

**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 1**

A Budget Workshop of the Board of Supervisors of the Village Community Development District No. 1 was held on Monday, May 14, 2012 at 8:00 a.m. at the District Office Board Room, 1894 Laurel Manor Drive, The Villages Florida, 32162.

Board members present and constituting a quorum:

Allie DeBenedittis	Chairman
Bill Mapel	Vice Chairman
Charlie Decker	Supervisor
Ellen Cora	Supervisor
Clyde Long	Supervisor

Staff Present:

Janet Tutt	District Manager
Sam Wartinbee	District Property Management Director
Barbara Kays	Budget Director
Jennifer McQueary	District Clerk
Brittany Wilson	Executive Assistant
David Miles	Finance Director

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman DeBenedittis called the workshop to order at 8:02 a.m. and stated for the record that all Supervisors were present representing a quorum.

B. Pledge of Allegiance

Chairman DeBenedittis led the Pledge of Allegiance

SECOND ORDER OF BUSINESS: Public Budget Input

At this time Chairman DeBenedittis requested public input pertaining to the budget process for Fiscal Year 2012/2013, but received none.

THIRD ORDER OF BUSINESS: Morse Boulevard Irrigation/Landscape Project

Sam Wartinbee, District Property Management (DPM) Director, advised the Board the cost estimate provided for the installation of the new irrigation system is the minimum amount it would take to get the system operational, depending on the design. Staff advised the cost could increase from the estimated \$238,590 but is substantially less than the \$620,000 which was previously budgeted.

Barbara Kays, Budget Director, advised the Board Staff utilized the \$620,000 cost when preparing the budget for Fiscal Year 2012/2013. Mr. Wartinbee stated funds have been included for plant replacement at the Village entries once the irrigation project is complete.

Supervisor Long inquired about a completion date for the project. Mr. Wartinbee stated Staff anticipates bringing award of the Request for Proposal to the Board at the August 10, 2012 meeting and completion of the project prior to January 2013.

Mr. Wartinbee advised the new system will be a controlled system monitored by Walker Technologies, a third party, to ensure optimum utilization of the irrigation water.

FOURTH ORDER OF BUSINESS: FY 12-13 Recommended Expenditures

Ms Kays advised the Board an explanation of account codes was provided in the packet and reviewed the following line items:

- Executive salaries are based on 18 meetings, which remains the same as the current year.
- As has been completed in previous years, Staff has included a 10% placeholder for Management Services and other cost allocated line items. This number will be adjusted during the summer months.
- Engineering services had a slight increase of \$580.
- Legal services were kept at the same level as the current year.
- An increase was budgeted for the Tax Collector fees based on the proposed maintenance assessment increase.

- Due to the increase in number of Deed Restriction complaints received the District's cost allocation will be increased.
- As previously discussed at the preliminary budget workshop, funds have been budgeted for those projects identified on the District's Capital Improvement Plan (CIP) which include crack sealing for Villa De La Vista North, Villa De Laguna and San Pedro; rejuvenator of multi-modal path located on the west side of Morse Blvd.
- As previously discussed, an increase to the Landscape Maintenance Recurring Line Item was included due to the expiring landscape contracts.
- No additional funds were budgeted on the Landscape Non-Recurring line item; however, unexpended funds remain in this line item because planting could not be completed due to the water restrictions. If these funds are not expended they will be carried over to Fiscal Year 2012/2013.
- An increase in Other Maintenance has been budgeted due to increase cost of preserve mowing, tree trimming and removal of invasive species in the Tierra Golf Course mitigation area.
- As discussed in the preliminary budget workshop a transfer of \$60,000 has been budgeted to the General R&R and \$15,000 has been budgeted to the Villa Road R&R.

FIFTH ORDER OF BUSINESS: FY 12-13 Recommended Revenues

Ms. Kays stated as directed by the Board a 10% increase has been budgeted for the Maintenance Assessment revenues. Staff provided the Board with a maintenance assessment schedule which identified that even with the 10% proposed increase for 2012/2013; the maintenance assessments are pennies lower than those in Fiscal Year 2001/2002.

Vice Chairman Mapel inquired if Staff thought the Board was doing well in 2001/2002 and did not have all the expenditures along the way. Ms. Kays stated her direction to the Board would have been not to decrease the maintenance assessments but maintain level assessments and apply excess revenues to reserves.

Ms. Kays stated the revenues received from the Sumter County Road Agreement were maintained at the same level; however, Staff is currently in the process of negotiating a new agreement with Sumter County.

SIXTH ORDER OF BUSINESS: Working Capital R&R Reserves

Staff has provided a breakdown of funding sources which identifies the utilization of Reserve Funds broken up by General R&R or Roads R&R. In Fiscal Year 2012/2013 approximately \$4,000 is being added back into Working Capital; \$662,000 is budgeted from the General R&R, most of which will be used for the Morse Irrigation Project; \$49,107 from the Roads R&R and \$65,100 from Capital Projects. Ms. Kays stated the Working Capital estimated ending balance is \$358,406; General R&R estimated ending balance is \$158,591; however that amount will be adjusted based on the new irrigation prices, and Villa Roads R&R estimated ending balance is \$109,490.

SEVENTH ORDER OF BUSINESS: Capital Improvement Plan Funding Summary

Ms. Kays advised the District's CIP includes an annual 10% maintenance increase through Fiscal Year 2015/2016 and reviewed the estimated Working Capital balance in 2015/2016 is \$345,546; General R&R ending balance is slightly over \$10,000; Villa Roads R&R is estimated at \$50,180. Other excess funds received from the 2003A refunding will be expended for capital projects in Fiscal Year 2012/2013. Ms. Tutt stated the innovative changes made to the irrigation project will assist to keep costs lower which will reduce the District's General R&R less than anticipated.

Supervisor Cora stated moving forward it is important for the Board to keep reminding themselves to continue to build reserves.

Vice Chairman Mapel stated the Board needs to carefully scrutinize all the work completed in the District to justify the 10% maintenance increase. The new irrigation system will be a wonderful system to enhance the maintenance along Morse Boulevard and the Board would have to ensure the system is maintained and used effectively.

EIGHTH ORDER OF BUSINESS: Maintenance Assessment Proposed Rate Direction

Ms. Kays stated, as previously discussed, the Board directed Staff to include a 10% maintenance assessment increase, which the proposed budget reflects and advised at the June 8, 2012 meeting, the Board would approve the proposed budget which sets the maximum assessment rate.

Vice Chairman Mapel requested Staff provide a recommendation regarding the proposed 10% maintenance increase. Ms. Tutt advised Staff is comfortable with the Board's direction and stated the

10% maintenance assessment increase will provide necessary funding for the District's five (5) year CIP and guarantees the District does not fall beyond a critical point.

Supervisor Cora stated the 10% increase is necessary and noted the Board will have to answer to residents, who are retired; however the Board must address the maintenance of the District.

The Board confirmed its direction to Staff to proceed with the 10% maintenance assessment increase. Ms. Kays advised the Board a letter would be mailed to residents advising of the proposed increase and the date of the public hearing to adopt the final budget.

NINTH ORDER OF BUSINESS: Debt Service Funds

Ms. Kays advised Staff has added a new expenditure line item and a revenue line item for principal prepayments made relating to the 2003 Bond Issue.

Vice Chairman Mapel inquired if the District could secure a lower interest rate. David Miles, Finance Director, stated District 1's bond issue was refunded in 2003 at a low interest rate and advised one of the two (2) phases was paid-off in the previous year, the second phase is scheduled to be paid-off in 2015; however, Staff anticipates the payoff will occur in Fiscal Year 2013/2014.

Supervisor Decker requested clarification of the outstanding bond amount. Mr. Miles advised the outstanding balance is \$145,000; however the payoff will be the \$158,000 plus the interest rate.

TENTH ORDER OF BUSINESS: Supervisor Comments

Ms. Kays advised the Board it would approve the proposed budget for Fiscal Year 2012/2013 at its next meeting on June 8, 2012 at 8:00 a.m.

Supervisor Long thanked Staff for the hard work put into the budget process. Ms. Kays stated Staff is appreciative the Board recognized the necessity of the maintenance assessment increase.

Supervisor Decker inquired if residents in attendance had any questions, but received none.

Chairman DeBenedittis stated the Board is aware of the residents' maintenance concerns and are also residents who will be receiving an increase to their maintenance assessments.

The Board thanked the residents that were in attendance.

**ELEVENTH ORDER OF BUSINESS: Next Regular Meeting: June 8, 2012 at 8:00 a.m. to
Approve Proposed Budget**

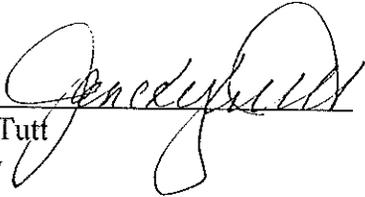
This item was previously addressed.

TWELFTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 9:00 a.m.

On MOTION by Clyde Long, seconded by Charlie Decker, with all in favor, the Board adjourned the Meeting.

Janet Y. Tutt
Secretary



Allie DeBenedittis
Chairman





**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 1**

The Meeting of the Board of Supervisors of the Village Community Development District No. 1 was held on Friday, June 8, 2012 at 8:00 a.m. at the District Office Board Room, 1894 Laurel Manor Drive, The Villages Florida, 32162.

Board members present and constituting a quorum:

Allie DeBenedittis	Chairman
Bill Mapel	Vice-Chairman
Charlie Decker	Supervisor
Ellen Cora	Supervisor
Clyde Long	Supervisor

Staff Present:

Janet Tutt	District Manager
Diane Tucker	Administrative Operations Manager
Valerie Fuchs	District Counsel
Sam Wartinbee	District Property Management Director
David Miles	Finance Director
Jennifer McQueary	District Clerk
Wade Watson	District Property Management Supervisor
Candice Lovett	Staff Assistant

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman DeBenedittis called the meeting to order at 8:00 a.m. and stated for the record that all Supervisors were present representing a quorum.

B. Pledge of Allegiance

The Chairman led the Pledge of Allegiance.

C. First Time Meeting Attendees

The Board welcomed all those residents in attendance at a District 1 Board Meeting for the first time.

D. Audience Comments

Josephine Flood, Palo Alto Avenue, expressed her concern about the current maintenance condition and irregular irrigation of Morse Boulevard and advised she has had occurrences of irrigation heads being broken on property which abuts Morse Boulevard due to the mowers being set too low. Sam Wartinbee, District Property Management (DPM) Director, advised District 1 has forwarded notification to the existing contractor that the District has chosen not to renew the existing contract and stated Staff will place this contract out for bid. Additionally, Staff anticipates receiving the first draft of the irrigation replacement plan for Morse Boulevard to upgrade the existing system.

SECOND ORDER OF BUSINESS: Approval of the Minutes for the Board Meeting held on May 11, 2012

On MOTION by Charlie Decker, seconded by Clyde Long, with all in favor, the Board approved the Minutes for the Board Meeting held on May 11, 2012.

THIRD ORDER OF BUSINESS: Financial Statements as of May 31, 2012

David Miles, Finance Director, advised the Board that due to the timing of the meetings the Budget to Actual Statements as of May 31, 2012 are not available to provide to the Board at this time. Once the statements have been finalized Staff will forward the information to the Board via e-mail.

FOURTH ORDER OF BUSINESS: District Property Management Reports

A. Landscape Maintenance Update

Wade Watson, DPM Supervisor, provided the Board with an update on the following items:

- A meeting with the existing landscape contractors has occurred at which time the mowing of Morse Boulevard along residents' property lines was addressed. Mr. Watson stated if the contractor is responsible for breaking irrigation heads on personal property then the contractor would be held responsible for replacing the broken irrigation heads.

Ms. Flood advised she has replaced the broken irrigation heads and would not pursue having the contractor reimburse her expense. Mr. Wartinbee requested Ms. Flood contact the DPM office if any additional irrigation heads are broken by the District's landscape contractor.

- Preserve mowing is ongoing.
- Fence replacement behind Unit 4, behind San Marino Boulevard, is continuing. Delays occurred due to locator and weather issues but those issues are being addressed.

B. Water Retention Status Update

Mr. Wartinbee advised the increased rainfall has improved the maintenance condition of the ponds. An algae bloom did occur following a recent heavy rainfall but has since been resolved.

FIFTH ORDER OF BUSINESS: Adoption of Resolution 12-07 approving the Proposed Budget for Fiscal Year 2012/2013

Barbara Kays, Budget Director, advised as part of the budget process the Board has held two (2) budget workshops to review the fiscal year 2012/2013 budget and stated the proposed operating budget for the District is \$1,826,015 which reflects an increase of \$479,500 as compared to the current year amended budget and reflects a proposed increase of 10% in the maintenance assessments. This increase will now bring the maintenance assessments level with maintenance assessments paid by residents ten (10) years prior. Ms. Kays stated should the Board approve the proposed budget it sets the maximum level of increase to the maintenance assessment at 10% when the final budget is approved by the Board in September. Staff has included the 10% increase to maintenance assessments for necessary funding of the Morse Boulevard irrigation project and future repair/replacement identified in the District's Capital Improvement Plan (CIP). Ms. Kays stated Staff will continue to review the cost allocations during the summer months and requested the Board adopt its budget at a Public Hearing held on Friday, September 14, 2012.

Chairman DeBenedittis inquired if Staff has received any inquiries pertaining to the proposed maintenance assessment increase for the District 1 budget. Staff advised no inquiries had been received.

Supervisors Decker, Long and Cora advised they have received inquiries from residents about the 10% increase but once an explanation as to why the increase is necessary is provided the residents' inquiries appear to be addressed.

On MOTION by Clyde Long, seconded by Ellen Cora, the Board adopted Resolution 12-07 approving the Proposed Budget and setting a Public Hearing for September 14, 2012 at 8:00 a.m. to be held in the District Office Board Room to adopt the Fiscal Year 2012/2013 Final Budgets.

SIXTH ORDER OF BUSINESS: Approval of Interlocal Governmental Agreement with VCCDD for construction of multi-modal path from Carrera Drive to De La Vista Postal Facility

Janet Tutt, District Manager, advised this item was included on the Amenity Authority Committee's (AAC) June 6, 2012 agenda to consider for recommendation of approval to the Village Center Community Development District (VCCDD) who is the legal entity authorized to enter into Interlocal Agreements; however, due to unforeseen circumstances the AAC was not able to meet due to lack of quorum and was unable to address the issue. Ms. Tutt stated because of this Board's presence at a previous meeting the AAC provided a consensus to proceed with the funding for the construction of a multi-modal path from Carrera Drive to the De La Vista Postal Facility. As to not postpone the process Staff chose to provide the Interlocal Agreement to this Board for approval and the VCCD Board on June 14, 2012 subject to the AAC providing their approval at their July 11, 2012 meeting. Staff recommends the Board approve the Interlocal Agreement.

On MOTION by Charlie Decker, seconded by Ellen Cora, with all in favor, the Board approved the Interlocal Agreement with the Village Center Community Development District, pending recommendation of the Amenity Authority Committee and authorized the Chairman to execute the Agreement,.

SEVENTH ORDER OF BUSINESS: Authorization to Advertise to amend and restate Chapter II of the District's Rule to provide ability for painting of driveways and walkways in courtyard villas

Diane Tucker, Administrative Operations Manager, Staff is requesting the Board provide authorization to advertise to hold a Public Hearing at the August 10, 2012 meeting to consider an

amendment and restatement of the District's Rule. Following requests from some residents residing in courtyard villas to have the ability to paint their driveways and walkways, District Counsel worked with Legal Counsel for the Developer to amend the existing deed restrictions to allow painting of the driveways and walkways. Staff will provide the Board with the approval process for this to occur but stated first, the District must amend its Rule to adopt the revised deed restrictions and requested the Board provide authorization to complete the necessary advertisements to hold a public hearing to amend its Rule.

On MOTION by Ellen Cora, seconded by Clyde Long, with all in favor, the Board authorized Staff to publicize the District's intent to amend and restate Chapter II of its Rule to Bring About Deed Compliance.

EIGHTH ORDER OF BUSINESS: Approval of Amendment Two to the Agreement with Austin Outdoor, LLC (formerly Cornerstone Solutions Group, Inc)

Ms. Tucker advised the amendment to the current contract in place with Cornerstone Solutions Group, Inc. who has since turned operations over to Austin Outdoor, LLC. This change amendment is being made for clerical purposes only for remittance of payment of the contract until September 30, 2012.

On MOTION by Charlie Decker, seconded by Clyde Long, with all in favor, the Board approved Amendment Two to the Agreement with Austin Outdoor, LLC (formerly Cornerstone Solutions Group, Inc.) and authorized the Chairman to execute the Agreement.

NINTH ORDER OF BUSINESS: Old Business Status Update

Ms. Tutt advised the item included on the Old Business Status Update was previously addressed.

TENTH ORDER OF BUSINESS: Staff Reports

A. Amenity Authority Committee Update

Ms. Tutt stated as previously mentioned as the AAC did not hold its meeting on June 6, 2012 so there is no update to be provided.

ELEVENTH ORDER OF BUSINESS: District Counsel Reports

There were no District Counsel Reports.

TWELFTH ORDER OF BUSINESS: Supervisor Comments

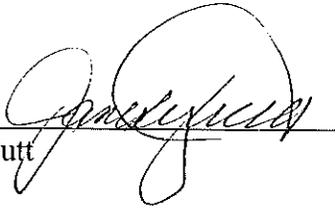
There were no Supervisor Comments.

THIRTEENTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 8:30 a.m.

On MOTION by Charlie Decker and Bill Mapel, with all in favor, the Board adjourned the meeting.

Janet Y. Tutt
Secretary



Allie DeBenedittis
Chairman

