\$ -
Fiscal Year 2016/2017 Debt Service Payments Due:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	758,094
Total FY2015/2016 Debt Service Payments Due:	\$ 140,800	\$ 176,684	\$ 317,484	\$ -	\$ -	\$ -	\$ 265,800	\$ 176,684	\$ 442,484	\$ -	\$ -	\$ -	758,094
SPECIAL ASSESSMENT LEVY:													FY 2016/2017
Capitalized Interest Proceeds:													
Capitalized Interest Funds Utilized to Service Payment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Levy and District Invoicing:													
Tax-Levied Assessments:	\$ 46,395	\$ -	\$ 46,395	\$ 46,395	\$ -	\$ 46,395	\$ 46,395	\$ -	\$ 46,395	\$ -	\$ -	\$ -	\$ -
Direct-Billed Assessments:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total District Assessment Levy:	\$ 46,395	\$ -	\$ 46,395	\$ 46,395	\$ -	\$ 46,395	\$ 46,395	\$ -	\$ 46,395	\$ -	\$ -	\$ -	\$ -
Total Assessment Collections:													
Tax-Levied Collections:	\$ -	\$ -	\$ -	\$ 42,946	\$ -	\$ 42,946	\$ 44,228	\$ -	\$ 44,228	\$ -	\$ -	\$ -	\$ -
Direct-Billed Collections:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assessment Collections:	\$ -	\$ -	\$ -	\$ 42,946	\$ -	\$ 42,946	\$ 44,228	\$ -	\$ 44,228	\$ -	\$ -	\$ -	\$ -
Assessment Collections Surplus/(Shortfall):	\$ (46,395)	\$ -	\$ (46,395)	\$ (3,449)	\$ -	\$ (3,449)	\$ (2,167)	\$ -	\$ (2,167)	\$ -	\$ -	\$ -	\$ -
Assessment Collections Rate:	0%	0%	0%	93%	0%	93%	95%	0%	95%	0%	0%	0%	0%
Delinquent Assessment Overview:													
Amount of delinquencies greater than 150 days (if greater than 10% of levy, list of landowners on second tab):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount of tax certificates sold, if any:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance remaining for sale from the most recent Fiscal Year:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\*\*Refer to notation regarding abeyance of capital assessments for additional detail concerning annual payments to the Trustee.

Combined Trust Estate Assets:



As remaining, undeveloped property has been acquired by an SPE for the benefit of the trustee and bondholders, capital assessments are presently held in abeyance. Consequently, limited assessment levy and collections data has been demonstrated above.



Waterford Estates Community Development District

Charlotte County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$5,900,000 Special Assessment Bonds Series 2006A Term Bond, May 1, 2037, 5.500% CUSIP - 941386AA2

\$6,895,000 Special Assessment Bonds Series 2006B Term Bond, May 1, 2013, 5.125% CUSIP - 941386AB0

**DEBT SERVICE REQUIREMENTS FOR 2006A BONDS:**

*Coupon Rate 5.500%*

	Principal		Interest		Total
11/1/06	\$ -	\$	81,125.00	\$	81,125.00
5/1/07	\$ -	\$	162,250.00	\$	162,250.00
11/1/07	\$ -	\$	162,250.00	\$	162,250.00
5/1/08	\$ 80,000.00	\$	162,250.00	\$	242,250.00
11/1/08	\$ -	\$	160,050.00	\$	160,050.00
5/1/09	\$ 85,000.00	\$	160,050.00	\$	245,050.00
11/1/09	\$ -	\$	157,712.50	\$	157,712.50
5/1/10	\$ 90,000.00	\$	157,712.50	\$	247,712.50
11/1/10	\$ -	\$	155,237.50	\$	155,237.50
5/1/11	\$ 95,000.00	\$	155,237.50	\$	250,237.50
11/1/11	\$ -	\$	152,625.00	\$	152,625.00
5/1/12	\$ 100,000.00	\$	152,625.00	\$	252,625.00
11/1/12	\$ -	\$	149,875.00	\$	149,875.00
5/1/13	\$ 105,000.00	\$	149,875.00	\$	254,875.00
11/1/13	\$ -	\$	146,987.50	\$	146,987.50
5/1/14	\$ 110,000.00	\$	146,987.50	\$	256,987.50
11/1/14	\$ -	\$	143,962.50	\$	143,962.50
5/1/15	\$ 115,000.00	\$	143,962.50	\$	258,962.50
11/1/15	\$ -	\$	140,800.00	\$	140,800.00
5/1/16	\$ 125,000.00	\$	140,800.00	\$	265,800.00
11/1/16	\$ -	\$	137,362.50	\$	137,362.50
5/1/17	\$ 130,000.00	\$	137,362.50	\$	267,362.50
11/1/17	\$ -	\$	133,787.50	\$	133,787.50
5/1/18	\$ 140,000.00	\$	133,787.50	\$	273,787.50
11/1/18	\$ -	\$	129,937.50	\$	129,937.50
5/1/19	\$ 145,000.00	\$	129,937.50	\$	274,937.50
11/1/19	\$ -	\$	125,950.00	\$	125,950.00
5/1/20	\$ 155,000.00	\$	125,950.00	\$	280,950.00
11/1/20	\$ -	\$	121,687.50	\$	121,687.50
5/1/21	\$ 160,000.00	\$	121,687.50	\$	281,687.50
11/1/21	\$ -	\$	117,287.50	\$	117,287.50
5/1/22	\$ 170,000.00	\$	117,287.50	\$	287,287.50
11/1/22	\$ -	\$	112,612.50	\$	112,612.50
5/1/23	\$ 180,000.00	\$	112,612.50	\$	292,612.50
11/1/23	\$ -	\$	107,662.50	\$	107,662.50
5/1/24	\$ 190,000.00	\$	107,662.50	\$	297,662.50
11/1/24	\$ -	\$	102,437.50	\$	102,437.50
5/1/25	\$ 200,000.00	\$	102,437.50	\$	302,437.50
11/1/25	\$ -	\$	96,937.50	\$	96,937.50
5/1/26	\$ 215,000.00	\$	96,937.50	\$	311,937.50
11/1/26	\$ -	\$	91,025.00	\$	91,025.00
5/1/27	\$ 225,000.00	\$	91,025.00	\$	316,025.00
11/1/27	\$ -	\$	84,837.50	\$	84,837.50
5/1/28	\$ 240,000.00	\$	84,837.50	\$	324,837.50
11/1/28	\$ -	\$	78,237.50	\$	78,237.50
5/1/29	\$ 250,000.00	\$	78,237.50	\$	328,237.50
11/1/29	\$ -	\$	71,362.50	\$	71,362.50
5/1/30	\$ 265,000.00	\$	71,362.50	\$	336,362.50
11/1/30	\$ -	\$	64,075.00	\$	64,075.00
5/1/31	\$ 280,000.00	\$	64,075.00	\$	344,075.00
11/1/31	\$ -	\$	56,375.00	\$	56,375.00
5/1/32	\$ 295,000.00	\$	56,375.00	\$	351,375.00
11/1/32	\$ -	\$	48,262.50	\$	48,262.50
5/1/33	\$ 315,000.00	\$	48,262.50	\$	363,262.50
11/1/33	\$ -	\$	39,600.00	\$	39,600.00
5/1/34	\$ 330,000.00	\$	39,600.00	\$	369,600.00
11/1/34	\$ -	\$	30,525.00	\$	30,525.00
5/1/35	\$ 350,000.00	\$	30,525.00	\$	380,525.00
11/1/35	\$ -	\$	20,900.00	\$	20,900.00
5/1/36	\$ 370,000.00	\$	20,900.00	\$	390,900.00
11/1/36	\$ -	\$	10,725.00	\$	10,725.00
5/1/37	\$ 390,000.00	\$	10,725.00	\$	400,725.00
<b>TOTAL</b>	<b>\$ 5,900,000.00</b>	<b>\$</b>	<b>6,545,550.00</b>	<b>\$</b>	<b>12,445,550.00</b>

**Waterford Estates Community Development District**

**Charlotte County, Florida**

**Quarterly Disclosure Report, Period Ending June 30, 2016**

**\$5,900,000 Special Assessment Bonds Series 2006A Term Bond, May 1, 2037, 5.500% CUSIP - 941386**

**\$6,895,000 Special Assessment Bonds Series 2006B Term Bond, May 1, 2013, 5.125% CUSIP - 941386**

<b>DEBT SERVICE REQUIREMENTS FOR 2006B BONDS: (1)</b>
---

*Coupon Rate 5.125%*

	<b>Principal</b>		<b>Interest</b>		<b>Total</b>
11/1/06	\$	-	\$	88,342.25	\$ 88,342.25
5/1/07	\$	-	\$	176,684.38	\$ 176,684.38
11/1/07	\$	-	\$	176,684.38	\$ 176,684.38
5/1/08	\$	-	\$	176,684.38	\$ 176,684.38
11/1/08	\$	-	\$	176,684.38	\$ 176,684.38
5/1/09	\$	-	\$	176,684.38	\$ 176,684.38
11/1/09	\$	-	\$	176,684.38	\$ 176,684.38
5/1/10	\$	-	\$	176,684.38	\$ 176,684.38
11/1/10	\$	-	\$	176,684.38	\$ 176,684.38
5/1/11	\$	-	\$	176,684.38	\$ 176,684.38
11/1/11	\$	-	\$	176,684.38	\$ 176,684.38
5/1/12	\$	-	\$	176,684.38	\$ 176,684.38
11/1/12	\$	-	\$	176,684.38	\$ 176,684.38
5/1/13	\$	-	\$	176,684.38	\$ 176,684.38
<b>TOTAL</b>	<b>\$</b>	<b>6,895,000.00</b>	<b>\$</b>	<b>2,385,239.13</b>	<b>\$ 2,385,239.13</b>

**Waterford Estates Community Development District**

**Charlotte County, Florida**

**Quarterly Disclosure Report, Period Ending June 30, 2016**

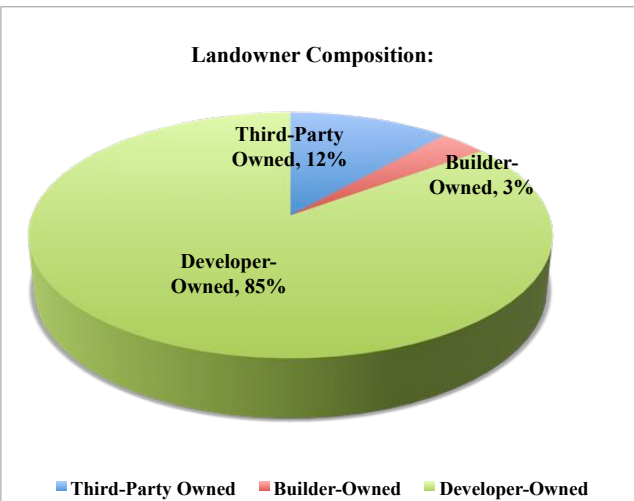
**\$5,900,000 Special Assessment Bonds Series 2006A Term Bond, May 1, 2037, 5.500% CUSIP - 941386AA2**

**\$6,895,000 Special Assessment Bonds Series 2006B Term Bond, May 1, 2013, 5.125% CUSIP - 941386AB0**

**BOND ALLOCATION AND CAPITAL IMPROVEMENT OVERVIEW:**

PROPERTY SECURING SERIES 2006 BONDS, BY PRODUCT TYPE:	Units	SERIES 2006 BONDS		SERIES 2006 BONDS	
		Par Value, Per Product	Par Value, Per Unit	Annual Assmt, Per Product	Annual Asmt, Per Unit
Single-Family:	211	5,078,527	24,069	148,755	705
Villa:	266	4,481,620	16,848	150,024	564
Townhome:	224	3,234,853	14,441	105,280	470
<b>Total Units:</b>	<b>701</b>	<b>12,795,000</b>		<b>404,059</b>	

LANDOWNER COMPOSITION:	Units	Acreage	% of Total	Estimated Buildout Date:
<b>Third-Party Owned:</b>				
Single-Family:	81	-	12%	<i>To be determined upon disposition of SPE-held assets</i>
Villa:	-	-	0%	
Townhome:	-	-	0%	
<b>Total Third-Party Owned Units:</b>	<b>81</b>	<b>-</b>	<b>12%</b>	
<b>Builder-Owned (DR Horton):</b>				
Single-Family:	24	-	3%	
Villa:	-	-	0%	
Townhome:	-	-	0%	
<b>Total Developer-Held Units:</b>	<b>24</b>	<b>-</b>	<b>3%</b>	
<b>Developer-Held (SPE):</b>				
Single-Family:	106	-	15%	
Villa:	266	-	38%	
Townhome:	224	-	32%	
<b>Total Developer-Held Units:</b>	<b>596</b>	<b>-</b>	<b>85%</b>	
<b>Total Development Acreage/Density:</b>	<b>701</b>	<b>-</b>	<b>100%</b>	



**CAPITAL IMPROVEMENT PROGRAM OVERVIEW:**

<b>Improvements Financed With Series 2006 Bonds:</b>	\$ 11,097,149
<b>Infrastructure Costs Required to Complete CIP:</b>	\$ -
<b>Total Capital Improvement Plan Cost Estimate:</b>	<b>\$ 11,097,149</b>

**SERIES 2006 FINANCING OVERVIEW:**

	As of 12/31/2015	As of 3/31/2016	As of 6/30/2016	As of 9/30/2016
Percentage of total construction proceeds spent:	96.70%	96.72%	96.72%	0.00%
Estimated cost to complete capital improvement plan:	\$366,650	\$363,465	\$363,511	\$0
Remaining capital proceeds available to facilitate capital plan:	\$366,650	\$363,465	\$363,511	\$0

**Waterford Estates Community Development District**

**Charlotte County, Florida**

**Quarterly Disclosure Report, Period Ending June 30, 2016**

**\$5,900,000 Special Assessment Bonds Series 2006A Term Bond, May 1, 2037, 5.500% CUSIP - 941386AA2**

**\$6,895,000 Special Assessment Bonds Series 2006B Term Bond, May 1, 2013, 5.125% CUSIP - 941386AB0**

<b>DEVELOPER (MAXCY DEVELOPMENT GROUP HOLDINGS - WATERFORD ESTATES, INC) ABSORPTION STATISTICS:</b>				
	<b>As of 6/30/2016</b>			
	<b>Closed to Homebuilder</b>	<b><i>Increase from 3/31/2016</i></b>	<b>Under Contract w/ Homebuilder</b>	<b>Not Closed or Under Contract</b>
<b>DR Horton:</b>				
Single-Family:	<b>105</b>	<b>8</b>	-	
Villa:	-	-	-	
Townhome:	-	-	-	
<b>Total Units:</b>	<b>105</b>	<b>8</b>	-	
<b>Total Absorption:</b>				
Single-Family:	<b>105</b>	<b>8</b>	-	<b>106</b>
Villa:	-	-	-	<b>266</b>
Townhome:	-	-	-	<b>224</b>
<b>Total Units:</b>	<b>105</b>	<b>8</b>	-	<b>596</b>

Waterford Estates Community Development District  
 Charlotte County, Florida  
 Quarterly Disclosure Report, Period Ending June 30, 2016  
 \$5,900,000 Special Assessment Bonds Series 2006A Term Bond, May 1, 2037, 5.500% CUSIP - 941386AA2  
 \$6,895,000 Special Assessment Bonds Series 2006B Term Bond, May 1, 2013, 5.125% CUSIP - 941386AB0

Homebuilder Absorption Statistics (DR Horton):							
	As of 6/30/2016						
	Under Construction	Fully Constructed	Under Contract w/ End-User	Closed to End-User	Increase from 3/31/2016	Average Sales Price of Homes Sold	Builder Inventory Not Closed or Under Contract
DR Horton:							
Single-Family:	17	86	16	81	18	-	8
Villa:	-	-	-	-	-	-	-
Townhome:	-	-	-	-	-	-	-
Total Units:	17	86	16	81	18	-	8

## **DEVELOPMENT CHANGES AND STATUS UPDATES:**

1. Detailed description of construction status: Phase I construction is complete and all infrastructure is in place. Phase II is 90% Complete. The second lift of asphalt and utility acceptance of Phase II is pending. The amenity clubhouse, playground and pool pavilion have been completed and opened to residents.
2. Status of sales activity within the Development: See absorption summary
3. Amount of delinquent tax-levied and direct-billed assessments for fiscal year 2015/2016 year (2015 tax year). If applicable, do sufficient reserves exist to bridge deficit in collections?: Assessments are presently held in abeyance.
4. Any bulk sales of land within the District other than in the ordinary course of business? None to report
5. The anchor (more than 10% of the square footage) tenants of non-residential property, if any: N/A
6. The status of development approvals for the Development: All of phase 1 is developed and phase 2 is 90% developed, and fully entitled with development approvals in compliance.
7. Any materially adverse changes or determinations to permits/approvals for the Development which necessitates changes to the Developer's land use plans, including a change in the number of lots planned for the Development? The number of lots planned for the Development has not changed, however there have been delays in the builder take down of lots stemming from concern about stray bullets from the adjacent County gun range. The County has constructed certain improvements to the gun range to address these concerns, but a lawsuit has been filed by the Developer against the Sheriff's Office and the County regarding the current and future use of the gun range
8. District or Developer material events: None to report
9. Updated plan of finance (i.e., status of any credit enhancement, issuance of additional bonds to complete project, draw on credit line of Developer, additional mortgage debt, etc.): None reported

### **NOTATIONS:**

- (1) The Estimated Cost To Complete CIP is based on the completion of Phase 1 improvements (211 SF lots) subject to DR Horton's contract. All improvements contemplated as part of the Series 2006 Project are complete. Only a portion of the original CIP was completed; however, 6-7 years have elapsed since completion. As a result, additional funds are assumed to be required to complete the CIP and bring the project up to County standards and acceptance.
- (2) Landowner of remaining unsold property is Maxcy Development Group Holdings-Waterford Estates, Inc. Land is held in the form of a special purpose entity for the benefit of bondholders. As such, apital assessments are held in abeyance until further notice is provided.
- (3) Property description, plan of development, square footage, and pricing depicts the original plans corresponding with the development at the time of bond issuance, which is subject to modification as the SPE negotiates the disposition of remaining property.
- (4) During Q413 DR Horton suspended homebuilding operations in the community following the discovery of the existence and operation of a Charlotte County Sherri's Department shooting range in close proximity to the community. DR Horton and the SPE are in discussions with Charlotte County and the City of Punta Gorda in an effort to determine the impact(s) to the community, as well as potential solutions to discontinuing and/or relocating the shooting range to an alternative location. A timeframe for resolution is not currently known. During Q1 2015 DR Horton recommenced operations, but limited activity to specific areas of phase 1 pending resolution of the gun range situation.

SOUTH BAY COMMUNITY DEVELOPMENT DISTRICT  
SERIES 2015 BONDS

QUARTERLY DISCLOSURE REPORT  
PERIOD ENDING JUNE 30, 2016



PREPARED BY:  
**LERNER REPORTING SERVICES, INC.**  
5020 W. LINEBAUGH AVENUE, SUITE 250  
TAMPA, FL 33624  
PHONE: 813-915-3449 FAX: 813-915-0649  
[WWW.LERNERADVISORS.COM](http://WWW.LERNERADVISORS.COM)

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## Project Overview

The South Bay Community Development District is a master-planned, single-family residential development located within Hillsborough County, Florida and comprising approximately 367 acres. The Series 2015 Bonds exchanged the previously issued Series 2005 Bonds and served to delineate the builder/end-user occupied sector from lands acquired by the SPE. This project offers a distinct competitive advantage due to its proximity to the Tampa Bay and Little Manatee River. South Bay CDD Holdings, Inc. (an SPE) was established, for the benefit of the trustee and bondholders, to acquire the balance of the undeveloped property formerly owned by the developer. The development information contained herein has been provided by development entities associated with the undeveloped property. The District Manager and Trustee have provided all financial data supplied herein.

*Lerner Reporting Services* (“LRS”) has been engaged as the dissemination agent tasked with submission of quarterly, annual, and material event disclosures, as outlined within the Continuing Disclosure Agreement of the Series 2015 Bonds.

**All questions pertaining to the data supplied within the attached should be directed to LRS at 813-915-3449.**

## Financial Snapshot

The Series 2015A-1 and 2015B-1 bonds encumber all properties not acquired by the District and carry current-interest terms, while the Series 2015A-2 and 2015B-2 bonds encumber SPE-held lands and are subject to a convertible capital appreciation bond structure.

## Landowner Composition and Product Absorption

Platted lands are end-user occupied, while undeveloped lands are pending development and/or resale. To date, the only undeveloped property with a pending contract for resale is the Serenity Bay single-family tract, as noted herein.

South Bay Community Development District

Hillsborough County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$9,970,000 Capital Improvement Revenue Refunding Bonds Series 2015A-1, May 1, 2036, 5.95% CUSIP - 836454AD0

\$9,070,000 Capital Improvement Revenue Refunding Bonds Series 2015B-1, May 1, 2020, 5.125% CUSIP - 836454AE8

**FINANCIAL OVERVIEW (SERIES 2015A-1 AND 2015B-1 BONDS, SECURED BY END-USER OCCUPIED AND BUILDER-OWNED UNITS):**

	FISCAL YEAR 2014/2015 TRUST ESTATE ASSETS											
	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016		
SERIES 2015 SPECIAL ASSESSMENT BOND OVERVIEW:	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL
Par Amount of Bonds Outstanding:	\$ 9,830,000	\$ 9,070,000	\$ 18,900,000	\$ 9,830,000	\$ 9,070,000	\$ 18,900,000	\$ 9,590,000	\$ 9,070,000	\$ 18,660,000	\$ -	\$ -	\$ -
% of Bonds Prepaid	1%	9%		1%	9%		4%	9%		0%	0%	
Combined Trust Estate Assets:	\$ 413,082	\$ 673,006	\$ 1,086,088	\$ 413,082	\$ 1,199,293	\$ 1,612,375	\$ 413,082	\$ 547,894	\$ 960,976	\$ -	\$ -	\$ -
Costs of Issuance Fund Balance:	\$ -	\$ 1,686	\$ 1,686	\$ -	\$ 1,686	\$ 1,686	\$ -	\$ 1,686	\$ 1,686	\$ -	\$ -	\$ -
Interest Fund Balance:	\$ -	\$ 9,273	\$ 9,273	\$ -	\$ 237,056	\$ 237,056	\$ -	\$ 9,276	\$ 9,276	\$ -	\$ -	\$ -
Reserve Fund Balance:	\$ 411,396	\$ 232,419	\$ 643,815	\$ 411,396	\$ 232,419	\$ 643,815	\$ 411,396	\$ 232,419	\$ 643,815	\$ -	\$ -	\$ -
Revenue Fund Balance:	\$ -	\$ 431,314	\$ 431,314	\$ -	\$ 729,818	\$ 729,818	\$ -	\$ 306,199	\$ 306,199	\$ -	\$ -	\$ -

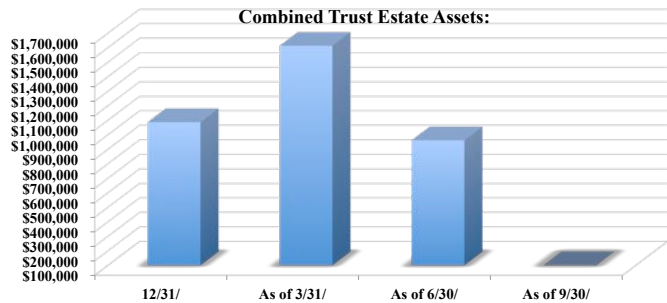
  

FISCAL YEAR 2015/2016 DEBT SERVICE ANALYSIS:	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016			FISCAL YEAR 2016/2017 DEBT SERVICE PAYMENTS DUE:
SEMI-ANNUAL DEBT SERVICE PAYMENTS DUE:	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	
November 1, 2015:	\$ 292,443	\$ 232,419	\$ 524,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May 1, 2016:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 532,443	\$ 232,419	\$ 764,861	\$ -	\$ -	\$ -	\$ -
Fiscal Year 2016/2017 Debt Service Payments Due:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 464,838
Total Debt Service Payments Due:	\$ 292,443	\$ 232,419	\$ 524,861	\$ -	\$ -	\$ -	\$ 532,443	\$ 232,419	\$ 764,861	\$ -	\$ -	\$ -	\$ 464,838

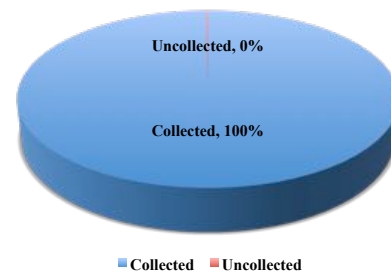
  

SPECIAL ASSESSMENT LEVY:	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	2015A-1	2015B-1	TOTAL	
Capitalized Interest Proceeds:													
Capitalized Interest Funds Utilized to Service Payment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Levy and District Invoicing:													
Tax-Levied Assessments:	\$ 626,775	\$ -	\$ 626,775	\$ 626,775	\$ -	\$ 626,775	\$ 626,775	\$ -	\$ 626,775	\$ -	\$ -	\$ -	\$ -
Direct-Billed Assessments:	\$ 184,468	\$ 237,055	\$ 421,523	\$ 184,468	\$ 237,055	\$ 421,523	\$ 245,957	\$ 241,692	\$ 487,649	\$ -	\$ -	\$ -	\$ -
Total Capitalized Interest and District Assessment Levy:	\$ 811,243	\$ 237,055	\$ 1,048,298	\$ 811,243	\$ 237,055	\$ 1,048,298	\$ 872,732	\$ 241,692	\$ 1,114,424	\$ -	\$ -	\$ -	\$ -
Total Assessment Collections:													
Tax-Levied Collections:	\$ -	\$ -	\$ -	\$ 583,781	\$ -	\$ 583,781	\$ 625,198	\$ -	\$ 625,198	\$ -	\$ -	\$ -	\$ -
Direct-Billed Collections:	\$ -	\$ -	\$ -	\$ 184,468	\$ 237,055	\$ 421,523	\$ 245,957	\$ 241,692	\$ 487,649	\$ -	\$ -	\$ -	\$ -
Total Assessment Collections:	\$ -	\$ -	\$ -	\$ 768,249	\$ 237,055	\$ 1,005,304	\$ 871,155	\$ 241,692	\$ 1,112,847	\$ -	\$ -	\$ -	\$ -
Assessment Collections Surplus/(Shortfall):	\$ (811,243)	\$ (237,055)	\$ (1,048,298)	\$ (42,994)	\$ -	\$ (42,994)	\$ (1,577)	\$ -	\$ (1,577)	\$ -	\$ -	\$ -	\$ -
Assessment Collections Rate:	0%	0%	0%	95%	100%	96%	100%	100%	100%	0%	0%	0%	0%
Delinquent Assessment Overview:													
Amount of delinquencies greater than 150 days (if greater than 10% of total):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount of tax certificates sold, if any:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance remaining for sale from the most recent Fiscal Year:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Combined Trust Estate Assets:



Fiscal Year 2015/2016 Annual Assessment Collections Rate:

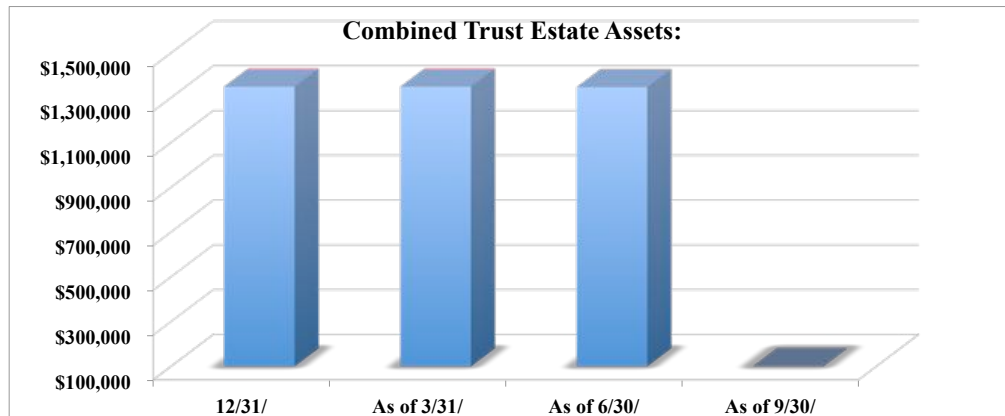


South Bay Community Development District  
Hillsborough County, Florida  
Quarterly Disclosure Report, Period Ending June 30, 2016  
\$11,280,000 Capital Improvement Revenue Refunding Bonds Series 2015A-2, May 1, 2036, 6.60% CUSIP - 836454AF5  
\$4,175,000 Capital Improvement Revenue Refunding Bonds Series 2015B-2, May 1, 2025, 6.60% CUSIP - 836454AG3

**FINANCIAL OVERVIEW (SERIES 2015A-2 AND 2015B-2 BONDS, SECURED BY SPE-HELD LANDS):**

	FISCAL YEAR 2015/2016 TRUST ESTATE ASSETS											
	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016		
	2015A-2	2015B-2	TOTAL	2015A-2	2015B-2	TOTAL	2015A-2	2015B-2	TOTAL	2015A-2	2015B-2	TOTAL
<b>SERIES 2015 SPECIAL ASSESSMENT BOND OVERVIEW:</b>												
Par Amount of Bonds Outstanding:	\$ 11,280,000	\$ 4,175,000	\$ 15,455,000	\$ 11,280,000	\$ 4,175,000	\$ 15,455,000	\$ 11,280,000	\$ 4,175,000	\$ 15,455,000	\$ -	\$ -	\$ -
% of Bonds Prepaid	0%	0%		0%	0%		0%	0%		0%	0%	
Combined Trust Estate Assets:	\$ 1,073,260	\$ 275,550	\$ 1,348,810	\$ 1,073,336	\$ 275,550	\$ 1,348,886	\$ 1,071,260	\$ 275,550	\$ 1,346,810	\$ -	\$ -	\$ -
Costs of Issuance Fund:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Fund:	\$ 1,073,260	\$ 275,550	\$ 1,348,810	\$ 1,073,260	\$ 275,550	\$ 1,348,810	\$ 1,071,260	\$ 275,550	\$ 1,346,810	\$ -	\$ -	\$ -
Prepayment Fund:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Fund:	\$ -	\$ -	\$ -	\$ 76	\$ -	\$ 76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FISCAL YEAR 2015/2016 DEBT SERVICE ANALYSIS:	As of 12/31/2015			As of 3/31/2016			As of 6/30/2016			As of 9/30/2016		
	2015A-2	2015B-2	TOTAL	2015A-2	2015B-2	TOTAL	2015A-2	2015B-2	TOTAL	2015A-2	2015B-2	TOTAL
SEMI-ANNUAL DEBT SERVICE PAYMENTS DUE:												
November 1, 2015:												
May 1, 2016:												
Total FY2015/2016 Debt Service Payments Due:												
SPECIAL ASSESSMENT LEVY:	<i>Bonds are structured as Convertible Capital Appreciation Bonds. No annual debt service is payable over the CAB period.</i>											
Gross Assessment Levy:												
Net Assessment Levy:												
Net Collections:												
Surplus/(Deficit) in Funds Collected to Service Debt:												



South Bay Community Development District

Hillsborough County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$9,970,000 Capital Improvement Revenue Refunding Bonds Series 2015A-1, May 1, 2036, 5.95% CUSIP - 836454AD0

\$9,070,000 Capital Improvement Revenue Refunding Bonds Series 2015B-1, May 1, 2020, 5.125% CUSIP - 836454AE8

\$11,280,000 Capital Improvement Revenue Refunding Bonds Series 2015A-2, May 1, 2036, 6.60% CUSIP - 836454AF5

\$4,175,000 Capital Improvement Revenue Refunding Bonds Series 2015B-2, May 1, 2025, 6.60% CUSIP - 836454AG3

**DEBT SERVICE REQUIREMENTS FOR 2015A-1 BONDS:**

*Coupon Rate 5.950%*

	Principal	Interest	Total
5/1/15 \$	140,000.00	\$ 59,321.50	\$ 199,321.50
11/1/15 \$	-	\$ 292,442.50	\$ 292,442.50
5/1/16 \$	240,000.00	\$ 292,442.50	\$ 532,442.50
11/1/16 \$	-	\$ 285,302.50	\$ 285,302.50
5/1/17 \$	255,000.00	\$ 285,302.50	\$ 540,302.50
11/1/17 \$	-	\$ 277,716.25	\$ 277,716.25
5/1/18 \$	275,000.00	\$ 277,716.25	\$ 552,716.25
11/1/18 \$	-	\$ 269,535.00	\$ 269,535.00
5/1/19 \$	290,000.00	\$ 269,535.00	\$ 559,535.00
11/1/19 \$	-	\$ 260,907.50	\$ 260,907.50
5/1/20 \$	310,000.00	\$ 260,907.50	\$ 570,907.50
11/1/20 \$	-	\$ 251,685.00	\$ 251,685.00
5/1/21 \$	325,000.00	\$ 251,685.00	\$ 576,685.00
11/1/21 \$	-	\$ 242,016.25	\$ 242,016.25
5/1/22 \$	345,000.00	\$ 242,016.25	\$ 587,016.25
11/1/22 \$	-	\$ 231,752.50	\$ 231,752.50
5/1/23 \$	370,000.00	\$ 231,752.50	\$ 601,752.50
11/1/23 \$	-	\$ 220,745.00	\$ 220,745.00
5/1/24 \$	390,000.00	\$ 220,745.00	\$ 610,745.00
11/1/24 \$	-	\$ 209,142.50	\$ 209,142.50
5/1/25 \$	415,000.00	\$ 209,142.50	\$ 624,142.50
11/1/25 \$	-	\$ 196,796.25	\$ 196,796.25
5/1/26 \$	440,000.00	\$ 196,796.25	\$ 636,796.25
11/1/26 \$	-	\$ 183,706.25	\$ 183,706.25
5/1/27 \$	465,000.00	\$ 183,706.25	\$ 648,706.25
11/1/27 \$	-	\$ 169,872.50	\$ 169,872.50
5/1/28 \$	495,000.00	\$ 169,872.50	\$ 664,872.50
11/1/28 \$	-	\$ 155,146.25	\$ 155,146.25
5/1/29 \$	525,000.00	\$ 155,146.25	\$ 680,146.25
11/1/29 \$	-	\$ 139,527.50	\$ 139,527.50
5/1/30 \$	555,000.00	\$ 139,527.50	\$ 694,527.50
11/1/30 \$	-	\$ 123,016.25	\$ 123,016.25
5/1/31 \$	590,000.00	\$ 123,016.25	\$ 713,016.25
11/1/31 \$	-	\$ 105,463.75	\$ 105,463.75
5/1/32 \$	630,000.00	\$ 105,463.75	\$ 735,463.75
11/1/32 \$	-	\$ 86,721.25	\$ 86,721.25
5/1/33 \$	665,000.00	\$ 86,721.25	\$ 751,721.25
11/1/33 \$	-	\$ 66,937.50	\$ 66,937.50
5/1/34 \$	705,000.00	\$ 66,937.50	\$ 771,937.50
11/1/34 \$	-	\$ 45,963.75	\$ 45,963.75
5/1/35 \$	750,000.00	\$ 45,963.75	\$ 795,963.75
11/1/35 \$	-	\$ 23,651.25	\$ 23,651.25
5/1/36 \$	795,000.00	\$ 23,651.25	\$ 818,651.25
<b>TOTAL</b>	<b>\$ 9,970,000.00</b>	<b>\$ 7,735,416.50</b>	<b>\$ 17,705,416.50</b>

South Bay Community Development District  
Hillsborough County, Florida  
Quarterly Disclosure Report, Period Ending June 30, 2016  
\$9,970,000 Capital Improvement Revenue Refunding Bonds Series 2015A-1, May 1, 2036, 5.95% CUSIP - 836454AD0  
\$9,070,000 Capital Improvement Revenue Refunding Bonds Series 2015B-1, May 1, 2020, 5.125% CUSIP - 836454AE8  
\$11,280,000 Capital Improvement Revenue Refunding Bonds Series 2015A-2, May 1, 2036, 6.60% CUSIP - 836454AF5  
\$4,175,000 Capital Improvement Revenue Refunding Bonds Series 2015B-2, May 1, 2025, 6.60% CUSIP - 836454AG3

**DEBT SERVICE REQUIREMENTS FOR 2015A-2 BONDS:**

Coupon Rate 6.600%

	Accreted Interest, Thru								
	Initial Principal Value	CAB Period	Total Bond Value	Principal	Interest	Total			
5/1/15 \$	8,928,571.20 \$	58,204.80 \$	8,986,776.00 \$	- \$	- \$	- \$			
11/1/15 \$	8,928,571.20 \$	354,756.00 \$	9,283,327.20 \$	- \$	- \$	- \$			
5/1/16 \$	8,928,571.20 \$	661,120.80 \$	9,589,692.00 \$	- \$	- \$	- \$			
11/1/16 \$	8,928,571.20 \$	977,637.60 \$	9,906,208.80 \$	- \$	- \$	- \$			
5/1/17 \$	8,928,571.20 \$	1,304,532.00 \$	10,233,103.20 \$	- \$	- \$	- \$			
11/1/17 \$	8,928,571.20 \$	1,642,142.40 \$	10,570,713.60 \$	- \$	- \$	- \$			
5/1/18 \$	8,928,571.20 \$	1,991,032.80 \$	10,919,604.00 \$	- \$	- \$	- \$			
11/1/18 \$	8,928,571.20 \$	2,351,428.80 \$	11,280,000.00 \$	- \$	- \$	- \$			
5/1/19 \$	- \$	- \$	- \$	340,000.00 \$	372,240.00 \$	712,240.00 \$			
11/1/19 \$	- \$	- \$	- \$	- \$	361,020.00 \$	361,020.00 \$			
5/1/20 \$	- \$	- \$	- \$	360,000.00 \$	361,020.00 \$	721,020.00 \$			
11/1/20 \$	- \$	- \$	- \$	- \$	349,140.00 \$	349,140.00 \$			
5/1/21 \$	- \$	- \$	- \$	385,000.00 \$	349,140.00 \$	734,140.00 \$			
11/1/21 \$	- \$	- \$	- \$	- \$	336,435.00 \$	336,435.00 \$			
5/1/22 \$	- \$	- \$	- \$	410,000.00 \$	336,435.00 \$	746,435.00 \$			
11/1/22 \$	- \$	- \$	- \$	- \$	322,905.00 \$	322,905.00 \$			
5/1/23 \$	- \$	- \$	- \$	440,000.00 \$	322,905.00 \$	762,905.00 \$			
11/1/23 \$	- \$	- \$	- \$	- \$	308,385.00 \$	308,385.00 \$			
5/1/24 \$	- \$	- \$	- \$	470,000.00 \$	308,385.00 \$	778,385.00 \$			
11/1/24 \$	- \$	- \$	- \$	- \$	292,875.00 \$	292,875.00 \$			
5/1/25 \$	- \$	- \$	- \$	500,000.00 \$	292,875.00 \$	792,875.00 \$			
11/1/25 \$	- \$	- \$	- \$	- \$	276,375.00 \$	276,375.00 \$			
5/1/26 \$	- \$	- \$	- \$	535,000.00 \$	276,375.00 \$	811,375.00 \$			
11/1/26 \$	- \$	- \$	- \$	- \$	258,720.00 \$	258,720.00 \$			
5/1/27 \$	- \$	- \$	- \$	570,000.00 \$	258,720.00 \$	828,720.00 \$			
11/1/27 \$	- \$	- \$	- \$	- \$	239,910.00 \$	239,910.00 \$			
5/1/28 \$	- \$	- \$	- \$	610,000.00 \$	239,910.00 \$	849,910.00 \$			
11/1/28 \$	- \$	- \$	- \$	- \$	219,780.00 \$	219,780.00 \$			
5/1/29 \$	- \$	- \$	- \$	655,000.00 \$	219,780.00 \$	874,780.00 \$			
11/1/29 \$	- \$	- \$	- \$	- \$	198,165.00 \$	198,165.00 \$			
5/1/30 \$	- \$	- \$	- \$	700,000.00 \$	198,165.00 \$	898,165.00 \$			
11/1/30 \$	- \$	- \$	- \$	- \$	175,065.00 \$	175,065.00 \$			
5/1/31 \$	- \$	- \$	- \$	745,000.00 \$	175,065.00 \$	920,065.00 \$			
11/1/31 \$	- \$	- \$	- \$	- \$	150,480.00 \$	150,480.00 \$			
5/1/32 \$	- \$	- \$	- \$	795,000.00 \$	150,480.00 \$	945,480.00 \$			
11/1/32 \$	- \$	- \$	- \$	- \$	124,245.00 \$	124,245.00 \$			
5/1/33 \$	- \$	- \$	- \$	850,000.00 \$	124,245.00 \$	974,245.00 \$			
11/1/33 \$	- \$	- \$	- \$	- \$	96,195.00 \$	96,195.00 \$			
5/1/34 \$	- \$	- \$	- \$	910,000.00 \$	96,195.00 \$	1,006,195.00 \$			
11/1/34 \$	- \$	- \$	- \$	- \$	66,165.00 \$	66,165.00 \$			
5/1/35 \$	- \$	- \$	- \$	970,000.00 \$	66,165.00 \$	1,036,165.00 \$			
11/1/35 \$	- \$	- \$	- \$	- \$	34,155.00 \$	34,155.00 \$			
5/1/36 \$	- \$	- \$	- \$	1,035,000.00 \$	34,155.00 \$	1,069,155.00 \$			
<b>TOTAL</b>				<b>\$ 11,280,000.00</b>	<b>\$ 7,992,270.00</b>	<b>\$ 19,272,270.00</b>			

South Bay Community Development District

Hillsborough County, Florida

Quarterly Disclosure Report, Period Ending June 30, 2016

\$9,970,000 Capital Improvement Revenue Refunding Bonds Series 2015A-1, May 1, 2036, 5.95% CUSIP - 836454AD0

\$9,070,000 Capital Improvement Revenue Refunding Bonds Series 2015B-1, May 1, 2020, 5.125% CUSIP - 836454AE8

\$11,280,000 Capital Improvement Revenue Refunding Bonds Series 2015A-2, May 1, 2036, 6.60% CUSIP - 836454AF5

\$4,175,000 Capital Improvement Revenue Refunding Bonds Series 2015B-2, May 1, 2025, 6.60% CUSIP - 836454AG3

**DEBT SERVICE REQUIREMENTS FOR 2015B-1 BONDS:**

*Coupon Rate 5.125%*

	Principal		Interest		Total
5/1/15	\$	-	\$	46,483.75	\$ 46,483.75
11/1/15	\$	-	\$	232,418.75	\$ 232,418.75
5/1/16	\$	-	\$	232,418.75	\$ 232,418.75
11/1/16	\$	-	\$	232,418.75	\$ 232,418.75
5/1/17	\$	-	\$	232,418.75	\$ 232,418.75
11/1/17	\$	-	\$	232,418.75	\$ 232,418.75
5/1/18	\$	-	\$	232,418.75	\$ 232,418.75
11/1/18	\$	-	\$	232,418.75	\$ 232,418.75
5/1/19	\$	-	\$	232,418.75	\$ 232,418.75
11/1/19	\$	-	\$	232,418.75	\$ 232,418.75
5/1/20	\$	9,070,000.00	\$	232,418.75	\$ 9,302,418.75
<b>TOTAL</b>	<b>\$</b>	<b>9,070,000.00</b>	<b>\$</b>	<b>2,370,671.25</b>	<b>\$ 11,440,671.25</b>

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**DEBT SERVICE REQUIREMENTS FOR 2015B-2 BONDS:**

Coupon Rate 6.600%

	Initial Principal Value	Accreted Interest, Throuh CAB Period	Total Bond Value	Principal	Interest	Total
5/1/15	\$ 3,304,679.50	\$ 21,543.00	\$ 3,326,222.50	\$ -	\$ -	\$ -
11/1/15	\$ 3,304,679.50	\$ 131,303.75	\$ 3,435,983.25	\$ -	\$ -	\$ -
5/1/16	\$ 3,304,679.50	\$ 244,696.75	\$ 3,549,376.25	\$ -	\$ -	\$ -
11/1/16	\$ 3,304,679.50	\$ 361,847.25	\$ 3,666,526.75	\$ -	\$ -	\$ -
5/1/17	\$ 3,304,679.50	\$ 482,838.75	\$ 3,787,518.25	\$ -	\$ -	\$ -
11/1/17	\$ 3,304,679.50	\$ 607,796.50	\$ 3,912,476.00	\$ -	\$ -	\$ -
5/1/18	\$ 3,304,679.50	\$ 736,929.25	\$ 4,041,608.75	\$ -	\$ -	\$ -
11/1/18	\$ 3,304,679.50	\$ 870,320.50	\$ 4,175,000.00	\$ -	\$ -	\$ -
5/1/19	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
11/1/19	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
5/1/20	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
11/1/20	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
5/1/21	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
11/1/21	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
5/1/22	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
11/1/22	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
5/1/23	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
11/1/23	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
5/1/24	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
11/1/24	\$ -	\$ -	\$ -	\$ -	\$ 137,775.00	\$ 137,775.00
5/1/25	\$ -	\$ -	\$ -	\$ 4,175,000.00	\$ 137,775.00	\$ 4,312,775.00
<b>TOTAL</b>				<b>\$ 4,175,000.00</b>	<b>\$ 1,791,075.00</b>	<b>\$ 5,966,075.00</b>

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DELINQUENT LANDOWNERS, AS DELINEATED BY % OF DELINQUENT ASSESSMENTS:	
LANDOWNER NAME:	AMOUNT OF DELINQUENT ASSESSMENTS:
No delinquent landowners	
	\$ -
	\$ -
	\$ -
	\$ -

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**BOND ALLOCATION AND CAPITAL IMPROVEMENT OVERVIEW:**

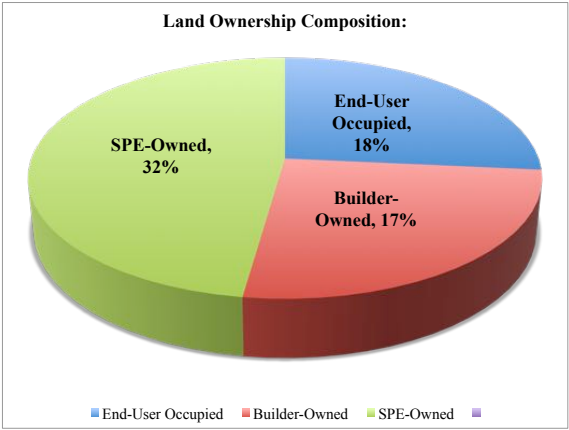
SERIES 2015A-1 BOND ALLOCATION						SERIES 2015B-1 BOND ALLOCATION			
PROPERTY SECURING SERIES 2015A-1 AND SERIES 2015B-1 BONDS, BY PRODUCT TYPE (BUILDER AND END-USER OCCUPIED LOTS - SEE NOTATION 1:	Units	Par Debt, Per Product Type	Par Debt, Per Unit	Annual Assessment, Per Product Type	Annual Assessment, Per Unit	Par Debt, Per Product Type	Par Debt, Per Unit	Annual Assessment, Per Product Type	Annual Assessment, Per Unit
Hotel (Retail)	94.00	\$ 523,672	\$ 5,571	\$ 43,206	\$ 460	\$ -	\$ -	\$ -	\$ -
Townhomes (Retail)	154.00	\$ 3,386,569	\$ 21,991	\$ 279,415	\$ 1,814	\$ 7,132,955	\$10,881-\$19,950	\$ 365,565	\$558-\$1,022
Townhomes (Builder)	66.00	\$ -	\$ -	\$ -	\$ -	\$ 1,316,724	\$ 19,950	\$ 67,481	\$ 1,022
Single-Family Homes (Builder)	198.00	\$ 5,805,547	\$ 29,321	\$ 478,997	\$ 2,419	\$ -	\$ -	\$ -	\$ -
Commercial/Retail (Builder)	8.50	\$ -	\$ -	\$ -	\$ -	\$ 258,446	\$29,926-\$32,644	\$ 13,245	\$1,533-\$1,673
Boat Slips (Builder)	11.57	\$ 254,213	\$ 43,981	\$ 20,974	\$ 3,629	\$ 361,876	\$ 31,277	\$ 18,547	\$ 1,603
<b>Total Units:</b>	<b>438.07</b>	<b>\$ 9,446,328</b>				<b>\$ 9,070,000</b>		<b>\$ 464,838</b>	

SERIES 2015A-2 BOND ALLOCATION						SERIES 2015B-2 BOND ALLOCATION			
PROPERTY SECURING SERIES 2015 BONDSA-2 AND SERIES 2015B-2 BONDS, BY PRODUCT TYPE (SPE-HELD LOTS - SEE NOTATION 2):	Units	Par Debt, Per Product Type	Par Debt, Per Unit	Annual Assessment, Per Product Type	Annual Assessment, Per Unit	Par Debt, Per Product Type	Par Debt, Per Unit	Annual Assessment, Per Product Type	Annual Assessment, Per Unit
Condominiums	20	\$ 530,200	\$ 26,510	\$ 50,447	\$ 2,522	\$ 695,833	\$ 34,792	\$ 45,925	\$ 2,296
Townhomes (K, N, and P)	100	\$ 2,650,999	\$ 26,510	\$ 252,235	\$ 2,522	\$ 974,167	\$ 34,792	\$ 229,625	\$ 2,296
Townhomes (Q-Riverton Tract)	86	\$ 1,709,894	\$ 19,882	\$ 162,692	\$ 1,892	\$ 1,113,333	\$ -	\$ -	\$ -
Single-Family Homes (Q-Riverton Tract)	241	\$ 6,388,907	\$ 26,510	\$ 607,886	\$ 2,522	\$ 1,391,667	\$ -	\$ -	\$ -
<b>Total Units:</b>	<b>447</b>	<b>\$ 11,280,000</b>				<b>\$ 4,175,000</b>		<b>\$ 275,550</b>	

**SERIES 2015 FINANCING OVERVIEW:**

	As of 12/31/2015	As of 3/31/2016	As of 6/30/2016	As of 9/30/2016
Percentage of total construction proceeds spent:	<i>All capital proceeds were utilized prior to the 2015 refunding.</i>			
Estimated cost to complete capital improvement plan:				
Remaining capital proceeds available to facilitate capital plan:				

LANDOWNER COMPOSITION:	Units	Acreage	% of Total	Estimated Buildout Date:
<b>End-User Occupied:</b>				<i>TBD</i>
Hotel	94	-	7%	
Townhomes	154	-	11%	
<b>Total End-User Occupied Units:</b>	<b>248</b>	<b>-</b>	<b>18%</b>	
<b>Builder-Owned:</b>				
Condos	483	-	34%	
Single-Family	198	-	14%	
Commercial/Retail	8.50	-	1%	
Boat Slips	17.35	-	1%	
<b>Total End-User Occupied Units:</b>	<b>706.85</b>	<b>-</b>	<b>0.50</b>	
<b>SPE-Owned:</b>				
Condos	20	-	1%	
Townhomes (K, N, and P)	100	-	7%	
Townhomes (Q-Riverton Tract)	86	-	6%	
Single-Family Homes (Q-Riverton Tract)	241	-	17%	
<b>Total SPE-Owned:</b>	<b>447</b>	<b>-</b>	<b>32%</b>	
<b>Total Development Acreage/Density:</b>	<b>1,401.85</b>	<b>-</b>	<b>100%</b>	



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DEVELOPER (SPE) ABSORPTION STATISTICS (SECURING 2015A-2 AND SERIES 2015B-2 BONDS):				
	As of 6/30/2016			
	Closed to Homebuilder	Increase from 3/31/2016	Under Contract w/ Homebuilder	Not Closed or Under Contract
Total Absorption:				
Condominiums	-	-	-	20
Townhomes (K, N, and P)	-	-	-	100
Townhomes (Q-Riverton Tract)	-	-	-	86
Single-Family Homes (Q-Riverton Tract)	-	-	-	241
Total Units:	-	-	-	447

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HOMEBUILDER SALES PRIOR TO 2015 RESTRUCTURING (RETAIL-OWNED UNITS)							
	As of 6/30/2016						
	Under Construction	Fully Constructed	Under Contract	Closed	Increase from 3/31/2016	Average Sales Price of Homes Sold	Inventory Not Closed or Under Contract
<b>Retail-Owned Units:</b>							
Hotel	-	-	-	94	-		
Townhomes	-	-	-	154	-		
<b>Total Units:</b>	-	-	-	248	-		N/A

HOMEBUILDER ABSORPTION STATISTICS:							
	As of 6/30/2016						
	Under Construction	Fully Constructed	Under Contract	Closed	Increase from 3/31/2016	Average Sales Price of Homes Sold	Inventory Not Closed or Under Contract
<b>Lennar Homes (Former Serenity Bay):</b>							
Single-Family	-	-	-	-	-	-	198
<b>Total Units:</b>	-	-	-	-	-	-	198
<b>Harborside Suites:</b>							
Condos	-	-	-	-	-	-	483
Commercial/Retail	-	-	-	-	-	-	8.50
<b>Boat Slips:</b>							
Boat Slips	-	-	-	-	-	-	17.35
<b>Total Absorption:</b>							
Condos	-	-	-	-	-	-	483
Single-Family	-	-	-	-	-	-	198
Commercial/Retail	-	-	-	-	-	-	8.50
Boat Slips	-	-	-	-	-	-	17.35
<b>Total Units:</b>	-	-	-	-	-	-	706.85

TOTAL ABSORPTION OF INVENTORY SECURED BY 2015A-1 AND 2015B-1 BONDS (EXEMPTS SPE-HELD UNITS):							
	As of 6/30/2016						
	Under Construction	Fully Constructed	Under Contract	Closed	Increase from 3/31/2016	Average Sales Price of Homes Sold	Inventory Not Closed or Under Contract
Hotel	-	-	-	94	-		-
Condos	-	-	-	-	-		483
Townhomes	-	-	-	154	-		-
Single-Family	-	-	-	-	-		198
Commercial/Retail	-	-	-	-	-		8.50
Boat Slips	-	-	-	-	-		17.35
<b>Total Units:</b>	-	-	-	248	-	N/A	706.85

**South Bay Community Development District**

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**DETAILED DEVELOPMENT OVERVIEW:**

1. Detailed description of construction status: All master infrastructure is in place for the multi-family pods and lot development is completed for all the single family pods with the exception of Riverton.
2. Status of sales activity within the Development: See the builder report for details on sales activity.
3. Amount of delinquent tax-levied and direct-billed assessments for fiscal year 2015-2016 year (2015 tax year). If applicable, do sufficient reserves exist to bridge deficit in collections?. No delinquencies to report.
4. Any bulk sales of land within the District other than in the ordinary course of business. Carter Hospitality (Harbourside Suites) purchased the “hammerhead” multifamily area from Peninsula Bank. This most recent Qtr, Lennar Homes, Tampa purchased 198 units from Florida Community Bank (Serenity Bay)
5. The anchor (more than 10% of the square footage) tenants of non-residential property, if any: N/A
6. The status of development approvals for the Development: The Zoning is approved and in compliance. The hammerhead area has been approved for 330 Condo-Hotel Units on 10-15-2015
7. Any materially adverse changes or determinations to permits/approvals for the Development of the Assessment Area which necessitate changes to the land use plans of any Obligated Person. None known.
8. The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area, including the amount, interest rate and terms of repayment. The Bond debt was restructured in 2015.
9. Sale, Assignment, or Transfer of ownership of real property in the Assessment Area to a third party, which will in turn be an Obligated Person. No data to report.

**Notations:**

- (1) Series 2015A-1 and 2-15B-1 Bonds are secured by lots held by a combination of builders/developers, and third-party held lots. Bonds are current-interest bearing securities.
- (2) Series 2015A-2 and 2015B-2 lots are secured by SPE-held property. Assessments have been restructured as Convertible CABs.