

District financial staff stays busy year-round

Summer is in full blast here in The Villages, and it has been a typical Florida summer with temperatures over 90 degrees, followed by a late afternoon thundershower and cooler evening temperatures. Your Finance Department has been busy working with legal counsel and the Budget Department to prepare the statutorily mandated ads, letter notices and assessment rolls for transfer to the County Property Appraisers and Tax Collectors in Sumter, Marion and Lake counties. As government entities, the numbered Districts 1-11 must comply with Chapters 190 and 197 of Florida Statutes in order to place their upcoming maintenance and debt service assessments on the appropriate county annual property tax bills. The property tax bills for FY 2015-2016 will be mailed by the County Tax Collectors on Nov. 1.

Just as a reminder to our residents, whether you are a new resident or an old hand here in Florida, once the tax bills are mailed, you can take a 4 percent discount if you pay the bill by Nov. 30. The discount drops to 3 percent in December, 2 percent in January and 1 percent in February. There is no discount in March. The bills become delinquent on April 1, and penalties are then applied. Tax certificates are typically sold in late May or early June, resulting in interest expenses being paid by the owner to investors who buy the certificates. Ultimately, if still not paid, the owner may lose title to the property.

Another issue I frequently hear concerns about is when can I, or when should I, pay off my bond assessment? Florida law governing procedures for paying off multiple-year benefit



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assessments for bonded debt provide two options for the property owners required to pay off the assessments. The first option is to pay in annual installment payments. The Villages Numbered Districts all use the Uniform Collection Method that provides for payment as part of your annual property tax bill issued Nov. 1. The same discount and collection procedures apply to the assessment as to property taxes.

The other choice is to pay the assessment in full at any time. Contact the Finance Department Bond Team at 352-751-3900 to get the amount due and procedures to follow to make this one-time payment. The timing of the one-time payment can make a difference in the amount, based on the number of previous annual payments you have made and the time of the year. The Districts use the assessments to pay principal and interest to the bondholders, much like you pay your mortgage payments. A major difference is the bond principal amount is only paid once a year, and the bond interest is paid every six months. Both types of payments are made by the Districts to their trustee, U.S. Bank, who in-turn pays the bond holders. There are two cut-offs each year which the Districts must meet or they have to pay an additional six months' worth of interest to the bondholders. Those two

cutoff dates are March 16 and Sept. 16 of each year. The next cut-off date is Sept. 16, 2015. If you pay on Sept. 17 or thereafter until the next cut-off date, you will have to pay for six months' worth of additional interest.

Another question I hear from residents around The Villages is when is the District going to begin offering electronic invoicing, so they don't have to receive utility and amenity bills in the mail any longer? For the last several months, the District has been involved in a Request for Proposal process to replace the Utility Billing and Customer Service software system. Vendor selection has been completed, and the choice and costs are being negotiated and addressed to the Village Center Community Development District Board this summer. Our plans are to implement the new software, which will include an electronic billing option, in early 2016.

On July 30, the Investment Advisory Committee (IAC) held its quarterly meeting to review the status of the Districts' Deposits and Investments. The committee is comprised of one supervisory from the Boards of Supervisors of 14 of the 15 District governments that comprise the local government here in The Villages. This includes the three commercial districts; Village Center, Sumter Landing, Brownwood; one dependent district, North Sumter County Utility Independent District and numbered districts 1-10, along with a representative of the Amenity Authority Committee (AAC). Only CDD No. 11 is not yet represented on the committee. As District No. 11 matures and obtains investable balances

of funds, it too will be invited to join the committee. The meeting included a presentation by a representative of Fidelity Funds concerning upcoming regulatory changes that will affect valuing of money-market

investments after October 2016. These changes promulgated by the Securities and Exchange Commission (SEC) will affect the investment decisions District money managers make in the future and may cause revision to the Short Term Investment Policies for the Districts. The SEC regulatory changes are designed to avoid the liquidity problems the country

experienced in the fall of 2008 during the last recession.

Next week, the Finance Department will host several auditors from Purvis, Gray and Company who will begin the preliminary fiscal year 2014-2015 annual audit of the financial records for the 15 districts. They will return just before Christmas to complete the annual audits required by

Chapter 218, Florida Statutes, of all local government units. Our staff is busy preparing the closing procedures for our Sept. 30 year-end and the opening of a new fiscal year's budget for 2015-2016 on Oct. 1.

As you can tell, your District financial staff keeps busy year-round making sure our financial duties are performed accurately and in the best interest of our

residents in The Villages. See you next time here at Our Place.

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