



August 26, 2015

11:00 A.M.

Community Development Districts

Welcome Wednesday News

Contact Us:

Customer Service
(352) 753-4508

Administration
(352) 751-3939

Community Standards
(352) 751-3912

Community Watch
(352) 753-0550

Property Management
(352) 753-4022

Finance
(352) 753-0421

Human Resources
(352) 674-1905

Public Safety
(352) 205-8280

Purchasing
(352) 751-6700

Recreation Administration
(352) 674-1800

Utility/Amenity
(352) 750-0000

HOLIDAY CLOSURE

District Customer Service and all Administrative Offices will be closed on Monday, September 7, 2015 in observance of Labor Day. We will resume normal business hours on Tuesday, September 8, 2015.



CDD Orientation

Please join us each Thursday at 10:00am at the District office located at 984 Old Mill Run to learn about how the Districts operate and other important community information. For additional information, please contact us at (352) 753-4508.

The Villages®

Community Development Districts
Property Management



El Santiago Update

The exterior of the building is substantially complete and the landscaping is being installed. The interior finishes continue to be installed. The permanent electricity is now on and the heating / cooling and electrical systems are up and running. Testing of these systems is underway. The project is on schedule for completion in December 2015.



Knudson Softball Field Renovation

The renovation of the Knudson Softball Field is in progress. The work includes the grading and preparation of the outfield for sprigs to grow in for new grass. The outfield fence is also being replaced.



A Message From...

The Villages®

Community Development Districts
Recreation

2015 District Flu Shot Program

The 2015 District Flu Shot Program begins on Thursday, September 10, 2015. The program will take place at the Savannah and Lake Miona Regional Recreation Centers. Please visit the website www.districtgov.org to access registration form. Once completed, it can be dropped off at either Savannah or Lake Miona, or at Recreation Administration at 984 Old Mill Run. The program schedule will take place at the following locations:



Savannah Recreation Center

- Thursday, September 10, 2015 9:00 A.M. – 3:00 P.M.

Lake Miona Recreation Center

- Friday, October 2, 2015 9:00 A.M. – 3:00 P.M.

For more information and online registration, please call VaxCare at 1-888-829-8550.

Billiards

To maintain the high quality standards of our equipment, we are happy to announce the table recovering and general maintenance on billiards tables at select locations will be complete this week. Billiards tables are on a maintenance schedule per industry standards with recreation staff checking and signing off on performed work. Please note, residents and guests are encouraged to refrain from sitting on the tables as this will lead to decrease in the performance of the tables.



A Message From...

The Villages®

Community Development Districts

Recreation

Resident Lifestyle Volunteer Groups



The Villages has over 2300 Resident Lifestyle Volunteer Groups (RLVGs) ! These groups are established and led by resident volunteers to fulfill the social, recreational, emotional or physical needs of the club members.

The leaders of the RLVGs have the ability to schedule group activities at District owned and operated facilities by obtaining a facility permit through the Recreation Department.

If you are interested in creating a Resident Lifestyle Volunteer Group, the Recreation Department will assist you with a survey to determine the interest in the community. You may also view the existing RLVGs by visiting the Recreation webpage on www.DistrictGov.org.

While the District Government has no involvement with the individual club activities, RLVGs are expected to adhere to the code of conduct established for all individuals and activities that take place in District facilities.

For additional information, you may view the Resident Lifestyle Volunteer Guidelines by clicking the following link:

<http://www.districtgov.org/images/Resident-Lifestyle-Volunteer-Guidelines.pdf>

A Message From...

The Villages® Community Development Districts Executive Golf

Work will begin this week on the refurbishment and capping of all existing bunkers at our De La Vista Executive Golf Course. This is a continuance of our planned Capital Improvements for the summer on the course. These upgrades are scheduled to be completed by September 30, 2015, weather permitting.

The improvements to Amberwood green #5 are nearing completion. The area should be fully grassed this week. The grow-in period will take place over the next 6 weeks.

Please continue to watch our “What’s Happening” announcements at www.districtgov.org for updated information on closures and other improvements on your executive golf courses.



A Message From...



Community Development Districts

Office of Management and Budget

Maintenance Assessment Information

The Districts will be adopting their FY15-16 Final Budgets and maintenance assessments rates at their September Board meetings. Florida State Statutes require that a Final Budget and Final Maintenance Assessments be approved no later than September 15th of each year.

As we have communicated over the last several months, a few Districts have approved proposed increases to their FY15-16 maintenance assessment rates. After spending hours reviewing and discussing budgets during their May Budget Workshops, three Districts (2, 3, and 4) have requested increases to their maintenance assessment rates in order to maintain the existing level of service and ensure the long-term integrity of the infrastructure necessary for the sustainability of their Districts.

As required by the Florida State Statutes, a notice to homeowners in Districts 2, 3 and 4 will be mailed on August 17, 2015 to notify them of the proposed increase and the date/time of the public hearing when the rate increase will be discussed and adopted. On the same date, a large ad will also be placed in the Daily Sun as required. The notice to homeowners will consist of a letter that is personalized for each unit/lot that includes the required legal verbiage, purpose of the increase, the current rate, the proposed rate, and proposed annual increase amounts, along with a Frequently Asked Questions information page. This increase DOES NOT pertain at all to your monthly amenity fees that are billed on your utility bill.

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
861A UNIT 161 SPEC ASMT MAIT		586.73
861B UNIT 161 SPEC ASMT BOND		1,579.45
F045 VILLAGES FIRE DISTRICT	Per Parcel	81.00

For information regarding the above Special Assessment(s)(district 1, 2, 3, 5, 6, 7, 8 & 9) call 352-751-3900

Please Note: The VCCDD non-ad valorem tax (maint & bond spec. assmt.) is not a county tax.
Money collected is distributed back to VCCDD office.

NON-AD VALOREM ASSESSMENTS	
	\$2,247.18

The maintenance assessments are paid only once a year on your annual tax bill.

Continued

A Message From...

The Villages®

Community Development Districts

Office of Management and Budget

Maintenance Assessment Information Continued

District 2 has only had one maintenance assessment rate increase over the last nine years and is proposing a 10% increase, which averages out to a \$14.79 annual increase for villa owners, a \$109.96 annual increase for Harmeswood unit owners and a \$27.20 annual increase for other unit owners. They took this difficult step after reviewing a \$68,903 increase to the landscaping contract; a need to upgrade the outdated irrigation system and to convert to new technology to improve water conservation; and the need for road mill and overlay projects in the next five to ten years.

District 3 has only had one maintenance assessment rate increase over the last nine years also and is proposing a 15% increase. While the percentage amount may sound like a huge increase, the dollar increase for the year averages out to a \$26.89 annual increase for villa owners, a \$146.11 annual increase for Sunbury Place unit owners and a \$45.14 annual increase for other unit owners. The Board took this step after reviewing a \$67,507 increase to their landscaping contract; a need to upgrade their irrigation systems and to convert to new technology to conserve water; and the need for road mill and overlay projects in the next five to ten years.

District 4 is proposing their first increase in six years with a 20% increase, which averages out to a \$48.47 annual increase for villa owners and an \$81.67 annual increase for other units. In accordance with Marion County's development requirements when the District was built, District 4 (and any other new development in Marion County) was required to be responsible for the maintenance of their collector, residential and villa roads where the other Districts are responsible for only their villa roads. The increase is due in part to future road projects such as rejuvenator application, resurfacing, mill and overlay along with other projects identified in the Capital Improvement Plan plus an additional \$100,000 in annual landscaping costs.

District 11 Board of Supervisors will be approving the levying of maintenance assessment rates for the first time. In compliance with Florida State Statutes, postcards will be mailed to residents on August 12 to notify them of the public hearing for the adoption of the FY15-16 Budget and maintenance assessment rates. Letters will also be mailed on the same date to notify the homeowners of the maintenance and bond assessment amounts that will be levied and collected on their tax bill.

Continued

The Villages®
Community Development Districts
Office of Management and Budget

Public Hearings

During the September Board meetings, the District Board of Supervisors will conduct public hearings to accept public input and then adopt the Final FY15-16 Budget and maintenance assessment rates. The public hearing will take place during the District Board meetings as listed below:

Thursday, September 3rd @ District - Large Conference Room

District 5 - 8:00 a.m.
District 6 - 9:30 a.m.
District 7 - 11:00 a.m.
District 8 - 2:00 p.m.

(In order to meet State Statutes the meetings for Districts 5 – 8 have been moved to the first Thursday instead of their regular meeting date on the third Friday.)

Wednesday, September 9th @ District – Large Conference Room

VCCDD - 2:00 p.m.
District 11 - 3:00 p.m.

Thursday, September 10th @ District – Large Conference Room

SLCDD - 10:00 a.m.
BCDD - 11:30 a.m.
District 9 - 1:30 p.m.
District 10 - 3:00 p.m.

Friday, September 11th @ Savannah Recreation Center

District 1 - 8:00 a.m.
District 2 - 9:30 a.m.
District 3 - 11:00 a.m.
District 4 - 1:30 p.m.

If you have any questions please feel free to contact Barbara Kays, Budget Director at 751-3939 or email at Barbara.Kays@Districtgov.org.

**Information provided
by...**

The Villages®
Community Development Districts
Finance



Bond Payoff Information

We are approaching one of the semi-annual deadlines for payoff of bond assessments in full. There is no requirement to pay bond assessments in full, as they can continue to be paid in installments on an annual basis as part of the annual property tax bill payment. However, for those property owners who want to save the interest expense on future installments, they can be paid off at any time. For those property owners that chose to pay by September 16, 2015, they will avoid paying an additional six months interest on the outstanding balance.. If payment is received on September 17th or thereafter another six months' worth of interest will be collected.

The Villages®

Community Development Districts

Sumter County Roundabout Brochure

The Sumter County Board of County Commissioners in cooperation with the Sumter County Sheriff's Office has developed an educational guide to navigating roundabouts in Sumter County. At the request of Sumter County officials, the District provides this brochure for your information. You may view the brochure by visiting www.DistrictGov.org. If you have any questions regarding the information, please contact the Sumter County Public Works Department at 352-793-0240.



Sumter Landing CDD Litigation Update

The Sumter Landing Community Development District (SLCDD) received a Notice of Claim in 2010 and three plaintiffs subsequently filed class action legal actions against the SLCDD (on behalf of all affected residents) which were eventually dismissed with prejudice and the plaintiffs were ordered to pay SLCDD's legal fees. The legal fees paid were \$20,000 of the \$344,554 expended. **The \$344,554 was paid from resident amenity fees.** A full overview of what transpired is included this Welcome Wednesday newsletter.

The Daily Sun reported that the bond refunding process had been delayed because of the law suit filings and an appeal by the three residents acting as plaintiffs in the class action suit. As a result of the article, the District has received inquiries as to whether the District could have, in fact, refunded its bonds. The answer is YES, if the pending legal action had not been present. Understanding why SLCDD could not move forward is based on common sense: you could not get someone to buy bonds when there is a legal action pending stating the bond issue we were attempting to refund was involved in criminal and civil theft - which claims were not true as indicated in the court's dismissal of the law suit.

The second question the District has received pertained to whether it would have been financially advisable to refund the bonds prior to the call date as there was the possibility of what is called "negative arbitrage" that would have absorbed any savings. It is true that refunding before the call date (October 1, 2015) could have provided some fiscal challenges in determining whether to go this route. However, as far back as October 2014, staff inquired and was discussing with its financial team an acceptable alternative method to the conventional bond refunding that would have mitigated the negative arbitrage issue. However, due to the pending class action suit, no further actions were taken by staff or its financial team as we could not move forward.

As outlined in the attached memo, by resolving the case now, additional litigation expenses are not incurred, and the time required of District staff to deal with the case can be limited. This resolution involves not only an end to this case, but a release from the Plaintiffs precluding any other future claims. Furthermore, resolving the litigation now means that this case will not be an impediment to issuance of refunding bonds by the District. It is our hope that the market and bond rates continue to hold until we can close on anticipated date of October 13, 2015.



TO: Board of Supervisors, Sumter Landing Community Development District
FROM: Janet Y. Tutt, District Manager
DATE: August 20, 2015

ISSUE:

Resolution of Burke vs. Sumter Landing Community Development District and request to move forward with bond refunding.

BACKGROUND:

As the Board is aware, the case Burke vs. Sumter Landing CDD was recently dismissed with prejudice in conjunction with a stipulated judgment in favor of the District and its co-defendants. The Sumter County Circuit Court entered its Order and Judgment awarding the Defendants' Attorney's Fees and Costs in the amount of \$40,000.00 on August 3, 2015, the same day that an order dismissing the appeal with prejudice was entered by the Fifth Judicial District Court of Appeal.

On September 14, 2010, the Sumter Landing Community Development District (SLCDD) received notice from Plaintiff's Counsel that the SLCDD had taken and appropriated to its own use or others who not entitled thereto, \$65,000,000 of the proceeds of revenue bonds issued by the SLCDD secured by amenity fees payable by 6604 Villages homeowners. The notice alleged the deprivation to homeowners in the total sum of \$408,765,273.81. The notice further demanded the SLCDD pay the sum within 30 days after receipt of the notice pending class-certification and court-directed computation, allocation and distribution of the funds to members of the class. The claimants listed were Gerald Ferlisi and Susan Richmond and similarly situated homeowners of homesites in The Villages.

In October of 2010, the same attorney sent notice to Mark G. Morse, The Villages of Lake- Sumter, Inc., demanding \$396,672,486 to be deposited in the same manner as identified in the notice to SLCDD.

No substantive actions occurred between 2010 until March 31, 2014 when the plaintiffs filed three complaints asserting a class action case having to do with use of amenities fees. The Plaintiffs' complaint included several counts based on allegations that the defendants "misappropriated" amenities fees by pledging them as collateral for debt that resulted in supposedly excessive debt that impaired the solvency of the amenities fees program.

The Plaintiffs were Thomas Burke, Gerald Ferlisi, Susan Richmond and Susan Saraullo (Susan Saraullo was later dropped as a Plaintiff).

The SLCDD's position remained consistent from the time the original notice was filed in 2010. Each time an amended complaint was filed, the SLCDD and its co-defendants responded by filing documents asserting that the Plaintiffs were not entitled to any relief and should be required to pay the SLCDD's fees and costs. Each complaint the Plaintiffs filed was dismissed by the Circuit Court. Each filing by the Plaintiffs required a substantial amount of District administrative staff's time and attorney hours to respond.

Over the last five months, SLCDD's counsel (Stone and Gerkin and Buchanan Ingersoll) have worked diligently on the part of the SLCDD to defend this litigation. As a government entity, responsible for public funds, it was incumbent on the SLCDD to persistently defend against a claim for damages, costs, attorneys' fees, representatives' fees and interest. This required continued attention through hours of staff time and attorney effort to protect and guarantee the SLCDD's financial integrity.

Over the months of legal actions, which included the Plaintiffs eventually filing an Appeal with the Fifth Judicial Court of Appeals, there were 76 items and actions identified in the Master Appeal Index and over 100 items on the Progress Docket. Although not all items required action by SLCDD's attorneys, continued filings by the Plaintiffs, in light of Dismissals, resulted in a substantial work effort on the part of staff and SLCDD's counsel.

To resolve the pending Appeal, the parties – including the plaintiffs, the SLCDD and co-defendants -- jointly agreed to a judgment awarding Defendants a total of \$40,000 to defray the costs of defending the lawsuit. The SLCDD has already received payment for its share, \$20,000, of this judgment. It is the individual plaintiffs that were ordered by the court to make the payment.

The District could have continued litigating to seek a higher judgment amount against the Plaintiffs, but there were benefits of resolving the case immediately. By resolving the case now, additional litigation expenses are not incurred, and the time required of District staff to deal with the case can be limited. This resolution involves not only an end to this case, but a release from the Plaintiffs precluding any other future claims. Furthermore, resolving the litigation now means that this case will not be an impediment to issuance of refunding bonds by the District.

The unfortunate part of litigation is that, although the defendant may be innocent, the cost to a government body to defend and carry out the overall fiduciary responsibility is very high. In addition to countless District staff hours, the attorney fees from 2010 to date are approximately \$344,554. While many believe that a winning party is always able to recover all of their attorney fees, this is not the case. Unfortunately, the cost of this litigation was an investment in the SLCDD not being required to pay money for claims that had no basis.

While it is true that there were other named defendants in this legal action, it was critical that the SLCDD take the necessary actions to protect the amenity fees and the potential impact of not being able to refund the SLCDD bonds.

Fortunately, this issue has been resolved, the claim against the SLCDD has been dismissed with prejudice, and the SLCDD intends to begin the refunding process.

Immediately following the Court's entry of the order dismissing the appeal with prejudice was entered by the district court of appeal, we held a conference call with the finance team used to issue bonds for the North Sumter County Utility Dependent District and refunding of numbered Districts' and the Village Center Community Development District bonds. The team has worked well together, there is no learning curve, and all are ready to hit the ground running to achieve the refunding of the SLCDD bonds.

Based on preliminary work and discussions, we believe a timetable to refund the bonds with a closing date of October 13, 2015 is achievable. The following three agenda items will put in place the finance team necessary to accomplish this effort to save money and, as important, refund with taxable bonds should there be action by the Internal Revenue Service.

RECOMMENDATION:

As previously discussed with the SLCDD Supervisors, it is in the best interest of the SLCDD to refund the current tax exempt bonds as soon as possible with a taxable issue: for both possible interest savings and potential action by the Internal Revenue Service.

MOTION:

Motion to direct staff to take the necessary actions to accomplish the refunding of the Sumter Landing Community Development District bonds with a taxable issue and authorize staff and the Chairman to take whatever actions are necessary to accomplish this with expediency.



Community Development Districts

Multi-Modal Path Discussion Group

The Multi-Modal Path Discussion Group met on July 6, 2015 to review the findings of Individual Project Order 17 (IPO) with Kimley-Horn & Associates Engineer). The IPO was previously approved to review options for center island markings and side markings on the multi-modal paths. The discussion group consists of representation from Districts 1-10 and the Amenity Authority Committee (AAC).

A second meeting was held on July 20, 2015 due to additional information relative to paint materials and reflectivity, the estimated cost of the project, and resident communication received.

The Multi-Modal Path Discussion Group listened to public comment and discussed the next step relative to the project. The members unanimously supported moving forward with the center island markings on the paths; however, based on the importance of the subject, the majority of the group agreed to further discuss side striping at their August 2015 Board Meetings. To view the report from the Engineer, please visit

www.DistrictGov.org or click the following link: http://www.districtgov.org/PdfView/PdfView.aspx?path=%27/PdfUpload/MultiUse%20Trail%20Marking_KHA%20Report%206.22.15.pdf%27&ql=standard

Districts 1-10 and the Amenity Authority Committee met in August to discuss the issue and provide information to their Board representative who serves on the Multi-Modal Path Discussion Group.

The Project Wide Advisory Committee (PWAC), comprised of Board member from Districts 5-10, will meet at 9:00 a.m. on August 31, 2015 in the District Office, Large Conference Room.

Following the August meetings, the Multi-Modal Path Discussion Group will meet on September 21, 2015 at 9:00 a.m. in the Savannah Center.

LABOR DAY HOLIDAY

SANITATION PICK UP CHANGE FOR MARION AND SUMTER RESIDENTS WITH MONDAY COLLECTION



HOLIDAY SANITATION COLLECTION DATE

SATURDAY, SEPTEMBER 5, 2015

*HOUSEHOLD TRASH AND RECYCLING
WILL BE COLLECTED ON THE
SATURDAY **PRIOR** TO THE HOLIDAY.
NO COLLECTIONS WILL BE MADE ON
LABOR DAY, SEPTEMBER 7TH.*



***NORMAL PICK UP
SCHEDULE WILL RESUME
TUESDAY, SEPTEMBER 8TH***



Campaign Sign Information

Each election period raises questions about allowable campaign activities within the Village Community Development Districts, including signage. To help all candidates and supporters, we have prepared an overview of signage enforcement for each District. Any questions with regard to signage or political activities should be directed to Janet Tutt, District Manager or Diane Tucker, Administrative Operations Manager at (352)-751-3939.

⇒ **Lady Lake/Lake County:**

The placement of not more than one (1) professionally prepared sign not exceeding twenty-four (24) inches wide and twenty-four (24) inches high affixed to an exterior window of a home unit, any content is permitted. There is no enforcement of for rent/for sale signs in villa units; however, no other signage is permitted with the exception of security and lawn care signs as designated in the Rule.

⇒ **VCDD No. 1:**

No enforcement of signs in home or villa units.

⇒ **VCDD No. 2 & VCDD No. 3:**

The placement of not more than one (1) professionally prepared sign not exceeding twenty-four (24) inches wide and twenty-four (24) inches high affixed to an exterior window of a home unit, any content is permitted. There is no enforcement of for rent/for sale signs in villa units; however, no other signage is permitted with the exception of security and lawn care signs as designated in the Rule.

⇒ **VCDD No. 4:**

No enforcement of signs in home or villa units.

⇒ **VCDD No. 5-10:**

No sign of any kind shall be displayed to public view on a Homesite or any dedicated or reserved area without prior written consent, except customary name and address signs and one sign advertising a property for sale or rent which shall be no larger than twelve (12) inches wide and twelve (12) inches high and which shall be located wholly within the Home and only visible through a window of the Home with the exception of security and lawn care signs.

⇒ Signs may not be affixed to the exterior walls of District owned property.

⇒ Signs may be affixed to golf carts or Low Speed Vehicles or held by candidates or their supporters.