

The Villages®
Community Development Districts

TO: Amenity Authority Committee

FROM: Janet Y. Tutt
District Manager

Date: October 12, 2016

At the Amenity Authority Committee meeting on September 7, 2016, Mr. Wilcox inquired into the reason for an increase in the cost allocation for Community Watch.

However, since that time, Mr. Wilcox has inquired about a number of items pertaining to the policies, operations and procedures utilized by Community Watch. As I believe these questions and basic information may also be items you are interested in, I am providing my response to Mr. Wilcox and to the AAC members. (Some of his inquiries have been paraphrased but I believe the question is the same as intended).

1. The RAD division budget account 500467 is \$271,925. This figure is an increase of \$123,682 over the estimated 15/16 actual of \$148,243. Why such a large increase? Is it due to our gates not being designed for the traffic?
 - A. The FY16-17 budget for the RAD – Gate Maintenance account is \$271,925 which reflects an increase of \$135,534 as compared to the FY15-16 budget amount of \$136,391. The reason for this increase in the gate maintenance account is due to three new items including \$29,934 for replacement of old/worn gate closer at Hickory Head Hammock; \$8,100 for gate operator at El Camino Real storage yard and \$97,500 included, as a placeholder, for possible card reader updates. If the card reader funds are not utilized during FY16-17 then those funds will remain in the RAD Working Capital. The increase is not due to the gates not being designed for the traffic.
2. The budgets do not provide detail as to what gates are staffed and hours staffed nor do they provide any information as to what gates get service on weekends and which ones do not.

A. STAFFED GATES

VCCDD

Gate Name	Hours of Operation
Alhambra	Staffed 24 hours
Boone	Staffed 7am to 11pm
Briar Meadow- South	Staffed 24 hours
Chatham	Staffed 24 hours
Del Mar	Staffed 8am to 10pm
El Cortez	Staffed 6am to 11pm
El Santiago	Staffed 6am to 11pm
Glenbrook	Staffed 24 hours
Morse - North	Staffed 24 hours
Morse - South (2 attendants assigned 6am-6pm)	Staffed 24 hours
Santo Domingo	Staffed 6am to 11pm
Shay	Staffed 24 hours

SLCDD

Gate Name	Hours of Operation
Bonnybrook	Staffed 24 hours

VLS

Gate Name	Hours of Operation
Caroline	Staffed 6am to 12 midnight
Duval	Staffed 6am to 12 midnight
Hadley	Staffed 6am to 12 midnight
Hillsborough	Staffed 24 hours
Osceola Hills	Staffed 24 hours
Pinellas	Staffed 24 hours
Sunset Pointe (1 extra attendant 9am-3pm-peak season)	Staffed 6am to 12 midnight
Sanibel	Staffed 24 hours

3. I understand that the license plate recognition expense is a part of the substantial increase in Professional Services - Community watch account 500311. I would like however to understand where the past revenue in 341921 went. The explanation is revised calculation.

A. The Amenity Late Penalty Fee (341921 account) calculation was revised during FY15-16 to where the 5% late fee is now charged on any new balance that is delinquent instead of the outstanding balance.

4. Broken Gates that are not fixed on weekends.
 - A. Broken gates at the RV lots and at Del Mar are fixed on weekends. If there is a request to increase service delivery, direction is needed. Community Watch is primarily responsible for reporting broken gates to DPM or CPM. Their contractors are responsible for the repair. However, CW does replace the gate arms if possible. If CW is not able to make the necessary repairs, then CW places cones and stop signs to close the lane if appropriate.
5. Opening of visitor gates - south of 466. We pay a portion of that expense
 - A. The Community Watch Gates Division's cost is allocated by rooftops thus the RAD Fund pays 38%.
6. Impressive TV system with multiple gate pictures +/- 63
 - A. With the current system and assigned staff, it is not possible to monitor all the gates at one time. We focus our attention on the busiest gates that tend to have more issues (i.e.; traffic, gate strikes, other conflicts, etc.)
7. Differences in manor of gate operations- Some gates close very quickly some delayed
 - A. There are many inconsistencies related to the gate operations throughout The Villages. It is believed this is related to the age of the equipment; the condition of the equipment; and the original design of the gates which includes the loop sensors in the pavement and the safety sensors mounted on or near the curbing. When staff audited the gates last fall, most gate arms were closing within 15 to 30 seconds after a vehicle passed through the gates, which should be plenty of time for the vehicles to pass safely through the gates. Also, the sensors in the pavement which are positioned just beyond the gates signal the gates to close after a vehicle has passed over the sensor.
8. Some gate attendants drop their stop sign and make sure that all wheels are stopped.
 - A. The gate attendants are trained to use their stop sign to get the vehicles in the visitor lane to come to a complete stop. They are also trained to monitor the traffic and open the gates to allow a quicker flow of traffic if the traffic is backing up into the roundabouts or a major intersection. We have had several training sessions with the gate attendants and posted the position responsibilities at each staffed gate in an attempt to have some consistency.

When we are made aware of our personnel performing poorly, we take the appropriate corrective action.

9. Experience at Del Mar yesterday involved a gentleman that had the gate closed but it opened as I was slowing down to approach the gate. He smiled and said something like "have a good day". My attendant today was different. It appeared that the cars ahead of me were allowed to go through. I expected the same but she did not open the gate until I asked if she wanted me to back up and use my card.

- A. Del Mar is a very unique gate. It is the only staffed gate with only one entry lane. Our gate attendants have been trained to encourage residents to use their gate cards or press the entry button to gain access. The gate attendants do assist residents by opening the entry gate under certain circumstances; such as heavy rainfall, when traffic backs up into Avenida Central or if the resident/visitor requests assistance.

10. Many individuals that I have spoken to can see a benefit to a gate arm at the entry gates but no benefit at the exit gates. They also do not see a benefit to 24 hour coverage at gates.

- A. The main purpose of the gates is traffic control. We need drivers to slow their vehicles while entering and exiting our communities for two major reasons: 1) so that we can get a good picture of their vehicle registration tag, and 2) for the safety of the people crossing the lanes on the multi-modal paths. Because of the exit gates, vehicles must slow down to allow the gate to open. Without the exit gates, the vehicles would be able to travel at unsafe speeds through the gate causing a greatly increased opportunity for conflicts with walkers, bicycle riders and golf carts. This would be a major safety issue in the district.

Regarding the hours of operation, we have only 11 gates houses that are open 24 hours. These locations are strategically placed throughout the Villages to provide assistance to individuals needing directions, assistance to law enforcement when they are looking for someone and monitoring "suspicious" vehicles that go through the gates.

11. It also makes no sense that gate repair fees are budgeted down by more than 50%.

- A. The FY15-16 Budget for the Gate Repair Fees was \$3,000 and the FY16-17 estimated revenue is \$10,000. As you know, we are conservative in our revenue budget estimates so we don't have a revenue shortfall at the end of the fiscal year. While the FY15-16 actual amount for 11 months is \$20,532 amount of gate repair fees, the budget estimate was prepared several months

ago and with the expectation that the communication process, identification of those damaging the gates and the charging of fees would perhaps reduce the gate repair revenue. The FY15-16 additional revenue will increase the RAD Fund's working capital.

12. We have spent considerable dollars to improve security and our cameras can remember a lot more about incoming and outgoing traffic than gate attendants. In addition, the individuals opening the gates could provide more valuable service if they were checking for individuals breaking our gates. The Summerhill gate could get two payments for gate breakage since the card reader was slightly hit during the week and smashed probably Saturday evening or night.

- A. The Gate Attendants are not just present to "remember" the incomings and outgoing traffic. They provide a safety net for the residents and visitors in so many ways: a human to approach when there is an issue, a "human" which is proven to be a greater deterrent to some criminals, helping with directions for wayward residents and guests, on the lookout for lost individuals, etc., and awareness of the community they work within. It is known that residents have sought out the attendants for help. It is true that we do have an excellent system; however, to maximize the functionality of the camera system, it takes trained individuals to use the system. Our gate attendants are also involved in the process of identifying individuals that damage our gates. The gate attendants at the 21 staffed gates make the initial report of a gate strike, which includes the individual involved; the vehicle/golf cart involved; time and date; extent of damage; and any other circumstances needed for Risk Management to make their determination of fault. At gates without attendants (such as Summerhill), our dispatch supervisors are involved in searching hours of video to locate the individual responsible for the damage at our gates. Only if the vehicle involved has a registration plate (such as a car, truck or motorcycle), do we have a good chance to identify that individual involved. People driving cart golfs don't admit responsibility very often.

13. For some reason, the stop light at Southern Trace and Buena Vista has gone to flashers twice within the last month. This is a very serious problem due to the curvature in Buena Vista and the fact that this is a new opportunity. I ended up calling 911 for the Sheriff Department to advise them and then called Bill Elliott.

- A. This is not a District issue. The safety at major intersections is the responsibility of law enforcement. Community Watch patrol drivers have received some training in traffic control; however, they are only prepared to assist law enforcement in limited circumstances. We should not be placing

our employees in the middle of a busy intersection with multiple lanes to control traffic. If law enforcement determines the need for stop signs or other barricades, CW can provide the items or place them at law enforcement's direction but CW employees should not be putting out any traffic control devices at major intersections without the approval of law enforcement or the fire department.

As far as CW being posted at the Buena Vista/Southern Trace intersection, Mr. Elliott, as former law enforcement, believed that it would have made it more confusing for the drivers in the area. If the signal was flashing yellow and red, drivers need to following the directions of the signal (i.e.; flashing yellow – proceed with caution; flashing red – stop, yield the right of way before proceeding with caution). Finally, if the signal was not working at all, the intersection then becomes a four-way stop where everyone needs to come to a full stop before proceeding through the intersection until such time that law enforcement can get there to direct traffic or put stop signs out.

14. I was reading your comments I believe to the VCCDD that some items are prorated by roofs, while some are by several other methods. Which one are prorated and which one are by another method?

A. In general, the rooftop percentages are used to allocate the cost of Customer Service; Community Watch- Patrol, Gates and Dispatch; and the Recreation - Special Events Division. The other allocations use various methodologies such as estimating percentage of time (District Manager Office, Clerk, Recreation/Community Watch Administration, Property Management/Landscape Maintenance and Finance); budget amounts (Budget-total and Purchasing-operating/capital budget); ownership of facilities (Recreation); number of utility accounts (Utility Customer Service/Billing); salary costs (Human Resources / Risk-estimated %s) and square footage (Office Lease/Overhead).

See attached FY16-17 Cost Allocation Methodology Overview for additional information.

FY 16-17
OVERVIEW
Cost Allocation Methodology

- Personnel Costs include: Salaries and benefits such as Social Security, Retirement, Medicare, Health, Life and Workers' Comp insurance costs.
- Overhead Costs include: Costs related to the operation of a department such as fuel, telephone, office lease, maintenance, office/operating supplies, non-capital FF&E, training, travel, etc.

Administration:

- The District Manager and Administrative Operations Manager provided the personnel allocation for the Office of the District Manager division. Overhead costs are allocated based on the District Manager's percentages.
- The Purchasing division is allocated based on each district's proposed total general fund operating budget (operating & capital).
- The Budget division is allocated based on each district's proposed total general fund budget.
- All overhead costs and personnel costs for Customer Service were allocated among VC RAD, SL SLAD and the Developer based on the number of rooftops. (VC: 21,955/38%; SL: 6,604/12% & DEV 29,016/50% which includes a projection of 150 new homes a month to March 2017)
- 20% of the personnel allocation for the District Clerk division was based on the amount of time spent in preparation for meetings, meeting times and preparing minutes. The remaining 80% of the personnel allocation, as well as the overhead allocation, was divided equally among Village Center, AAC, Sumter Landing, Brownwood and Districts 1-11.

Recreation:

- Personnel cost allocation percentages were provided by the department for staff members who perform departmental duties for both the Village Center District and Sumter Landing District.
- Employees working exclusively in the Sumter Landing District recreational centers were allocated to either the Developer or the Sumter Landing District, depending on facility ownership as provided by the department
- Overhead costs allocated by percentages determined by facility ownership. VC 31%, Developer 52%, and SL 17%.
- 100% of the Boats Division was allocated to Sumter Landing District
- 100% of the Sumter Landing Fitness personnel are allocated to the Sumter Landing Fitness Fund.
- The Special Events Division was allocated among VC RAD & SL SLAD based on the number of rooftops. (VC: 21,955/38%; SL: 35,620/62%)
- The Director of Golf Maintenance position was allocated according to golf course ownership between VC RAD and SL SLAD. (VC: 81%, SL: 19%)

Property Management:

- Personnel allocation provided by Property Management Director, based on estimated % of time spent on various duties. Overhead costs are allocated using same percentages as the Non-Square DPM Supervisors.

Finance:

- The Finance Administration and Accounting Divisions were allocated using percentages provided by Interim Finance Director based on the estimated percentage of time spent with each fund by each employee.
- The Accounts Payable Division was allocated using percentages provided by the Interim Finance Director based on the percentage of checks issued for each entity applied to the employees who generate the checks. The Supervisor's costs were distributed proportionally based on the proportion for all checks issued.
- The Utilities Customer Service Division was allocated based on the percentage of accounts for amenity fees (RAD and SLAD) and utilities (VCSA, LSSA, NSU and VWCA). The Prorations/Collections Supervisor and the Accounting Technicians were allocated based on the percentages provided by the Interim Finance Director.

Human Resources/Risk Management:

- Personnel and overhead costs allocation were separated between Human Resources function and Risk Management function (*Director - 60% HR, 40% Risk Management; Benefits Administrator 90% HR / 10% Risk; HR Generalist- 100% HR; Generalist -20% HR / 80% Risk and other Generalist 50% HR / 50% Risk*)
- The Human Resources allocation is based on the percentages of each department's salary costs for the proposed fiscal year.
- Risk Management allocation percentages were provided by the Director based on the estimated percentage of time spent on the Risk function.
- Overhead costs were allocated based on the Human Resources percentages.

Landscape Maintenance:

- Personnel allocation provided by the Landscape Manager.
- Overhead costs were allocated based on the average of the personnel allocation.

Community Watch:

- All personnel costs for Patrol, Gate Operations, and Dispatch were allocated among VC RAD & SL SLAD based on the number of rooftops. (VC: 21,955/38% and SL: 35,620/62% which includes a projection of 150 new homes a month to March 2017).
- Administrative personnel allocated based on percentages provided by the Director
- Overhead costs were allocated with consideration of the rooftop percentages and 1% for Brownwood.
- Brownwood, Lake Sumter Landing and Village of Spanish Springs patrols are charged 100% to the specific fund.

Non-departmental:

- Office Lease and related expenses were allocated first using square footage to determine the costs to be allocated, and then allocated to funds using the overhead or Director/Manager allocation for each department.