

**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 5**



A Budget Workshop of the Board of Supervisors of the Village Community Development District No. 5 was held on Monday, May 21, 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:

Ron Kaissling	Chairman
Walter Martin	Vice Chairman
Paul Farineau	Supervisor
Gary Kadow	Supervisor
Diane Spencer	Supervisor

Staff Present:

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

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman Kaissling 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

Chairman Kaissling requested Vice Chairman Martin lead the Pledge of Allegiance

SECOND ORDER OF BUSINESS: Public Budget Input

At this time, Chairman Kaissling requested public input pertaining to the budget process for Fiscal Year 2012/2013, however no input was received.

THIRD ORDER OF BUSINESS: FY 12-13 Recommended Revenues

A. Maintenance Assessments

Barbara Kays, Budget Director, referred the Board to the Form 1 included in the packet and stated at the preliminary budget workshop Staff was directed to proceed with budget process with no increase to maintenance assessments.

B. Sumter County Road Agreements

Ms. Kays advised Staff maintained has maintained the budgeted revenues from the Sumter County Right-of-Way Agreements as in the previous year; however, Staff is currently in the process of negotiating a new agreement with Sumter County.

C. Budget Funding Sources Accounts

The Fund Balance Budget Only line item has been changed to provide a breakdown of the funding, rather than providing one total. District 5 revenues are anticipated to exceed expenditures; therefore, adding to Working Capital.

FOURTH ORDER OF BUSINESS: FY 12-13 Recommended Expenditures

Barbara Kays, Budget Director, highlighted the following expenditure line items:

- Personnel Services is based on 16 meetings with an increase due to the possible addition of a Supervisor being added to receive payment following the November election.
- A 10% increase was included as a placeholder for the Management Fees account as discussed in the preliminary workshop. As the cost allocation methodology is fine tuned during the summer, adjustments to line item will be made.

Chairman Kaissling inquired what the increase to the Management Fees for the current year was finalized at. Ms. Kays stated around 5-6%.

Supervisor Spencer inquired if Management Fees include additional time spent by Staff when issues arise. Janet Tutt, District Manager, stated a numbered District can be impacted based on additional activities taken on by the Board.

Supervisor Kadow stated the expenditures related to Staff and legal time to address the controversy regarding Live Oaks Park exceeded the funding to establish the Park.

- Other Professional Services had an increase of \$2,719 or 65% for Transmap.
- Casualty and Liability Insurance rates are unknown at this time, so a 10% placeholder was added.

Vice Chairman Martin inquired if past increases typically reflect future increases to the insurance rates. Ms. Kays confirmed Vice Chairman Martin's statement.

- A \$13,000 decrease was budgeted for Landscape Nonrecurring due to the ongoing water restrictions and current plant replacement funds. Should the plant replacement not be completed in the current year the funds will be carried over to Fiscal Year 2012/2013.

Chairman Kaissling inquired about the maintenance responsibility of villa walls along CR 462. Mr. Wartinbee stated Staff anticipates providing this information to the Board at the June 15, 2012 meeting.

- The District's allocation for the Project-Wide fund received a 1% increase.
- There is no Capital Infrastructure expenditures anticipated for Fiscal Year 2012/2013.
- As previously discussed a transfer of \$450,000 has been budgeted to the Villa Roads R&R and \$31,319 will be added to Working Capital as a result of the revenues exceeding the expenditures.

Vice Chairman Martin requested clarification of the Villa Roads/Other Roads title of the Reserve Fund. Ms. Kays clarified District 5 only has maintenance responsibility of Villa Roads.

Ms. Kays advised the Board a breakdown of the account codes has been provided.

FIFTH ORDER OF BUSINESS: Working Capital/R&R Reserves

Ms. Kays stated at the end of Fiscal Year 12/13 the estimated ending balance in Working Capital is \$4,828,645; General R&R is estimated at \$2,842,200 and Villa Road R&R, including the transfer of \$450,000, is estimated to be \$1,684,676.

SIXTH ORDER OF BUSINESS: Capital Improvement Plan Funding Summary

Ms. Kays stated Staff extended the District's CIP plan for 10 years for informational purposes only and provided the Board with a copy. Ms. Kays stated the assumptions utilized for operating

expenditures were based on an annual 1% increase and advised at the end of 10 years the estimated Working Capital balance in 2020/2021 is \$3,819,187; the General R&R is estimated at \$2,809,920 and Villa Road R&R is estimated at \$4,890,132.

SEVENTH ORDER OF BUSINESS: Debt Service Funds

Ms. Kays advised information was provided pertaining to the District's Debt Service Fund accounts and a new account code was added to identify regular principal payments and prepayments received. At the end of Fiscal Year 2011/2012 the estimated ending balance for the 2002 Bond Issue is \$2,246,565 and the ending balance for the 2003 Bond is \$2,023,249.

EIGHTH ORDER OF BUSINESS: Project Wide Fund Overview

Ms. Kays advised the Form 1 for the Project Wide Fund was included in the Board's handouts and include capital outlay projects and allocation spreadsheet. Staff has included Phase II of District 9 into the allocation; therefore, the percentage for District 5 received a slight decrease.

Mr. Wartinbee provided a review of the following Project Wide capital projects budgeted for Fiscal Year 2012/2013:

- The installation of solar lighting for the tunnels are out for bid and 9 are budgeted to be completed during the current fiscal year and the remaining 12 will be completed in Fiscal Year 2012/2013 next year.

Chairman Kaissling inquired if solar lighting will be installed in all tunnels. Mr. Wartinbee stated eventually they will all be done.

- Necessary Root pruning, asphalt repair and rejuvenator will be completed to the multi-modal path along CR 466A.
- Floating mats have been included in the budget and are currently located on some the golf course ponds. Mr. Wartinbee advised studies have shown the mats use up nutrients in the water, which reduces the need for chemicals.
- To ensure the highest efficiency of the District's irrigation system, the monitoring of the irrigation systems along the major roadways and at the recreational facilities south of CR 466A will be completed by Walker Technologies.

Vice Chairman Martin inquired if south of CR 466A falls under a separate Water Management District than north. Mr. Wartinbee stated the Water Management District is Southwest Florida Water Management District (SWFWMD). Ms. Tutt advised the irrigation system south operates differently than north of CR 466A.

Supervisor Farineau concurred with the expenditure for the tunnel solar lighting and stated many residents will appreciate this added light in the tunnels.

Ms. Tutt provided the Board with an overview of the recommended Project Wide capital projects for Fiscal Year 2012/2013. Additional correspondence regarding Project Wide for information only.

Supervisor Kadow commented residents have voiced concern that they feel there is not an opportunity to provide input as it pertains to the Project Wide Fund; however, there are no residents in attendance at today's budget workshop.

Ms. Kays advised the Board the approval of the Proposed Budget will be at the next Board meeting, June 15, 2012 at 8:00 a.m.

NINTH ORDER OF BUSINESS: Supervisor Comments

Chairman Kaissling provided during a previous meeting a suggestion was made to thank those residents who had provided a donation of a bench or picnic table for Live Oaks Park and provided the Board with a "draft" copy of a letter. The Board reviewed the letter and requested Staff prepare a final copy for the Supervisors to sign.

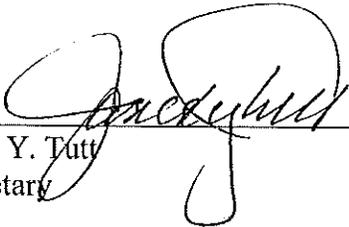
TENTH ORDER OF BUSINESS: Next Board Meeting: June 15, 2012 at 8:00 a.m.

This item was previously discussed.

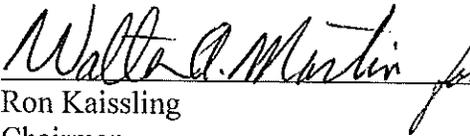
ELEVENTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 8:42 a.m.

On MOTION by Paul Farineau, seconded by Gary Kadow, with all in favor, the Board adjourned the Workshop.



Janet Y. Tutt
Secretary



Ron Kaissling
Chairman

**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 5**



The Meeting of the Board of Supervisors of the Village Community Development District No. 5 was held on Friday, June 15, 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:

Ron Kaissling	Chairman
Walter Martin	Vice Chairman
Paul Farineau	Supervisor
Gary Kadow	Supervisor

Staff Present:

Janet Tutt	District Manager
Diane Tucker	Administrative Operations Manager
Sam Wartinbee	District Property Management Director
Dave Freeman	District Property Management Supervisor
Barbara Kays	Budget Director
David Miles	Finance Director
Jennifer McQueary	District Clerk
Brittany Wilson	Executive Assistant
Candice Lovett	Staff Assistant

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman Kaissling called the meeting to order at 8:00 a.m. and stated for the record that four (4) Supervisors were present representing a quorum. Diane Spencer was absent.

B. Pledge of Allegiance

At Chairman Kaissling's request, Supervisor Farineau led the Pledge of Allegiance.

C. First Time Meeting Attendees

The Board welcomed all those residents in attendance at a District 5 Board meeting for the first time.

D. Audience Comments

At this time, Chairman Kaissling requested any audience comments, but received none.

SECOND ORDER OF BUSINESS: Approval of the Minutes from the Board Meeting held on May 18, 2012

On MOTION by Walter Martin, seconded by Paul Farineau, with all in favor, the Board approved the Minutes from the Board Meeting held on May 18, 2012.

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

David Miles, Finance Director, advised the cash analysis prepared on May 30, 2012 indentifying the District's investable balances of \$10,106,477 and were distributed among Citizens First Bank (CFB), the State Board of Administration (SBA), Florida Municipal Investment Trust (FMIVT) and the Florida Local Government Investment Trust (FLGIT) accounts. The Budget to Actual Statements were provided representing 66.67% of the year indentifying the District has received 99.41% of its budgeted revenue and the year-to-date expenditures are at 63.88%. During the month of May the District had a negative Change in Net Assets of \$238,261 but year-to-date the Change in Net Assets is a positive \$1,180,026.

Vice Chairman Martin inquired how about the negative \$238,261 Change in Net Assets. Mr. Miles clarified the revenues received for the month of May were \$24,150; whereas the expenditures were \$262,411 and reiterated the District has collected 99.41% of its revenues year to date.

Mr. Miles advised that Staff would be presenting an agenda item at the July 20, 2012 meeting outlining the review PFM is conducting pertaining to the possible refunding the District's 2002 Bond Issue which becomes eligible for current refunding on May 1, 2013. Mr. Miles advised Staff has requested Citigroup prepare financials providing the Board with an overview of the options of an advanced refunding in November 2012 or a current refunding in May, 2013. Additionally, Staff has requested PFM inquire if there are banks that would be willing to provide a 20 year loan versus the proceeding with the bond refunding process. Mr. Miles stated the 2003 Bond issue would be refunding in 2013 if interest rates continue to remain low.

Supervisor Kadow advised the Board the Investment Advisory Committee (IAC) meets quarterly and meetings are open to the public. The next meeting is July 26, 2012 at 9:00 a.m. in the District Office Board Room and is open to the public.

FOURTH ORDER OF BUSINESS: District Property Management Reports

A. Landscape Maintenance Update

Dave Freeman, District Property Management (DPM) Supervisor, advised the Board the crack seal and patching in Broyhill Villas has been completed and the microseal is scheduled to be completed on June 28th, 2012, weather permitting. Staff will hand deliver a letter to the residents advising them of the information pertaining to the microseal on June 15, 2012.

Chairman Kaissling requested an update on the Pimlico Pond. Mr. Freeman stated the initial issue occurred following a depression under an inlet pipe. Two (2) sections of the pipe were removed and since then five (5) or six (6) additional depressions have appeared.

Chairman Kaissling stated he received communication from a resident of District 5 who reported seen rats or voles at a Recreation Center. This information was provided to DPM who has advised the District's pest control contractor is addressing the problem.

Vice Chairman Martin inquired where the funding for the repairs at the Pimlico Pond will come from. Ms. Tutt advised the funds for the repairs would be made through the Project Wide Fund.

FIFTH ORDER OF BUSINESS: Adoption of Resolution 12-05 approving the Proposed Budget for Fiscal Year 2012/2013

Barbara Kays, Budget Director, advised the Board, the Proposed Budget for Fiscal Year 2012/2013 presented to the Board provides an Operating Budget of \$3,218,356 and includes no increase to the maintenance assessments. There was a slight increase of 0.5% to the District's expenditures due to anticipated increases in electricity costs and the placeholders included until the cost allocation process can be completed over the summer months. Ms. Kays stated approval of Resolution 12-05 will set the Public Hearing for September 7, 2012 at 8:00 a.m. in the District Office Board Room to adopt the final budget for Fiscal Year 2012/2013.

On MOTION by Gary Kadow, seconded by Walter Martin, with all in favor, the Board adopted Resolution 12-05 approving the Proposed Budget and setting a Public Hearing for September 7, 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: Consideration to revise the Architectural Review Manual, Section 4.4, page 55

Diane Tucker, Administrative Operations Manager, advised the Board that the District 1 Board authorized Staff to establish a change in the District's Architectural Manual revising the guidelines for patio villa driveway extensions not to exceed a total of six (6) feet. Staff is presenting this revision to the other District Boards for consideration and is requesting direction.

Gerry Knoll, District 5 Representative on the Architectural Review Committee (ARC), recommended the Board not adopt the revision to the Architectural Review Manual stating the additional six (6) feet of concrete will provide a 50% increase on the total driveway size.

Supervisor Farineau stated he is not in favor of the extension. The remaining Supervisors concurred.

The Board directed Staff not to include the revision of the expansion of driveways not to exceed six (6) feet in the District 5 Architectural Review Manual.

SEVENTH ORDER OF BUSINESS: Old Business Status Update

Sam Wartinbee, DPM Director, advised the Board the core boring tests have been conducted at the B-13 tunnel; however Staff has not received the results.

EIGHTH ORDER OF BUSINESS: Staff Reports

There were no Staff Reports.

NINTH ORDER OF BUSINESS: District Counsel Reports

Chairman Kaissling stated for the record the Board received a memorandum from Valerie Fuchs, District Counsel, advising that due to foreseen circumstances she was not in attendance at today's Board meeting.

TENTH ORDER OF BUSINESS: Supervisor Comments

Vice Chairman Martin inquired if the maintenance responsibility for the separating walls within the courtyard villas had been identified. Ms. Tutt advised Staff and District Counsel are finalizing the analysis pertaining to the maintenance responsibility of the walls.

Chairman Kaissling thanked Mr. Knoll for his efforts as the District's ARC representative.

Supervisor Farineau requested a status update about the anticipated changes to the Belvedere gate. Mr. Wartinbee stated Staff is in the process of obtaining a utility permit through Sumter County and once the permit has been obtained the District will move forward with the changes.

Ms. Tutt advised there have been two (2) test gates north of CR 466 where additional gate cameras have been installed which have been successful in identifying golf cart operators breaking gates. Staff is working to include video links on the www.districtgov.org website and providing photos which will be posted at postal facilities.

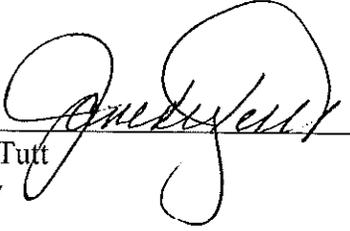
Supervisor Kadow stated a traffic issue has been identified at the Ashland Gate at Rainey Trail due to contractor traffic and inquired if gate cards could be issued to contractors. Ms. Tutt advised gate cards are issued to contractors at a cost of \$100; however, due to the traffic concerns Staff will review the timing of the gate.

ELEVENTH ORDER OF BUSINESS: Adjourn

The meeting was adjourn at 8:32 a.m.

On MOTION by Paul Farineau, seconded by Walter Martin, with all in favor, the Board adjourned the Meeting.

Janet Y. Tutt
Secretary



Ron Kaissling
Chairman

