

By **Bill Parsons** Vice Chairman, Seven Oaks CDD

Seven Oaks Pays Two CDD Assessments

Total Assessment will Go Up for Some and Down for Others in 2012

Most homeowners at Seven Oaks may not realize that they pay two CDD assessments. The two assessments are not listed separately on the Pasco County Property Tax Notice that the homeowners receive each year in October. They are combined and listed as one non-ad valorem assessment. At the bottom of this page, these two assessments are explained.

The chart at the top of the next page shows how much each homeowner was billed for these two assessments on their 2011 Pasco County Tax Bill and how much they will be billed for these assessments on their 2012 bill. For the homeowner to find the amount that applies to them, they

will need to find the neighborhood they live in at the top of the chart and scroll down until they get to their lot size.

Every homeowner's O&M assessment went up about 7.4% for 2012. The CDD Board has worked hard to avoid increases. Since the 2007 Pasco County Tax Bill, it has only increased about 1%. Due to large expenses for the next few years, the CDD Board had to increase the assessment. The chart at the bottom of the next page shows the O&M assessment on the Pasco County Tax Bill for homeowner with 80 ft lots such as the ones in The Laurels from 2001 to 2011 and the projected amount for 2012. The percentage change was the same for each neighborhood.

Although every homeowner's O&M assessment will increase in 2012, the homeowners who live in a neighborhood under the 2011A bond will find that their total CDD assessment decreased from 2011 to 2012 while the rest of the homeowners' total CDD assessment may increase.

The reason this occurred is that their 2001A bond was refinanced this year at a lower interest rate. The new bond is 2011A. An example would be the 40 ft lots in Amberside. Even though the O&M portion of their CDD assessment increased from \$692.36 in 2011 to \$744.01 in 2012, refinancing their bond decreased their Debt Services CDD fee from \$522.29 to \$424.18. ❖

CDD FACTS

1. CDD Members pay two CDD assessments.
2. The Bond assessments do not change unless bond is refinanced. It ends when bond is paid.
3. The O&M assessments will increase most years to cover increases in expenses and do not end.

TWO CDD ASSESSMENTS

Debt Services Assessment Pays for Bond

One of the CDD assessments is called the Debt Service which is the fee used to pay off the bonds used to finance building the infrastructure (storm water management, waste water, water, reclaimed water, roads, ponds, recreational facilities such as the clubhouse with amenities, landscaping, etc.) at Seven Oaks. The following three 30 year bonds were used:

2001A: \$10,120,000
2003A: \$6,760,000
2004A: \$11,295,000

When each house is sold at Seven Oaks, the new owner picks up an obligation for the balance of his portion for one of the

three bonds. The owner has two options to pay his portion. One is to make yearly payments. The amount is added to the Pasco County Tax Notice each year. For example, a homeowner in Edenfield will have \$542.59 as part of the CDD assessment to pay his portion of the Debt Services. The second option is to pay off the bond balance in a lump sum. When we bought our house in The Laurels in 2002, my wife and I decided to pay \$12,400 rather than paying \$1,044.59 each year for 30 years or a lesser amount. Although the yearly amount would be reduced to \$848.37 this year due to the bond being refinanced, we still think paying the lump sum was the right decision for us.

O&M Assessment Operation and Maintenance

The second CDD assessment is to pay for operating and maintaining the infrastructure at Seven Oaks. Some examples would include the following:

1. Administrative costs such as paying Rizzetta, our district manager.
2. Legal costs such as paying our legal firm Straley & Robin
3. Engineering costs such as paying our engineering firm, American Consulting Engineers of FL.
4. Leasing approximately 750 street lights
5. Storm water control such as paying Cardno Entrix to maintain the ponds
6. Paying salaries of six CDD employees to maintain the common area and salaries of clubhouse staff to run the clubhouse
7. Paying Vivicon to maintain the landscaping

CDD ASSESSMENT ON 2012 PASCO COUNTY TAX NOTICE

Debt Services (Bond Fee) + O&M Assessment = Total CDD Assessment

Lot Size	Year	2011A BOND	2003A BOND	2004A BOND
		Amberside Brookforest Colonial Grand Apartments Coventry Forest Edge Pinecrest Silverleaf Townhomes Springwood The Laurels Windsor Park Condos	Edenfield Fairgate Lakeside Townhomes Palmetto Bend Shoregrass Stillbrook Villas at Edenfield Villas at Willow Creek	Copperleaf Crosswinds Grassgelen Knollpoint Stonecreek Vilas of Deer Run Watermark Willowstone Sabal Creek
Apts and Condos	2011	52.23 + 69.24 = 121.47		56.94 + 69.24 = 126.18
	2012	47.42 + 74.40 = 121.82		56.94 + 74.40 = 131.24
Townhomes	2011	391.72 + 519.27 = 910.99	406.95 + 519.27 = 926.22	
	2012	318.14 + 558.01 = 876.15	406.95 + 558.01 = 964.96	
35 ft. Lot (Duplexes)	2011		474.77 + 609.28 = 1,084.05	
	2012		474.77 + 654.73 = 1,129.50	
40 ft. Lot	2011	522.29 + 692.36 = 1,214.65	542.59 + 692.36 = 1,234.95	
	2012	424.18 + 744.01 = 1,168.19	542.59 + 744.01 = 1,286.60	
50 ft. Lot	2011	652.87 = 865.45 = 1,518.32	678.24 + 865.45 = 1,543.69	711.70 + 865.45 = 1,577.15
	2012	530.23 + 930.02 = 1,460.25	678.24 + 930.02 = 1,608.26	711.70 + 930.02 = 1,641.72
60 ft. Lot	2011	783.00 + 1,038.54 = 1,821.54	813.89 + 1,038.54 = 1,852.43	854.04 + 1,038.54 = 1,892.58
	2012	636.28 + 1,116.02 = 1,752.30	813.89 + 1,116.02 = 1,929.91	854.04 + 1,116.02 = 1,970.06
65 ft. Lot	2011		925.21 + 1,128.55 = 2,053.76	
	2012		925.21 + 1,212.74 = 2,137.95	
70 ft. Lot	2011	914.02 + 1,211.64 = 2,125.66	949.54 + 1,211.64 = 2,161.18	
	2012	742.32 + 1,302.02 = 2,044.34	949.54 + 1,302.02 = 2,251.56	
80 ft. Lot	2011	1,044.59 + 1,384.73 = 2,429.32	1,085.19 + 1,384.73 = 2,469.92	1,138.72 + 1,384.73 = 2,523.45
	2012	848.37 + 1,488.03 = 2,336.40	1,085.19 + 1,488.03 = 2,573.22	1,138.72 + 1,488.03 = 2,626.75
90 ft. Lot	2011	1,175.16 + 1,557.82 = 2,732.98		1,281.06 + 1,557.82 = 2,838.88
	2012	954.41 + 1,674.03 = 2,628.44		1,281.06 + 1,674.03 = 2,955.09

INCREASES IN CDD O&M ASSESSMENT (80 ft lot used as example)

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Amount	\$448	\$705	\$834	\$1,239	\$1,287	\$1,389	\$1,367	\$1,367	\$1,397	\$1,384	\$1,384	\$1,488