

**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, February 21, 2014 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:

Walter Martin	Chairman
Gary Kadow	Vice Chairman
Jerry Ferlisi	Supervisor
Chuck Wildzunas	Supervisor
Jerry Knoll	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
Barbara Kays	Budget Director
Brittany Wilson	Assistant to District Manager
Candy Dennis	Community Standards Administrative Coordinator
Candice Lovett	Staff Assistant

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman Martin 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 and led the Board and residents in a moment of silence to observe those who serve our Country and the community.

C. Welcome Meeting Attendees

The Board welcomed all those residents in attendance.

D. Audience Comments

Joel Best, District 5 Architectural Review Committee (ARC) Representative, reviewed the number of applications the ARC has addressed over the past year and thanked Staff for their contributions and assistance. Mr. Best suggested the Board and Staff reconsider the process established for the re-appointment of representatives to the Committee.

SECOND ORDER OF BUSINESS: District Property Management Reports

A. Landscape Maintenance Report

Dave Freeman, District Property Management (DPM) Supervisor, provided the Board with an update of the following:

- Pine straw application has begun in the villas and cul-de-sacs.
- Visitor and resident card readers at Winifred have been rebuilt.
- Gate house at Bonnybrook has been painted.
- Pressure washing is occurring throughout the District.

CONSENT AGENDA:

Chairman Martin advised the Board a motion to approve the Consent Agenda is a motion to approve all recommended actions. All matters on the Consent Agenda are considered routine and no discussion will occur unless desired by a Board Member or a member of the Public.

**On MOTION by Chuck Wildzunas, seconded by Jerry Knoll, with all in favor, the Board approved the following items on the Consent Agenda:
THIRD ORDER OF BUSINESS: Approval the Minutes from the Board Meeting held on January 17, 2014.
FOURTH ORDER OF BUSINESS: Adoption of Resolution 14-04 approving the revised District Investment Policy effective the date of approval.**

FIFTH ORDER OF BUSINESS: Acceptance of Audit Report for Fiscal Year 2012/2013

David Miles, Finance Director, provided an overview of the new accounting standards adopted by the District as required by the Governmental Accounting Standard Board (GASB) and reviewed the following Financial Highlights with the Board:

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows as of September 30, 2013 by \$114,321,217 (net position). Of this amount \$6,633,138 of unrestricted net position may be used to meet the District's ongoing obligations to residents and creditors.
- The District's total net position decreased by \$3,867,536. An additional decrease of \$746,819 resulted from the restatement of beginning net position due to the early implementation of GASB 65. The restatement removed the balance of all unamortized issuance costs, rather than amortizing over the remaining lives of the bonds. The depreciation expenses for capitalized fixed assets as shown on page 26 of this report represent a significant decrease to the asset values, offsetting the net position increase resulting from donations and new additions. Depreciation expenses are provided to reflect the using up over time of the value of items of capital equipment previously acquired, to allow for the planning of the timely replacement of renovation of these assets when required.
- At the close of the Fiscal Year, the District's governmental funds reported combined fund balances of \$11,484,962 a net decrease of \$1,682,379, compared to the prior year. Most of the reduction occurred in the Debt Service Fund and resulted from reduction in the outstanding debt principal along with the refunding of both bond issues during Fiscal Year 2012-2013. Of the total, \$5,406,382 is available for spending at the District's discretion as unassigned fund balance
- At the end of the year, the unassigned fund balance of the General Fund was \$5,406,382 or 206.3 percent of total General Fund annual expenditures. This provides a healthy contingency for unexpected expenditures.
- The District's total long-term debt decreased by \$3,060,000 during the current Fiscal Year. The decrease relates to principle payments made on outstanding revenue bonds during the year ended September 30, 2013.

- During Fiscal Year 2012/2013, the District refunded both of its outstanding bond issues to lower interest costs to the residents. The Series 2002A and 2003A Special Assessment Revenue Bonds with interest rates of 6.0% to 6.10%, respectively, were both refunded at an interest rate of 3.0% to 4.0% on March 1, 2013. The 2013 Phase 1 and Phase 2 bonds mature on May 2033 and May 2034, respectively. During the refunding, a \$1,010,467 due to the developer long-term debt was paid off, eliminating this liability.
- Special assessments are shown as assessments receivable. At the fund level, there is an offsetting line item for unavailable revenue pertaining to assessments due in future years, which is a deferred inflow of resources. Assessments receivable decreased by \$2,599,649 during the year and has a September 30, 2013 balance of \$37,144,739.

Supervisor Ferlisi requested clarification on an item which was provided by Mr. Miles.

Mark White, Purvis & Gray, the District's Auditors, reviewed the Audit Report and thanked Staff for their cooperation in providing all necessary documents to them for the completion of their audit. The Board thanked Staff for their continued diligent efforts on behalf of the residents.

On MOTION by Jerry Ferlisi, seconded by Jerry Knoll, with all in favor, the Board accepted the Audit Report for Fiscal Year 2012/2013 for Village Community Development District No. 5.

SIXTH ORDER OF BUSINESS: Old Business Status Update

Valerie Fuchs, District Counsel, advised the Board that communication has been made with Hanson Corporation regarding the B-13 tunnel repairs and an agreement is being established to address the costs of the repairs.

Janet Tutt, District Manager, advised the Project Wide Advisory Committee (PWAC) reviewed the Cost Study for Pimlico Pond and has recommended proceeding in the current manner which will address repairs on an as needed basis.

INFORMATIONAL ITEMS ONLY:

SEVENTH ORDER OF BUSINESS: Financial Statements as of January 31, 2013

The item was provided to the Board as information.

Supervisor Ferlisi requested clarification on the net maintenance assessment percentage, which Staff provided.

EIGHTH ORDER OF BUSINESS: Decline to proceed received from Driveway Maintenance Inc. re: RFP #14P-017

The item was provided to the Board as information.

NINTH ORDER OF BUSINESS: Staff Reports

Ms. Tutt advised beginning with the March 20, 2014 meeting all Village Community Development District No. 5 Board meetings will be held at Lake Miona Regional Recreation Center in the America 3A and 3B Rooms.

Ms. Tutt advised Staff will hold its training sessions for the Districts' move to electronic agendas and the District Boards will be contacted for training in the near future. Staff is providing an opportunity for the Board Members south of CR 466 to preview their new Board room location, but because many of the Board Members north of CR 466 have attended AAC meeting Staff did not believe it was necessary to do the same. However, if you would like the opportunity review the set-up of the room prior to the March Board Meetings please contact Jennifer McQueary, District Clerk.

Carrie Duckett, Customer Support Manager, presented the residents who completed the District's Resident Academy with a certificate and thanked them for taking the opportunity to learn more about the District's local government.

TENTH ORDER OF BUSINESS: District Counsel Reports

There were no District Counsel Reports.

ELEVENTH ORDER OF BUSINESS: Supervisor Comments

A. Supervisor Wildzunas: PWAC Update

Supervisor Wildzunas advised discussions have occurred regarding the striping of the multi-modal trails. Supervisor Wildzunas advised further discussion will take place at the upcoming PWAC

meeting on the matter. The PWAC reviewed the wetland areas and concurred to revisit the reports provided.

B. Supervisor Knoll: Governance Improvement Committee Update

Supervisor Knoll stated the Governance Improvement Committee (GIC) will be meeting at a future date to discuss suggestions for topics to be addressed at a “town hall” type meeting that the District Boards would attend. The date is yet to be determined.

Supervisor Knoll advised he has spoken with Staff and his questions and concerns regarding the Patio Villa Driveway Extensions have been addressed.

C. Supervisor Kadow: Investment Advisory Committee Update

Supervisor Kadow advised the Investment Advisory Committee (IAC) meets quarterly and reviews all the finances within the Districts. The IAC follows the SLY method (Safety, Liquidity and Yield) to remain conservative with the District’s investments.

D. Supervisor Knoll: Patio Villa Driveway Extension

This item was previously addressed.

TWELFTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 8:57 a.m.

On MOTION by Gary Kadow, seconded by Jerry Ferlisi, with all in favor, the meeting was adjourned.

Janet Y. Tutt
Secretary

Walter Martin
Chairman