
**MINUTES OF MEETING
LAKESIDE COMMUNITY DEVELOPMENT DISTRICT**

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

The special meeting and public hearing of the Board of Supervisors of Lakeside Community Development District was held on **Wednesday, April 15, 2015 at 5:06 p.m.** at the facilities of Word of Life Fellowship, 13247 Word of Life Drive, Hudson, FL 34669.

Present and constituting a quorum:

Jacqueline Torr	Board Supervisor, Chairman
Samantha Edwards	Board Supervisors, Vice Chairman
Lee Thompson	Board Supervisor, Assistant Secretary
Bob Memoli	Board Supervisor, Assistant Secretary

Also present were:

Christine Perkins	District Manager, Rizzetta & Company, Inc.
Pete Williams	Vice President; Rizzetta & Company, Inc.
Scott Brizendine	Director of Financial Services; Rizzetta & Company, Inc.
Brooke DeVito	Financial Analyst, Rizzetta & Company, Inc.
Katie Buchanan	District Counsel, Hopping Green & Sams, P.A.
Paul Skidmore	District Engineer, Florida Design Consultants, Inc.

Audience

FIRST ORDER OF BUSINESS

Call to Order

Ms. Perkins called the meeting to order and conducted the roll.

SECOND ORDER OF BUSINESS

**General Information & History of
Lakeside CDD**

Mr. Williams provided a brief historical overview of Lakeside CDD, noting key dates as listed below:

District Established: August 27, 2007 (Pasco County Ordinance #07-19)

Notice of Establishment: Recorded September 7, 2007

Final Judgment of Validation (\$28M): Recorded November 6, 2007
(Validated November 5, 2007)

Notice of Special Assessments (Series 2008 Special Assessments): Recorded April 10, 2008

Disclosure of Public Finance: Recorded December 11, 2012

He also provided general information about Community Development Districts, their function, and how they differ from Homeowners' Associations (Exhibit A).

Ms. Buchanan explained that the hearing was taking place to (1) describe the improvements that were installed and/or acquired by the CDD for the benefit of lands within its boundaries; (2) to explain how the CDD would be issuing bonds to fund these improvements; and (3) detail how the District intended to levy special assessments on property benefiting from the improvements to repay the bonds. She stated that the existing infrastructure was funded constructed by the developer, and acquired by the District with the intent that the District would reimburse the Developer for the \$8.4 million spent on those improvements.

THIRD ORDER OF BUSINESS

Public Hearing on Special Assessments

On a Motion by Ms. Torr, seconded by Ms. Edwards, with all in favor, the Board of Supervisors opened the public hearing for the Lakeside Community Development District.

Ms. Buchanan asked Ms. Perkins to confirm that the public hearing was publicly noticed and that mailed notices were also sent to the residents. Ms. Perkins confirmed that the meeting was publicly noticed and that letters were sent to each landowner in the District as identified by the Pasco County Property Appraiser.

1. Final District Engineer's Report

Mr. Skidmore reviewed his report for the Board. He explained that the report outlines the existing and planned infrastructure improvements for the District (Capital Improvement Plan). Mr. Skidmore provided a cost estimate summary and reviewed the different types of improvements.

Total Estimated Cost of Capital Improvement Plan: \$15,662,584.00

- \$8.39M of Capital Improvement Plan completed to date.
- \$6.8M additional money spent on additional infrastructure improvements to date.

For the record, Ms. Buchanan asked Mr. Skidmore the following:

1. Based on your professional experience, are the cost estimates in your Engineer’s Report reasonable and proper? Mr. Skidmore responded “Yes”.
2. Are you aware of any reason to believe the Project cannot be carried out by the District? Mr. Skidmore responded “No”.
3. Have dedicated portions of the Project been maintained by the CDD since acceptance? Mr. Skidmore responded “Yes”.

2. Master Special Assessment Allocation Report

Ms. DeVito reviewed her report for the Board, noting that the District will not issue bonds in excess of the amounts set forth in the methodology report. She explained that as the Capital Improvement Plan includes a system of improvements, the District will levy and collect assessments from all benefited lands within the District. The District may issue bonds and levy assessments in multiple transactions, but will not levy assessments in an amount higher than that described in the report and notices. Ms. DeVito stated that because the allocation of the assessments differ from the base EAU allocation, the District will also recognize the infrastructure contributed by the Developer as an assessment credit representing the difference between the target maximum assessments and a baseline allocation. Ms. DeVito further noted the following information:

Category	Series 2015*
Original Balance	\$12,365,000
Annual Payment	\$775,987.50
Product Type	Annual Debt Service Assessment*
Carriage Home	\$850.00
Villa	\$900.00
45’ Lot	\$1,000.00
55’ Lot	\$1,000.00
80’ Lot	\$1,300.00

**(The preliminary annual debt service assessment includes Pasco County Collection Costs and Early Payment Discounts)*

For the record, Ms. Buchanan asked Ms. DeVito the following questions:

1. In your professional opinion, do the lands subject to the assessments receive special benefits from the District's Capital Improvement Program? Ms. DeVito responded "Yes".
2. In your professional opinion, are the Special Assessments reasonably apportioned among the lands subject to the special assessments? Ms. DeVito responded "Yes".
3. In your professional opinion, is it reasonable, proper and just to assess the costs of the Capital Improvement Program against the lands in the District in accordance with your methodology, which results in the Special Assessments set forth on the final assessment roll? Ms. DeVito responded "Yes".
4. Is it your opinion that the special benefits the lands will receive, as set forth in the final assessment roll, will be equal to or in excess of the Maximum Special Assessments thereon when allocated as set forth in the methodology? Ms. DeVito responded "Yes".
5. Is it your opinion that it is in the best interests of the District that the Maximum Special Assessments be paid and collected in accordance with the methodology and the District's assessment resolutions? Ms. DeVito responded "Yes".

3. Public Comment and Testimony

Various audience members addressed the Board with questions and concerns relating to the debt assessment being levied on their property. They expressed their displeasure and spoke out against the decision to have residents incur the additional expense as it poses an unexpected financial burden, one that they feel they were not informed of and is unfair. Several audience members expressed their confusion as to who decides if the fee is reasonable, how the amount of the assessment is determined, what happens if other landowners do not pay their assessment and why there is such a time lapse between when the District originally planned to issue the bonds and now. Certain residents stated they were unaware that the assessments were forthcoming and were not informed of this public hearing via mail. Residents also complained that the meeting time was inconvenient as many of them work and cannot make it during business hours. A gentleman inquired as to whether he may be considered exempt from this assessment via the Homestead Act as a disabled veteran. A resident commented about the clubhouse and bonds being issued for that facility. A resident asked if this assessment is above and beyond what they are currently

paying on their tax bill.

Mr. Williams responded to the various comments and questions. He stated that the District does all it can do to provide disclosures to the builders that sell the homes in the community. However, it cannot control how they disseminate the information. Mr. Williams explained that each landowner is responsible for their share of the assessment, which will not exceed the benefit such landowner receives from the District's improvements. Individual landowners are not responsible for assessments that go unpaid by any other individual landowner. He stated that due to unfavorable market conditions at the time, the District was unsuccessful in its attempt to issue the bonds back in 2007 and 2008, but that it was always the District and Developer's intent to do so. Mr. Williams explained that the assessment amounts are determined by product type/lot size, and the benefit being received by the existing improvements. In response to the Board of Supervisors meetings and meeting times, he explained that the CDD operates very much in the same way a County or City Commission does. The Board members currently seated on the Board were elected via a Landowner Election process. The Board meetings are advertised in the local newspaper at least seven days in advance of the scheduled meeting but may require different forms of notice depending on the type of meeting being conducted. The meeting time is selected by the Board of Supervisors so that they may conduct District business at a time that is most convenient for them, which many times will be during normal business hours. It is common that as a Board of Supervisors transitions to a more resident controlled Board, for the meeting time to change to early evening hours. However, it is always at the discretion of the Board. He explained that the District Management office sends the mailed notices utilizing the County tax roll and the information contained therein. The tax roll is often times not immediately updated if an individual has recently purchased a home or may even list different mailing addresses for individuals who reside within the District. Mr. Williams responded to the question relating to the Homestead Act, stating it has no bearing on the non-ad valorem assessment. He responded to the comment relating to the clubhouse and issuing bonds, stating that the clubhouse is private and therefore the District cannot issue bonds on private property. Mr. Williams noted that this debt assessment is above and beyond what residents are currently paying for the operation and maintenance of the District.

4. Equalization of Assessments

Mr. Williams explained that the Board will now sit as the Equalization Board and determine whether any audience comments were made that would imply that an assessment was unequally allocated to the same product type or lot size. The Board determined that all assessments were equal.

On a Motion by Ms. Edwards, seconded by Mr. Thompson, with all in favor, the Board of Supervisors closed the public hearing for the Lakeside Community Development District.

(The meeting recessed at 6:35 p.m.)

(The meeting resumed at 6:47 p.m.)

5. Consideration of Resolution 2015-06, Levying and Equalizing Special Assessments

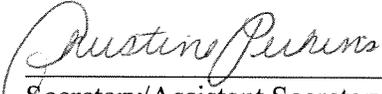
Ms. Buchanan reviewed the resolution for the Board.

On a Motion by Ms. Torr, seconded by Ms. Edwards, with all in favor, the Board of Supervisors adopted Resolution 2015-06, levying and equalizing special assessments for the Lakeside Community Development District.

FOURTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Thompson, seconded by Ms. Torr, with all in favor, the Board of Supervisors adjourned the meeting at 6:49 p.m. for the Lakeside Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman

Exhibit A

**LAKESIDE COMMUNITY DEVELOPMENT DISTRICT
GENERAL INFORMATION PRESENTATION
April 2015**

THE FOLLOWING INFORMATION IS GENERAL IN NATURE. EXACT LEVELS OF ASSESSMENTS, PAYOFF BALANCES ETC. FOR A SPECIFIC LOT OR PROPERTY MUST BE OBTAINED BY CONTACTING THE DISTRICT'S OFFICE.

CDD versus HOA

A community development district is a special purpose form of local government described as an “independent special taxing district” and as such is “public”. A homeowners association is a “not-for-profit corporation” which is made up of “members” or homeowners, within a specific geographic boundary and it is considered “private”.

The Lakeside Community Development District owns and operates the stormwater system, common area landscaping, roadways, monuments and boundary fencing. The Homeowners’ Association, Inc. oversees the “Deed Restriction” enforcement and Architectural Control of the Association, as well as the trash removal and mailbox maintenance. Each of these entities is distinctly different and operated at “arms length” of each other.

What is a CDD? It’s Function etc.

As mentioned above, the District is a form of government that exists under Florida Statute, Chapter 190, which is considered its enabling statute and serves as its charter. Districts the size of Lakeside become official after a petition of all landowners within its proposed boundaries, is approved by an ordinance of the local general-purpose government (city or county).

The District functions as any local government. The District is governed by a Board of five Supervisors. Districts have similar powers as other local governments, with the exception of “police powers”. Therefore it can not have its own police department, building, zoning and compliance codes, etc. This would also include “deed restrictions” which is why community development districts normally have homeowners’ associations organized within its boundaries.

The District is an “independent special taxing district” and therefore is not “dependent” on the next level of local general-purpose government, in the case of Lakeside, Pasco County, for funding, governance, etc. Standard municipal grade services are delivered to the residents by way of Pasco County and paid by way of their real estate tax bill and its ad valorem portion. The District’s operation is funded by way of non-ad valorem assessments on an owner’s real estate tax bill. The District itself is tax exempt for most of its property with the exception of property that may be income producing.

Road Ownership and Public Access

Some Districts will dedicate their roads to the county or city they are located in or they maintain ownership themselves. In the case of Lakeside, the District did not have to dedicate the roads as the Developer designated the CDD to maintain the roads. Since the District owns the roads they are “public”. With this in mind, the roadways must allow for access to the “public” at large, not just the “public” of Lakeside as there are no different classes of public nor can the District or the County create different classes.

Does the CDD ever go away?

As many believe, the District does not cease to exist or go away when its bonds have been paid off. The District is designed to exist for perpetuity. However, it may be dissolved by way of several events, such as merger with another community development district, or the local general-purpose government takes over all of the ownership of a district’s facilities and financial responsibilities. There are several other events or criteria which do not apply to Lakeside as it now stands.

Explain the Election Process

From its initial establishment until its sixth year in existence, the Board of Supervisors is elected by way of a “landowner” election, wherein, all landowners of the District may participate and are entitled to one vote per acre or fraction thereof. By Statute, there are 5 Supervisors, no more or less.

There are no specific requirements for candidates to meet during the landowner election phase. Candidates may be whoever is placed into candidacy and can obtain enough votes to take a seat. After the sixth year, as long as there are more than 250 “qualified electors” (registered voters) who reside within the confines of the District, the elections begin a transition.

At the next election after the sixth year mark with the prerequisite minimum number of registered voters (250), two of the three seats up for election, are held through the “general election” process by the Supervisor or Elections of Pasco County. Candidates must be registered voters residing within the confines of the District and who have met the criteria of being a candidate on the ballot. Landownership is not a requirement.

Candidates run for a “seat” number such as Seat 1 or Seat 2, etc. In the first general election both of the seats are a four year term. The remaining position is still elected by way of landowner election and is a 4 year seat as described by Statute.

There are certain criteria and filing requirements for general election candidates, including but not limited to the filing of a financial disclosure form, known as a Form 1, Statement of Financial Interests. In brief this form outlines the sources of a candidates income and business interests. In addition there are filing fees, declaring of a campaign treasury, etc. These details are best addressed by contacting the Pasco County Supervisor of Elections Office.

In the eighth year after establishment and thereafter (as long as 250 registered voters continue to exist), all candidates must be registered voters, residing within the confines of the District. Once again, there are no landownership requirements. Those seats are also 4 year seats.

Description of Bonds

The District is in the process of issuing its first, and possibly only, series of bonds. They are the 2015 Series Special Assessment Revenue Bonds. The 2015 Series Bonds are normally referred to as long term bonds. These are the bonds that are re-paid by way of the debt service portion of the District’s Non-Ad Valorem Assessments on a property owner’s tax bill.

All benefitted land within the District would be assessed its pro-rata share of the 2015 Series Debt. As mentioned above, this debt is re-paid by way of the Debt Service portion of the Non-Ad Valorem Assessments the District places on a property owner’s tax bill. The Debt is paid back over the 30 year life of the bonds, by way of these assessments.

The following **preliminary** chart describes some of the important aspects of the Bonds, if they are issued as presented:

Category	Series 2015*
Original Balance	\$12,365,000
Maturity Date	May 1, 2045
Annual Payment	\$775,987.50
Interest Rate	4.75%

The following chart depicts the amount of the 2015 Series Bond debt placed on land and the annual assessment to repay that debt. This Bond issue encumbered all the lots/units within the District.

Product Type	Annual Debt Service Assessment*
Carriage Home	\$850.00
Villa	\$900.00
45’ Lot	\$1,000.00
55’ Lot	\$1,000.00
80’ Lot	\$1,300.00

***(The above noted preliminary annual debt service assessments includes Pasco County Collection Costs and Early Payment Discounts and may be subject to rounding)**

What is the Operation & Maintenance Assessments

The District annually adopts its General Fund Budget, more commonly referred to as its Operations and Maintenance Budget. This is the budget that deals with the day in and day out needs of the District, for its Administration and Operation of its facilities and infrastructure. The District follows the budgeting process as described in FS. 190.008.

As part of this process the District must adopt a proposed budget which is transmitted to the Clerk of the Board of County Commissioners. The District after a minimum of 60days after the submittal to the County may conduct at least one public hearing, to allow for public comment and testimony relating to the budget. After the public hearing the Board of Supervisors may adopt the budget and the assessments necessary to fund the budget as approved by the Board of Supervisors.

The Operations and Maintenance Assessment, is the second component that make up the Non-Ad Valorem Assessments property owners within the District will see on their annual Real Property Tax Bill from Pasco County.

The following chart depicts the O&M Assessments for the Current Fiscal Year, which runs from October 1, 2014 through September 30, 2015:

Product Type	O&M Assessment
Carriage Home	\$303.83
Villa	\$303.83
45' Lot	\$303.83
55' Lot	\$303.83
80' Lot	\$303.83

The following chart depicts the proposed Total Assessments for both debt service and operations and maintenance, for the current fiscal year.

Product Type	Total Assessment
Carriage Home	\$1,153.83
Villa	\$1,153.83
45' Lot	\$1,303.83
55' Lot	\$1,303.83
80' Lot	\$1,603.83