

The Villages®
Community Development Districts
District 2

AGENDA REQUEST

TO: Board of Supervisors
Village Community Development District 2

FROM: Barbara E. Kays, Budget Director

DATE: 9/11/2020

SUBJECT: **Adopt Resolution 20-05: FY20-21 Final Budget**

ISSUE:

Adoption of Resolution 20-05 to approve the Fiscal Year 2020-21 Final Budget.

ANALYSIS/INFORMATION:

The Board of Supervisors held a public budget workshop on May 26, 2020 during which they reviewed and discussed the Fiscal Year 2020-21 Budget, Five-Year Capital Improvement Plan and working capital/reserve balances. The Board of Supervisors provided direction to staff to prepare a balanced proposed budget with **no increase** to the maintenance assessment rates. The District Manager prepared and submitted the Fiscal Year 2020-21 Proposed Budget to the Board of Supervisors at the June 12, 2020 meeting. The Board approved the Fiscal Year 2020-21 Proposed Budget and proposed maintenance assessment rates at the June 12, 2020 meeting and adopted Resolution 20-04 setting a public hearing for September 11, 2020 to approve the Fiscal Year 2020-21 Final Budget.

The Proposed Budget was submitted to the local governing authorities for a period of 60 days prior to approval for public review and comment. The Proposed Budget was also made available to the public at the Village Center District Administration Office and on the District's website.

Section 190.021 of Florida Statutes provides that a Maintenance Special Assessment and Benefit Special Assessment may be assessed upon each piece of property within the boundaries of the District benefited by the approved maintenance and capital improvement program of the District. The levy represents the amount of assessments for District purposes necessary to provide for payment during the ensuing budget year of all properly authorized expenditures to be incurred by the District. The Maintenance Assessment Rates shall be levied based on the schedule attached as an exhibit to this Resolution. There is **NO INCREASE** to the Maintenance Assessment rates when compared to the current year.

Staff continued to work on the attached budget over the past few months to update amounts including the final cost allocations. The Fiscal Year 2020-21 operating budget is \$1,386,536, a \$215,150 increase over the current year original budget. The increase is due to mill and overlay projects that total \$280,269. The accounts with changes since the Proposed Budget are highlighted and explained within the packet. The final cost allocation adjustments resulted in a decrease of \$15,595 from the Proposed Budget. Among the changes is the Technology Services allocation, previously budgeted in the 318 account, is now combined with the Management Fees 311 account with a net reduction of \$4,316.

During the May budget workshop the Board of Supervisors reviewed the updated Five-Year Capital Improvement Plan. With the adoption of the Fiscal Year 2020-21 Budget, the Five-Year Capital Improvement Plan for Fiscal Years 2020-21 through 2024-25 will be considered as approved also.

STAFF RECOMMENDATION:

Staff recommends the Board of Supervisors adopt Resolution 20-05 to approve the Fiscal Year 2020-21 Final Budget in the amount of

| | |
|--------------|-------------|
| General Fund | \$1,386,536 |
|--------------|-------------|

MOTION:

Move to adopt Resolution 20-05 to approve the Fiscal Year 2020-21 Final Budget in the amount of

| | |
|--------------|-------------|
| General Fund | \$1,386,536 |
|--------------|-------------|

ATTACHMENTS:

| | Description | Type |
|---|-----------------------------|------------|
| □ | <u>FY20-21 Final Budget</u> | Cover Memo |

RESOLUTION 20-05

**A RESOLUTION ADOPTING THE FINAL BUDGET OF
THE VILLAGE COMMUNITY DEVELOPMENT
DISTRICT NO.2 FOR FISCAL YEAR BEGINNING
OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021**

WHEREAS, the District Manager has prepared and submitted to the Board of Supervisors a Proposed Budget for the forthcoming Fiscal Year 2020-21; and

WHEREAS, the Board of Supervisors approved the Proposed Budget at a public meeting on June 12, 2020 and set September 11, 2020 as the date for a public hearing with notice of the budget hearing published pursuant to section 190.008(2) (a), Florida Statutes; and

WHEREAS, the District Board of Supervisors submitted to the local governing authorities, for purposes of disclosure and information only, the Fiscal Year 2020-21 Proposed Annual Budget at least 60 days prior to approval; and

WHEREAS, Section 190.021 Florida Statutes provides that a Maintenance Special Assessment and Benefit Special Assessments may be assessed upon each piece of property within the boundaries of the District benefited by the approved maintenance and capital improvement program of the District, such levy representing the amount of assessments for District purposes necessary to provide for payment during the ensuing budget year of all properly authorized expenditures to be incurred by the District; and

WHEREAS, a public hearing has been held on this 11th day of September, 2020 at which members of the general public were accorded the opportunity to speak prior to the approval of the Final Budget;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD
OF SUPERVISORS OF THE VILLAGE COMMUNITY
DEVELOPMENT DISTRICT NO. 2;**

1. The Fiscal Year 2020-21 General Fund Budget proposed by the District Manager is hereby approved for the amount as listed below along with the proposed maintenance assessment rates based on the attached schedules:


General Fund \$ 1,386,536

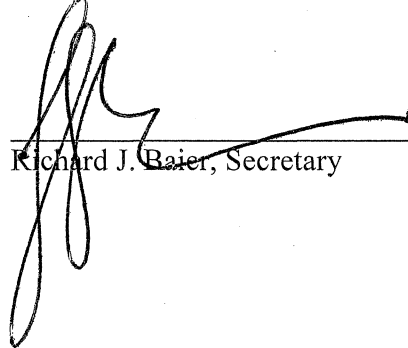
2. The Maintenance assessment shall be levied at a rate based on the schedule attached as an exhibit to this resolution in the District's "Official Record of Proceedings." The annual Maintenance assessment is based on net assessable acres and platted lots.

3. A verified copy of said Final Budget shall be attached as an exhibit to this Resolution in the District's "Official Record of Proceedings."

Adopted this 11th day of September, 2020.

VILLAGE COMMUNITY
DEVELOPMENT DISTRICT NO. 2


Bryan Lifsey, Chair


Richard J. Baier, Secretary

FISCAL YEAR 2020-21 BUDGET REPORT

Fund: 02.001 GENERAL FUND

| DESCRIPTION | 2018-19 ACTIVITY | 2019-20 ORIGINAL BUDGET | 2019-20 AMENDED BUDGET | 2019-20 ACTIVITY THRU 7/31/20 | 2020-21 FINAL BUDGET |
|---------------------------------------|---------------------|-------------------------------|------------------------------|-------------------------------------|----------------------------|
| ESTIMATED REVENUES | | | | | |
| 325.211 MAINTENANCE ASSESSMENT | 1,113,313 | 1,109,583 | 1,109,583 | 1,113,734 | 1,109,583 |
| 334.901 ST FEMA CLAIM REIM | 0 | 0 | 0 | 55,366 | 0 |
| 337.401 SUMTER CO ROAD AGREEMENT | 35,470 | 0 | 0 | 0 | 0 |
| 341.908 ELECTRIC REIMBURSEMENT | 275 | 0 | 0 | 0 | 0 |
| 341.999 MISCELLANEOUS REVENUE | 1,775 | 0 | 0 | 1,450 | 1,500 |
| 361.101 INT INCOME - CFB | 3,099 | 2,500 | 2,500 | 884 | 0 |
| 361.102 INT INCOME - CASH EQUIV | 8,713 | 11,000 | 11,000 | 6,221 | 7,314 |
| 361.105 INTEREST INCOME-TAX COLLECTOR | 671 | 500 | 500 | 415 | 0 |
| 361.306 FLGIT-UNREALIZED GAIN/LOSS | 31,095 | 0 | 0 | 25,172 | 0 |
| 361.307 LTP UNREALIZED GAIN/LOSS | 16,803 | 0 | 0 | 14,774 | 0 |
| 361.309 FLFIT-UNREALIZED GAIN/LOSS | (357) | 0 | 0 | 324 | 0 |
| 361.404 FMIVT-REALIZED GAIN/LOSS | 10 | 0 | 0 | 0 | 0 |
| 361.409 FLFIT-REALIZED GAIN/LOSS | 17,227 | 0 | 0 | 5,269 | 0 |
| 381.002 TRANSFER IN - DEBT SERVICE | 81,861 | 0 | 0 | 0 | 0 |
| 669.901 (ADD)/USE-WORKING CAPITAL | 0 | 47,803 | 47,803 | 0 | (12,130) |
| 669.904 (ADD)/USE-ROADS R&R | 0 | 0 | 0 | 0 | 142,027 |
| 669.907 (ADD)/USE-CAP PROJ PHASE I | 0 | 0 | 0 | 0 | 56,382 |
| 669.909 (ADD)/USE-CAP PROJ PHASE II | 0 | 0 | 0 | 0 | 81,860 |
| TOTAL ESTIMATED REVENUES | 1,309,955 | 1,171,386 | 1,171,386 | 1,223,609 | 1,386,536 |
| APPROPRIATIONS | | | | | |
| 111 EXECUTIVE SALARIES | 11,600 | 16,000 | 16,000 | 7,800 | 16,000 |
| 211 SOCIAL SECURITY TAXES | 719 | 992 | 992 | 436 | 992 |
| 212 MEDICARE TAXES | 168 | 232 | 232 | 161 | 232 |
| 241 WORKER'S COMPENSATION | 50 | 46 | 46 | 31 | 46 |
| 311 MANAGEMENT FEES | 162,886 | 168,930 | 168,930 | 140,776 | 184,300 |
| 312 ENGINEERING SERVICES | 22,837 | 17,600 | 17,600 | 14,553 | 17,600 |
| 313 LEGAL SERVICES | 6,338 | 5,000 | 5,000 | 6,175 | 6,000 |
| 314 TAX COLLECTOR FEES | 22,266 | 23,117 | 23,117 | 22,275 | 23,117 |
| 316 DEED COMPLIANCE SVCS | 42,485 | 56,453 | 56,453 | 47,045 | 44,830 |
| 318 TECHNOLOGY SERVICES | 4,476 | 5,715 | 5,715 | 4,763 | 0 |
| 319 OTHER PROFESSIONAL SVCS | 24,145 | 33,455 | 38,455 | 17,584 | 27,435 |
| 322 AUDITING SERVICES | 7,500 | 7,500 | 7,500 | 5,625 | 7,500 |
| 343 SYSTEMS MGMT SUPPORT | 1,359 | 1,125 | 3,625 | 1,237 | 3,378 |
| 344 PAYROLL SERVICES | 162 | 162 | 162 | 0 | 162 |
| 349 MISC CONTRACTUAL SVCS | 15,586 | 0 | 0 | 4,015 | 0 |
| 401 TRAVEL & PER DIEM | 0 | 2,000 | 2,000 | 0 | 2,000 |
| 412 POSTAGE | 0 | 100 | 100 | 0 | 100 |
| 431 ELECTRICITY | 106,696 | 42,595 | 42,595 | 25,425 | 28,708 |
| 434 IRRIGATION WATER | 8,192 | 8,028 | 8,028 | 5,891 | 8,028 |
| 442 EQUIPMENT RENTAL | 0 | 500 | 500 | 0 | 500 |
| 451 CASUALTY & LIABILITY INSUR | 5,895 | 6,820 | 6,820 | 5,895 | 5,860 |
| 461 EQUIPMENT MAINTENANCE | 80 | 500 | 500 | 0 | 500 |
| 462 BUILDING/STRUCTURE MAINT | 53,745 | 70,288 | 70,288 | 28,545 | 80,047 |
| 463 LANDSCAPE MAINT-RECURRING | 357,838 | 374,369 | 374,369 | 284,456 | 374,369 |
| 464 LANDSCAPE MAINT-NON RECURRING | 70,180 | 99,620 | 99,620 | 41,512 | 72,300 |
| 468 IRRIGATION REPAIR | 19,449 | 20,738 | 25,738 | 14,650 | 20,738 |

FISCAL YEAR 2020-21 BUDGET REPORT

Fund: 02.001 GENERAL FUND

| DESCRIPTION | 2018-19 ACTIVITY | 2019-20 ORIGINAL BUDGET | 2019-20 AMENDED BUDGET | 2019-20 ACTIVITY THRU 7/31/20 | 2020-21 FINAL BUDGET |
|--------------------------|---------------------|-------------------------------|------------------------------|-------------------------------------|----------------------------|
| 469 OTHER MAINTENANCE | 196,778 | 126,451 | 113,951 | 105,561 | 98,475 |
| 471 PRINTING & BINDING | 190 | 500 | 500 | 0 | 500 |
| 493 PERMITS & LICENSES | 175 | 750 | 750 | 175 | 750 |
| 497 LEGAL ADVERTISING | 1,053 | 1,300 | 1,300 | 769 | 1,300 |
| 522 OPERATING SUPPLIES | 12 | 500 | 500 | 0 | 500 |
| 633 INFRASTRUCTURE | 401,739 | 0 | 0 | 0 | 280,269 |
| 730 MISC BOND EXPENSES | 20 | 0 | 0 | 0 | 0 |
| 912 TRANS TO OTHER ROADS | 0 | 80,000 | 80,000 | 66,668 | 80,000 |
| TOTAL APPROPRIATIONS | 1,544,619 | 1,171,386 | 1,171,386 | 852,023 | 1,386,536 |

**VILLAGE COMMUNITY DEVELOPMENT DISTRICT NO. 2
ANNUAL MAINTENANCE ASSESSMENT**

Maintenance Assessments Billed

| Unit | Village Name | Acres | # of Lots | FY2018-19 | FY2019-20 | FY2020-21 |
|-------------------------------|---------------------|---------------|--------------|---------------------|---------------------|---------------------|
| | | | | 12% | 0% | 0% |
| | | | | \$1,155,816 | \$1,155,816 | \$1,155,816 |
| Phase #1 | | | | | | |
| 18 | Santo Domingo | 32.81 | 147 | \$ 334.26 | \$ 334.26 | \$ 334.26 |
| 19 | Santo Domingo | 38.56 | 187 | 308.81 | 308.81 | 308.81 |
| 20 | Santo Domingo | 25.85 | 113 | 342.60 | 342.60 | 342.60 |
| 21 | Palo Alto | 28.70 | 135 | 318.38 | 318.38 | 318.38 |
| 22 | Santo Domingo | 63.75 | 253 | 377.36 | 377.36 | 377.36 |
| 23 | Santo Domingo | 55.07 | 241 | 342.21 | 342.21 | 342.21 |
| 24 | Alhambra | 32.24 | 147 | 328.46 | 328.46 | 328.46 |
| 24-A | Tract A | 0.31 | 1 | 464.26 | 464.26 | 464.26 |
| 25 | Santo Domingo | 33.46 | 145 | 345.59 | 345.59 | 345.59 |
| 26 | Santo Domingo | 52.89 | 249 | 318.11 | 318.11 | 318.11 |
| 600 | Villa Vera Cruz | 14.61 | 123 | 177.89 | 177.89 | 177.89 |
| 600H | Vera Cruz Tract-H | 2.33 | 1 | 3,489.45 | 3,489.45 | 3,489.45 |
| 601 | Villa De Leon | 18.49 | 161 | 171.99 | 171.99 | 171.99 |
| 602 | Villa De La Ramona | 9.70 | 70 | 207.53 | 207.53 | 207.53 |
| 603 | Villa Del Canto | 20.48 | 168 | 182.57 | 182.57 | 182.57 |
| 604 | Villa Santa Domingo | 6.91 | 52 | 199.01 | 199.01 | 199.01 |
| 604A | Santa Domingo-A | 0.26 | 1 | 389.38 | 389.38 | 389.38 |
| Total Phase #1 | | 436.42 | 2,194 | | | |
| Phase #2 | | | | | | |
| 27 | Santiago | 53.53 | 221 | \$ 362.75 | \$ 362.75 | \$ 362.75 |
| 28 | Santiago | 35.78 | 160 | 334.90 | 334.90 | 334.90 |
| 28 | Tract-A | 1.49 | 1 | 2,231.45 | 2,231.45 | 2,231.45 |
| 29 | Santiago | 38.20 | 165 | 346.72 | 346.72 | 346.72 |
| 30 | Santiago | 65.94 | 311 | 317.53 | 317.53 | 317.53 |
| 31 | Alhambra | 38.01 | 182 | 312.77 | 312.77 | 312.77 |
| 32 | Harmeswood | 59.70 | 66 | 1,354.66 | 1,354.66 | 1,354.66 |
| 605 | Villa La Crescenta | 16.86 | 153 | 165.03 | 165.03 | 165.03 |
| 606 | Villa San Leandro | 13.16 | 111 | 177.56 | 177.56 | 177.56 |
| 607 | Villa Escandido | 12.68 | 108 | 175.83 | 175.83 | 175.83 |
| Total Phase #2 | | 335.35 | 1,478 | | | |
| Grand Total | | 771.77 | 3,672 | | | |
| Budget - Revenue (96%) | | | | \$ 1,109,583 | \$ 1,109,583 | \$ 1,109,583 |
| Tax Collector (2%) | | | | | | \$ 23,117 |

DISTRICT 2 - WORKING CAPITAL / R & R FUNDS BALANCES

| Working Capital | Amend | | | | | |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
| Beginning Balance | 614,898 | 567,095 | 579,225 | 657,428 | 701,394 | 762,498 |
| Deposits | 1,123,583 | 1,118,397 | 1,118,397 | 1,118,397 | 1,118,397 | 1,118,397 |
| Expenditures - Operating | 976,007 | 918,819 | 928,007 | 937,287 | 946,660 | 956,127 |
| Plant Replacements Non-Recurring | 99,620 | 72,300 | 0 | 0 | 0 | 0 |
| Capital Improvement Plan Expenditures | 15,759 | 35,148 | 32,187 | 57,144 | 30,632 | 11,333 |
| Transfer/ Deposit to R & R | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Ending Balance | 567,095 | 579,225 | 657,428 | 701,394 | 762,498 | 833,436 |

RESERVES

| General R & R | Amend | | | | | |
|---------------------------------------|---------|---------|---------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
| Beginning Balance | 761,782 | 761,782 | 761,782 | 662,838 | 662,838 | 662,838 |
| Deposits | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Improvement Plan Expenditures | 0 | 0 | 98,944 | 0 | 0 | 120,310 |
| Ending Balance | 761,782 | 761,782 | 662,838 | 662,838 | 662,838 | 542,528 |

| Villa Road R & R | Amend | | | | | |
|---------------------------------------|---------|---------|---------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
| Beginning Balance | 143,047 | 223,047 | 161,020 | 184,713 | 191,266 | 271,266 |
| Deposits | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Capital Improvement Plan Expenditures | 0 | 142,027 | 56,307 | 73,447 | 0 | 0 |
| Ending Balance | 223,047 | 161,020 | 184,713 | 191,266 | 271,266 | 351,266 |

| Restricted Capital Project Phase I | Amend | | | | | |
|---------------------------------------|---------|---------|---------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
| Beginning Balance | 118,109 | 118,109 | 61,727 | 0 | 0 | 0 |
| Deposits | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Improvement Plan Expenditures | 0 | 56,382 | 61,727 | 0 | 0 | 0 |
| Ending Balance | 118,109 | 61,727 | 0 | 0 | 0 | 0 |

| Restricted Capital Project Phase II | Amend | | | | | |
|---------------------------------------|---------|---------|---------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
| Beginning Balance | 81,860 | 81,860 | 0 | 0 | 0 | 0 |
| Deposits | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Improvement Plan Expenditures | 0 | 81,860 | 0 | 0 | 0 | 0 |
| Ending Balance | 81,860 | 0 | 0 | 0 | 0 | 0 |

| | |
|---------------------------|--------------|
| FY 19-20 Operating Budget | \$ 1,075,627 |
| 3 Months | \$ 268,907 |
| 4 Months | \$ 358,542 |

**FY2020-21
DISTRICT 2
CAPITAL PROJECTS**

| Account | Location | Description | Proposed | Final | Funding Source |
|--|---------------------|--------------------|-------------------|-------------------|-----------------------|
| 633 | Villa San Leandro | Mill and Overlay | \$ 103,599 | \$ 103,599 | Road R&R |
| 633 | Villa Santo Domingo | Mill and Overlay | 56,382 | 56,382 | Restricted Phase I |
| 633 | Villa la Crescenta | Mill and Overlay | 38,428 | 38,428 | Road R&R |
| 633 | Villa la Crescenta | Mill and Overlay | 81,860 | 81,860 | Restricted Phase II |
| | | | | | |
| District 2 - Total Capital Projects | | | \$ 280,269 | \$ 280,269 | |