

**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT NO. 5**

A Meeting of the Board of Supervisors of Village Community Development District No. 5 was held on Friday, February 15, 2019 in the District Office Large Conference Room, 984 Old Mill Run, The Villages Florida, 32162.

Board members present and constituting a quorum:

Gary Kadow	Chairman
Walter Martin	Vice Chairman
Jerry Ferlisi	Supervisor
Jerry Knoll	Supervisor
Chuck Wildzunas	Supervisor

Staff Present:

Richard Baier	District Manager
Kenny Blocker	Assistant District Manager
Valerie Fuchs	District Counsel
Sam Wartinbee	District Property Management Director
Anne Hochsprung	Finance Director
Brittany Wilson	Director of Technology and Board Services
Jennifer McQueary	District Clerk
Julie Kulas	Administrative Assistant

FIRST ORDER OF BUSINESS: **Call to Order**

A. Roll Call

Chairman Kadow called the meeting 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 Kadow led the Pledge of Allegiance.

C. Observation of a Moment of Silence

The Board and residents observed a moment of silence for those who have served our Country and community.

D. Welcome Meeting Attendees.

The Board welcomed all those residents in attendance.

SECOND ORDER OF BUSINESS:

Approval of Minutes

On MOTION by Walter Martin, seconded by Jerry Ferlisi, with all in favor, the Board approved the Minutes from the Board Meetings held on January 18, 2019.

THIRD ORDER OF BUSINESS:

Acceptance of Audit Report for Fiscal Year 2017/2018

Anne Hochsprung, Finance Director, advised that Purvis Gray & Company, the District's Auditor, have completed the audit report for Fiscal Year 2017/2018 and reviewed the Statement of Activities as well as the Balance Sheet of Governmental Funds with the Board. The following items were highlighted from the Fiscal Year 2017/2018 audit:

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows as of September 30, 2018, by \$102,483,610 (net position). Of this amount, \$12,663,360 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 \$2,627,106. The decrease in net position results primarily from depreciation expense of \$3,301,532. Depreciation expense is provided to reflect the using up over time of the value of capital assets in order to allow for the planning of the timely replacement or renovation of these assets.
- The District's total long-term debt decreased by \$2,067,972 during the current fiscal year. The decrease relates to principal payments made on outstanding revenue bonds during the year ended September 30, 2018.
- At the close of the fiscal year, the District's governmental funds reported combined fund balances of \$14,661,174, a net increase of \$755,922 compared to prior year. Of the total, \$3,541,285 is available for spending at the District's discretion as unassigned fund balance.

- At the end of the year, unassigned fund balance of the General Fund was \$3,541,285 or 128.4 percent of total General Fund annual expenditures. This provides a healthy contingency for unexpected expenditures.
- 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 \$2,157,044 during the year and has a September 30, 2018 balance of \$27,018,043.

Mark White with Purvis & Gray, the District's Auditors, advised an unmodified opinion has been issued and believes that the financial statements are fairly presented in accordance with generally accepted accounting principles and are free from material mistakes. Mr. White thanked Staff for their cooperation in providing all necessary documents to them for the completion of their audit. Mr. White responded to the inquiries of the Board.

The Board thanked the auditors for the report provided.

On MOTION by Jerry Ferlisi, seconded by Jerry Knoll, with all in favor, the Board accepted the Village Community Development District No. 5 Fiscal Year 2017/2018 Audit.

FOURTH ORDER OF BUSINESS: Approval of Fiscal Year 2019/2020 Budget Calendar

Barbara Kays, Budget Director, advised that the District's Fiscal Year 2019/2020 budget calendar has been provided and advised that a Budget Workshop has been scheduled for Monday, May 13, 2019 at 8:00 a.m. in the District Office Large Conference Room to include a review of the Fiscal Year 2019/2020 recommended budget by line-item detail, provide Capital Improvement Plan (CIP) updates, and discuss the proposed maintenance assessment rates. Ms. Kays stated that approval of the Proposed Budget will take place during the regular meeting held on June 7, 2019 in the District Office Large Conference Room, and the Public Hearing to adopt the Final Budget will take place at the regular meeting on September 6, 2019 in the District Office Large Conference Room.

On MOTION Jerry Knoll, seconded by Jerry Ferlisi, with all in favor, the Board approved the Fiscal Year 2019/2020 Budget Calendar.

FIFTH ORDER OF BUSINESS: Operating Policies and Procedures

Brittany Wilson, Director of Technology and Board Support Services, advised that a draft of the Operating Policies and Procedures was provided to the Board via email and as an attachment to the agenda package. Staff has conducted a review of the District's existing Policies and Procedures, Statutory requirements, Operating Policies and Procedures from other governmental entities and existing policies that the Board has adopted throughout the years, which have been incorporated into the document presented. Ms. Wilson advised that Staff has highlighted those areas where options have been provided to the Board for consideration and are requesting that the Board review the document and provide comments to Staff to be incorporated prior to the March Board Meeting. Once the Operating Policies and Procedures have been finalized, Staff will move forward with the advertisement process for the Board to hold a Public Hearing to adopt the Rule. Staff responded to Board inquiries.

FIFTH ORDER OF BUSINESS: Architectural Review Manual

Candy Dennis, Community Standards Manager, advised that during the January meeting Staff presented proposed revisions to the Architectural Review Manual for consideration. During the Board Meetings held additional revisions were identified for the language pertaining to pavers, driveway painting for patio villas, front door and garage door painting for courtyard and patio villas and providing the necessary language for gate movement and adjusting of a sidewalk when corner/end lot courtyard villas construct a golf cart addition, which have been indicated in blue. Ms. Dennis stated that Staff is requesting that the Board approve the proposed revisions to the Architectural Review Manual.

On MOTION by Jerry Knoll, seconded by Chuck Wildzunas, with all in favor, the Committee recommended approval of the proposed revisions to the Architectural Review Manual effective February 15, 2019.

SEVENTH ORDER OF BUSINESS: Old Business Status Update

Kenny Blocker, Assistant District Manager, advised that Staff has communicated with Sumter County regarding the two (2) depressions on Churchill Downs and the item has been marked as completed.

Supervisor Knoll thanked Staff for re-addressing the repair along the multi-modal path on the north side of the Lake Sumter Bridge.

Chairman Kadow advised that he communicated with Staff about an issue with the sidewalk near the Pimlico Recreation Center for Sumter County to review and inquired if the schedule to make the provided to Staff by Sumter County is still on schedule. Sam Wartinbee, District Property Management (DPM) Director advised that Staff has not been made aware of a change to the schedule.

EIGHTH ORDER OF BUSINESS: Financial Statements

The Financial Statements as of December 31, 2018 were provided as information to the Board.

NINTH ORDER OF BUSINESS: DPM Monthly Report

The District Property Management (DPM) Report was provided as information to the Board.

Mr. Blocker advised that the Investment Advisory Committee (IAC) met on February 5, 2019 and had a lengthy discussion regarding the quarterly review. Mr. Blocker stated that the annual cash flow analysis was reviewed to identify if any additional funds could be transferred into the long-term investment portfolio (LTIP). District-wide, approximately \$4 million of additional funds were identified, which resulted in a recommendation by the IAC that Staff provide each District Board with an update at the March Board meetings, identifying if an increase to the LTIP should occur. Mr. Blocker advised the funds will be reviewed on a quarterly basis as well.

TENTH ORDER OF BUSINESS: District Manager Reports

Richard Baier, District Manager, advised that there will be a public meeting set up in April for the Supervisors and Committee members, as well as the public, for a District update to be provided regarding all activities that are occurring.

ELEVENTH ORDER OF BUSINESS: District Counsel Reports

There were no District Counsel Reports.

TWELFTH ORDER OF BUSINESS: Audience Comments

Rick Sutherland, Lakewood Drive, requested clarification on the cleaning of the storm drains along Bailey Trail and Lakewood Drive. Mr. Baier advised that the cleaning of the storm drains on the roads referred to fall under the purview of Sumter County and advised that Staff would provide the appropriate contact information.

Mr. Sutherland inquired if there is any update regarding the Morse Bridge embankment revetment. Mr. Baier advised that the Project Wide Advisory Committee (PWAC) will discuss alternatives to address the embankment at a future meeting.

Vice Chairman Martin inquired if there are other alternatives available since the water level remains high. Mr. Baier advised that two (2) methods are being reviewed to collect additional information. One is utilizing divers that would video the embankment and send the information to engineers on the shoreline and the other is a laser leveling which would show if additional degradation has occurred.

THIRTEENTH ORDER OF BUSINESS: Supervisor Comments

A. Supervisor Wildzunas: PWAC After Agenda

Supervisor Wildzunas provided the following highlights from the PWAC meeting held on February 11, 2019:

- The PWAC will hold a Q&A session on Thursday, February 28, 2019 at 6 p.m. at Rohan Regional Recreation Center.
- The Committee recommended award of the multi-modal path tunnel guide sign project to the Sumter Landing Community Development District (SLCDD) Board for approval.
- Staff provided the Committee with an update on the postal facility maintenance advising replacement of the LED lighting at the postal facilities will be ongoing.
- The installation of aquatic access lifts (AAL) will be discussed at the March budget discussion.

FOURTEENTH ORDER OF BUSINESS: Adjourn

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

On MOTION by Jerry Knoll, seconded by Chuck Wildzunas, with all in favor, the Meeting was adjourned.

Richard J. Baier
Secretary

Gary Kadow
Chairman