

**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 7**



A Budget Workshop of the Board of Supervisors of the Village Community Development District No. 7 was held on Monday, May 21, 2012 at 11:00 a.m. at the District Office Board Room, 1894 Laurel Manor Drive, The Villages Florida, 32162.

Board members present and constituting a quorum:

Niles Getz	Chairman
Ron Ruggeri	Vice Chairman
Jim Sprung	Supervisor
Jan Thompson	Supervisor
Ron McMahon	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
Candy Dennis	Community Standards Coordinator
Brittany Wilson	Executive Assistant

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman Getz called the meeting to order at 11:14 a.m. and stated for the record that all Supervisors were present representing a quorum.

B. Pledge of Allegiance

Chairman Getz led the Pledge of Allegiance.

SECOND ORDER OF BUSINESS: Public Budget Input

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

THIRD ORDER OF BUSINESS: Community Standards

A. Timeline

Janet Tutt, District Manager, provided a timeline for the potential implementation of the Deed Compliance and Architectural Review process to the Board and advised Chapter 190 was revised to allow Community Development Districts (CDD's) the ability to enforce deed restrictions once the Board achieves a majority of qualified elected seats. This requirement will be achieved by District 6 during the upcoming November 2012 election. Ms. Tutt advised the Developer has indicated he will no longer fund the community standards functions for Districts 6, 7 and 8.

Chairman Getz inquired if the costs were higher or lower than what the District has been paying. Ms. Tutt advised the District's cost will be proportionate to what the Developer is currently paying.

Vice Chairman Ruggeri inquired about the Matrix. Ms. Tutt stated the Matrix is a list of external deed restrictions each District has chosen to enforce through adoption of a Rule as provided for in Florida Statute 190. The District does not enforce the deed restrictions itself.

Supervisor Sprung inquired about potential additional costs associated with adoption of the Rule. Ms. Tutt advised any deed compliance issue would come before the Board for a hearing first; however, to this point no legal action has been necessary. Fines are imposed and there is a guideline for legal action. Ms. Tutt stated when the transition takes place; the Developer provides \$10,000 per District for maintenance and legal costs. Districts 1-5 have adopted the Rules and those matrixes are provided on the www.districtgov.org website.

B. Budget Impact

Barbara Kays, Budget Director, advised the total costs associated with the deed compliance process for Fiscal Year 2012/2013 would be \$69,288; however the Developer will provide funding for the first five (5) months of the fiscal year until March 1, 2012. District 7 will fund the remaining seven (7) months in the amount of \$40,418 which has been included in the Budget under Deed Compliance Services. Ms. Kays advised the services related to deed compliance is allocated based on the number of Deed Restriction (DR) Complaints and Architectural Review applications which are provided annually

by the Community Standards Department for the time period of April 1 through March 31. District 7 had a total of 1,210 DR's issued and architectural review applications submitted. Ms. Kays stated based on history the Districts have found once residents are aware of the process and enforcement capabilities the number of DR violations decreases.

Vice Chairman Ruggeri inquired if there was a way to charge a fee to offset the associated costs of Architectural Review. Ms. Kays stated other Districts have chosen not to in an attempt to encourage residents to submit their plans for review.

FOURTH ORDER OF BUSINESS: FY 12-13 Recommended Revenues

A. Maintenance Assessments

Ms. Kays advised the Board directed Staff at the preliminary workshop to proceed with no increase to the current year's maintenance assessments.

B. Sumter County Road Agreement

Ms. Kays stated the revenue for this item has been budgeted at the same level as the current year; however, the agreement expires later in the year and Staff is currently in the process of negotiating a new agreement.

C. Budget Funding Sources Accounts

Ms. Kays advised Staff has provided a breakdown of accounts listed on the Form 1 which identifies a usage of Working Capital in the amount of \$146,663. To have revenues equal expenditures the Board's options would be to increase revenues or reduce expenditures. Ms. Kays stated including the usage of Working Capital the estimated ending balance for Fiscal Year 2012/2013 would be \$1,170,277. Ms. Kays advised a minimum of three (3) months operating budget is \$452,717 and four (4) months is \$603,622.

FIFTH ORDER OF BUSINESS: FY 12-13 Recommended Expenditures

Ms. Kays advised a breakdown of each line item was provided and reviewed the Form 1 with the Board and highlighted the following line items:

- Personnel Services is based on 18 meetings and has been increased from three (3) Supervisors to five (5) Supervisors.

Vice Chairman Ruggeri requested this line item be adjust to reflect the reduction of his reduction in pay from \$200 to \$50 per meeting. Ms. Kays stated the adjustment would be made to reflect the change.

- 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.
- Other Professional Services had an increase 40% due to Transmap costs.
- Accounting Services were decreased as a result of the bond rating cost reimbursement made to District 7.
- A 3% increase has been budgeted for electricity.

Vice Chairman Ruggeri inquired if the District received a discount on electricity. Mr. Wartinbee stated the District does not receive a discounted rate.

- Casualty and Liability Insurance rates are unknown at this time; therefore a 10% placeholder was included.
- Building and Structure had a \$39,953 increase to address items such as villa road patching and villa wall painting.
- A potential 17% increase of \$33,632 for Landscape Maintenance Recurring has been budgeted due to the expiration of current landscaping contracts.
- A decrease for Landscape Nonrecurring was budgeted due to the ongoing water restrictions and existing plant replacement funds, which the amount will be carried over to Fiscal Year 2012/2013.

Mr. Wartinbee advised the plant replacement has not occurred due to the lack of rain; however, once the plant replacement begins the District will utilize more drought tolerant plants.

In response to a request made by Vice Chairman Ruggeri, Staff identified the irrigation system at Bonita Gate does not have extra zones available to accommodate watering of annuals. To add the extra irrigation would cost approximately \$4,000 and an additional \$1,200 to upgrade the controller.

- An increase was budgeted for Irrigation Repair because the system is beginning to age.

- An increase was included in Other Maintenance for pressure washing of villa entry signs and walls.
- The District's Project Wide allocation increased 1%.
- The budgeted transfer amounts remain the same as provided for in the District's Capital Improvement Plan (CIP). The Board is transferring \$140,000 from Working Capital into Reserves so operating costs are being covered by maintenance assessments.

SIXTH ORDER OF BUSINESS: Working Capital/R&R Reserve Balances

Ms. Kays advised a transfer of \$70,000 has been budgeted into the General R&R, which brings the balance at the end of Fiscal Year 2012/2013 to \$727,606. A transfer of \$70,000 was also budgeted to the Villa Road R&R which will bring the balance to \$290,000.

SEVENTH ORDER OF BUSINESS: Capital Improvement Plan Funding Summary

Ms. Kays stated the CIP plan for 5 years was discussed during the March preliminary meeting and provided the Board with a handout for 10 years for planning purposes only.

EIGHTH ORDER OF BUSINESS: Debt Service Funds

Ms. Kays advised a new line item was included to identify the principal expense based on prepayments.

NINTH ORDER OF BUSINESS: Project Wide Fund Overview

A. Budget

Ms. Kays advised the Board a Form 1 handout for Project Wide was included in the packet.

B. Allocation

Ms. Kays stated the costs associated with Project Wide are allocated throughout Districts 5-9 and advised Phase II of District 9 has been included in the allocation.

Vice Chairman Ruggeri requested clarification on the increase to Project Wide from last year to the current year. Ms. Kays stated the increase represents the 12 months of associated costs for District 9 Phase I and Phase II and any additional capital costs.

Mr. Wartinbee reviewed the following capital project costs:

- A bid is currently out for Solar Lighting in the tunnels. Installation within nine (9) tunnels were budgeted for the current fiscal year and the remaining 12 will be included in Fiscal Year 2012/2013 Budget.
- 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.

TENTH ORDER OF BUSINESS: Supervisor Comments

- A. Revenue & Expenditure Pie Charts – Requested by Supervisor Ruggeri
This information was provided to the Board.

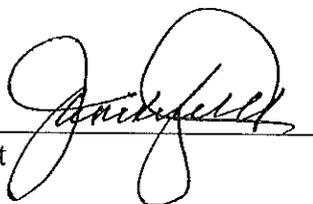
ELEVENTH ORDER OF BUSINESS: Next Board Meeting: June 15, 2012, 11:00 a.m.

Ms. Tutt advised the Board the approval of the Proposed Budget will be at the next Board Meeting, June 15, 2012 at 11:00 a.m.

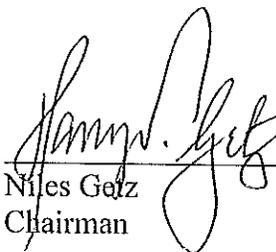
TWELFTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 12:24 p.m.

On MOTION by Jim Sprung, seconded by Jan Thompson, with all in favor, the Board adjourned the Workshop.



Janet Y. Tutt
Secretary



Niles Getz
Chairman

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**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 7**

The Meeting of the Board of Supervisors of the Village Community Development District No. 7 was held on Friday, June 15, 2012 at 11:00 a.m. at the District Office Board Room, 1894 Laurel Manor Drive, The Villages Florida, 32162.

Board members present and constituting a quorum:

Niles Getz	Chairman
Ron Ruggeri	Vice Chairman
Jim Sprung	Supervisor
Jan Thompson	Supervisor
Ron McMahon	Supervisor

Staff Present:

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

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman Getz called the meeting to order at 11:00 a.m. and stated for the record that all Supervisors were present, representing a quorum.

B. Pledge of Allegiance

Chairman Getz led the Pledge of Allegiance.

C. First Time Meeting Attendees

The Board welcomed all the residents in attendance to a District 7 Board meeting for the first time.

D. Audience Comments

Peter Beneditti, Village of Hemingway, expressed concern regarding the issue of blind mosquitoes and midges coming from the pond between Morse and Chapman Loop. Mr. Beneditti stated he has advised District Property Management (DPM) about the issue over the past years and provided photos for the Board's review. Sam Wartinbee, DPM Director, advised at the April 20, 2012 meeting Staff presented the budgetary impact associated with spraying for blind mosquitoes and midges and was directed by the Board not to proceed with the budgeting to spray the retention areas and ponds. Janet Tutt, District Manager, advised Sumter County sprays for mosquitoes but does not address midges, which are not considered a health, welfare or safety issue. Ms. Tutt stated Staff addressed each numbered District Board and because there is no guarantee the treatment will result in the elimination of the midges received direction from all Boards not to include funding in the upcoming budgets.

Chairman Getz inquired if the issue of midges is a problem throughout The Villages. Ms. Tutt advised the issue is typically based depending on location and midges can inhabit a particular water body for a lengthy period or can come and go quickly.

Additional residents concerns were brought before the Board pertaining to the length of time the blind mosquitoes and midges have been an issue near this particular retention pond.

Supervisor Sprung inquired how the midges could be addressed. Ms. Tutt stated there have been other locations where blind mosquitoes or midges have been an issue and then disappeared almost overnight; however, consideration for funding of spraying is a policy decision and advised consideration should be given to establishing a precedent. Mr. Wartinbee advised the one time treatment should cost approximately \$1,000 and stated the Board could direct Staff to address these items on a case by case basis. Following further discussion the Board provided the following direction to Staff:

On MOTION by Ron Ruggeri, seconded by Ron McMahon, with all in favor, the Board approved the treatment of the pond located at Morse Boulevard and Chapman Loop on a test basis only for blind mosquitoes and midges, not to exceed \$1,500.

Randall Devries, Village of Duval, advised the Board of his concerns about a potential berm being installed across CR466A. Mr. Devries stated some residents have come before the Board requesting berms; however, there are residents who are not in favor of berm and stated the installation of a berm would ruin his beautiful view of the golf course. Chairman Getz clarified the Board is only considering addressing the berm located behind Misty Court.

Lillian Hamilton, Aberdeen Run, advised the Board of an issue residents are having due to the increase traffic noise and and requested shrubbery and trees by planted to help with the noise.

Bill Maylor, Aberdeen Run, advised he purchased his specific lot for the view and assumed traffic noise would occur but would not be in favor to planting any additional landscape.

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

<p>On MOTION by Jim Sprung, seconded by Ron Ruggeri, with all in favor, the Board approved the Minutes from the Board Meeting held on May 18, 2012</p>

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

David Miles, Finance Director, advised the Board the cash analysis prepared on May 30, 2012 identifies the Districts investable balances as \$2,804,839 and were distributed among Citizens First Bank (CFB), the State Board of Administration (SBA), Florida Municipal Investment Trust (FMIVT) and Florida Local Government Investment Trust (FLGIT). The Budget to Actual Statements as of May 31, 2012 representing 66.23% of the year were provided to the Board identifying the District has collected 98.16% of the projected revenues for the budget this year. The budgeted expenditures are at 65.89% of the year. The District's Change in Net Assets for the month were a negative \$142,169; however the Change in Net Assets on annual basis is a positive \$639,971.

FOURTH ORDER OF BUSINESS: **District Property Management Reports**

A. Landscape Maintenance Update

Mr. Wartinbee advised the Board that regular maintenance is ongoing.

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

Barbara Kays, Budget Director, stated the Board reviewed the Proposed Budget presented at its May 21, 2012 budget workshop and advised one minor change was made to the Supervisor Salary line items. The proposed Operating Budget is \$2,072,179 and includes no increase to the maintenance assessments. Ms. Kays stated there was an increase of 6% to the overall budget due to the anticipated addition of Deed Compliance and Architectural Review functions. Additionally, adoption of Resolution 12-05 will set the Public Hearing for September 7, at 11:00 a.m. to adopt the Final Budget.

Vice Chairman Ruggeri inquired about the balances of the District's reserve funds. Ms. Kays stated the estimated Working Capital at the end of Fiscal Year 2012/2013 is \$1,172,802, General R&R estimated ending balance is \$727,606 and the Villa R&R estimated ending balance at \$290,000.

On MOTION by Jim Sprung, seconded by Ron McMahon, with all in favor, the Board adopted Resolution 12-05 approving the Proposed Budget and setting a Public Hearing for September 7, 2012 at 11:00 a.m. to be held in the District Office Board Room to adopt the Fiscal Year 2012/2013 Final Budgets.

SIXTH ORDER OF BUSINESS: Old Business Status Update

- Status Update re: Berm

Ms. Tutt read the following memorandum submitted by Valerie Fuchs, District Counsel, into the record: "At the last Board meeting some of the residents owning lots on Misty Court expressed their concern that the landscape buffer situated on the District's tract running along C.R. 466A, which separates the resident's lots from said county road, is insufficient to block the noise generated from traffic thereon. The residents are requesting that the District's berm be enhanced to reduce traffic noise on C.R. 466A. I was asked to review the matter to determine if an error occurred in the permitting stages of development which may have resulted in insufficient noise abatement being provided. I have reviewed the matter and found nothing indicating that any error was made in the development of this particular area. A Registered Engineer designed the questioned infrastructure and determined in his best

judgment that this particular area did not qualify for a greater sound barrier than what has been provided. It should be noted that the Federal Guidelines, such as the ones handed out at the Board meeting by the residents, do not apply in cases such as this where a local road is funded with local funds. The State Statutes regarding state highways are inapplicable as well. In addition to reviewing the Federal and State laws, I have reviewed the applicable Sumter County ordinances and have spoken with County Staff. It is my opinion that no error occurred in the development of the landscape barrier at issue. The decision to enhance the District's berm to reduce C.R. 466A traffic noise is a policy decision to be made by the Board upon a finding that such enhancements serve a valid public purpose and is in the best interest of all the residents of the District."

Ed Reiselt, Misty Court, stated other residents have come before the Board with noise concerns due to traffic; however, the residents along Misty Court believe their issue differs from these concerns and requested the Board proceed with either enhancing the berm or installation of a wall, whichever is most cost efficient.

Supervisor Sprung stated Ms. Fuchs memorandum states the Board's decision to enhance the berm would have to serve "a valid public purpose and is in the best interest of all the residents of District". Ms. Tutt advised the statement provided is a requirement for expenditure of District funds.

Vice Chairman Ruggeri inquired if a special assessment could be made for the cost of the enhancement. Ms. Tutt stated Florida Statute 190 does not provide the District the authority to issue a special assessment; however, the Board could act as a liaison to achieve the requested enhancement.

Supervisor McMahon inquired about the estimated cost to complete a review of alternatives.

Chairman Getz stated that is a study to find a solution to the sound issue. Ms. Tutt stated the estimated cost to complete an analysis of the best alternative for the location would be \$3,000 but cautioned berms, trees and walls are not always successful in reducing noise.

Supervisor McMahon stated a resident suggested installing an additional layer of oak trees, palms or other Florida landscaping that would compliment the aesthetics of The Villages. Ms. Tutt advised it is a policy decision of the Board as to whether it is the District's responsibility to mitigate a sound issue related to CR 466A for a public benefit.

Mr. Wartinbee stated the east end of the area in question will be a challenge because the District's property runs parallel with CR 466A and abuts a Developer-owned golf course.

Chairman Getz stated CR 466A is a connector road and does not believe the elevated traffic noise is due to construction traffic. Following further discussion the Board took the subsequent action:

On MOTION by Ron McMahon, seconded by Ron Ruggeri, with four Supervisors voting "Aye, and Jan Thompson voting "Nay" the Board approved the funding of a study, not to exceed \$3,000 to obtain an engineering opinion on remediation for the noise issue on CR 466A opposite Misty Court.

SEVENTH ORDER OF BUSINESS: Staff Reports

There were no Staff Reports.

EIGHTH ORDER OF BUSINESS: District Counsel Reports

There were no District Counsel Reports.

NINTH ORDER OF BUSINESS: Supervisor Comments

Chairman Getz provided the Board with a handout from the FASD conference.

Vice Chairman Ruggeri stated Governor Scott signed a report pertaining to the investigation of CDD's (Community Development Districts) issuing municipal bonds and requested clarification. Ms. Tutt stated it appears there are CDD's within the State of Florida who have issued bonds but not all the infrastructure has been constructed. Ms. Tutt stated development of a District within The Villages is completed differently than in other CDD's and clarified an Agreement is entered into with the Developer to begin the construction of infrastructure with no liability or responsibility on the District.

Vice Chairman Ruggeri inquired if the establishment of Brownwood CDD, which is located within the city limits of Wildwood, would affect the District. Ms. Tutt stated Staff has received communication from the Developer to provide management services through Village Center Community Development District (VCCDD) for Brownwood CDD, which will provide a benefit to the other Districts. Staff will incorporate Brownwood into the cost allocation methodology and budget process.

Ms. Tutt advised the Board during a previous meeting a resident made a presentation to the Board pertaining to his concerns of an issue with parking on villa roads and stated Staff has been advised that since the meeting. Lt. Wolfe, Sumter County Sheriff's Office (SCSO) met with the resident

to review the issue which will be addressed via State Statute. Ms. Tutt stated State Statute will allow the SCSO to address the parking issue because of the distance in relation to a "Stop" sign; and signage could be installed advising parking within a specific number of feet to a "Stop" sign. If a vehicle is obstructing vehicular traffic and not adhering to the signage a Sumter County Deputy will address the situation.

Vice Chairman Ruggeri stated there have been instances of residents parking in the visitor parking area in the villas and advised he has reviewed the plat and deed restrictions for the villa unit which states "no owner of a home site shall park, store or keep any vehicle except wholly within his driveway, garage or other non-visitor parking spaces" and "temporary parking depicted on the plat of the Subdivision is not for Owner's use but is for the use of Owner's invitees and guests". Ms. Tutt advised Valerie Fuchs, District Counsel, is not in attendance and stated this issue should be addressed by Counsel; however, it is not Ms. Tutt's belief the District can issue a deed restriction violation off of a homeowner's property, which Tract C is. Additional discussion regarding this matter occurred.

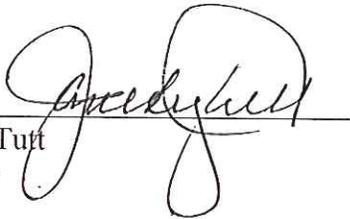
TENTH ORDER OF BUSINESS:

Adjourn

The meeting was adjourn at 12:42 p.m.

On MOTION by Jim Sprung, seconded by Ron McMahon, with all in favor, the Board adjourned the meeting.

Janet Y. Tutt
Secretary



Niles Getz
Chairman

