

1                   **LELY COMMUNITY DEVELOPMENT DISTRICT**  
2                                   **NAPLES, FLORIDA**  
3                   **Workshop Meeting of the Board of Supervisors**  
4                                   **May 19, 2021**

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6    A workshop of the of Lely Community Development District Board of Supervisors  
7    was held on Wednesday, May 19, 2021, at 1:00 p.m. at the LCDD Maintenance  
8    Building, Naples, Florida.

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10   **SUPERVISORS PRESENT**

- 11   William Lee, Chairman
- 12   Anne Marie Bularzik, Vice-Chair
- 13   Kenneth Drum, Supervisor
- 14   Gerry Campkin, Supervisor
- 15   Frank LoMonte, Supervisor

16   **ALSO PRESENT**

- 17   Neil Dorrill, Manager, Dorrill Management Group
- 18   Kevin Carter, Operations Manager
- 19   Tony Pires, District Counsel
- 20   Freddie Bowers, Director of Community Patrol
- 21   Christopher Dorrill, Field Manager

22   **WORKSHOP - BUDGET**

23   Mr. Dorrill swore Mr. Frank LoMonte in as a Supervisor.

24   A brief overview was presented by Mr. Dorrill. He noted that the District has not  
25   had an increase in 3 years. He also informed Mr. LoMonte about how special  
26   district's levy a non-ad valorem assessment, and that everyone (residential and  
27   commercial) in the community pays the same equivalent rate of assessment. He  
28   mentioned that there is a very modest increase in the maintenance assessment  
29   for FY'22, primarily because we are required to submit a balanced budget and  
30   because we have not had an increase in the maintenance assessment in a  
31   number of years.

32   On the first line of the revenue section, the current year's budget levied  
33   \$2,502,357. The proposed budget levies \$2,563,782, which is approximately a  
34   \$61,000 increase. The total increase per unit would be \$19.56 or about \$1.75 per  
35   month. He further indicated that this is a very small rate of assessment increase.

1 \*\*Comment or question from Supervisor was inaudible. \*\* Mr. Dorrill replied  
2 declaring that the District budgets a gross revenue, and depending on when  
3 taxes are paid, some are eligible for a discount. He explained that this is the  
4 reason for the variance. The 5 Months Ended period showed the fact that people  
5 have taken advantage of discounts. The District therefore budgets accordingly in  
6 anticipation of those units paying in advance.

7 Mr. Dorrill also called to the Board's attention regarding the CSA revenue. This  
8 year's CSA revenue was \$1,170,000. He added that there are some associations  
9 who live within Lely Resort but not within CDD boundary. However, we do have a  
10 contract with the Master HOA to provide the same level of services. The  
11 proposed CSA revenue for 2022 are \$1,208,428. As we now know, Stock has  
12 completed their development of units. The rate of assessment for this revenue  
13 will also increase overtime. The final note mentioned that the District had  
14 budgeted approximately \$40,000 in interest earnings over the course of the year.  
15 As everyone may know, we are no where near that anticipated amount because  
16 our interest-bearing accounts are currently below 1%. While there may be some  
17 inflation next year, Mr. Dorrill noted that we are going to play it safe with the  
18 proposed \$12,000 budgeted for '22.

19 Moving onto the expenditures side, there are a couple of items that need to be  
20 highlighted. Mr. Dorrill noted that while working through the budget, he and Mr.  
21 Lee found a small error in the logic of the spreadsheet used that needed to be  
22 corrected. It does not affect the total revenue side, but if you look under the first  
23 cost center, "Professional and Administrative," there was a recommended 2.5%  
24 increase in management and accounting fees, as well as the subsequent cost  
25 centers with employee salaries. He directed the two corrections are as follows:  
26 the management fees with the accurate increase is \$123,000 not \$135,000 as  
27 shown. The same is true on the accounting side. The logic in the spreadsheet  
28 was inaccurate, and that figure should be \$31,624. For the revenues shown on  
29 the bottom line, we are currently under budget by \$12,326. He offered that these  
30 monies could be rolled into the contingency reserve. The emergency contingency  
31 reserve for 2022 will be \$150,754.

32 In closing, Mr. Dorrill indicated that this was essentially the same budget that was  
33 presented last year. Furthermore, the total (corrected) expenses for "Professional  
34 and Administrative" is \$352,199. If you look at the current years budget, you will  
35 see a small decrease over the current year.

36 The next cost center on page 2 indicates the single largest cost center that the  
37 District has. This is where the grounds-keepers' salaries are expensed. You will

1 see that the increase totals about \$11,000. Dr. Bularzik asked if there were any  
2 other logic issues within the other cost centers. Mr. Dorrill indicated that there  
3 were not and that the only two corrections were in the Administrative cost center  
4 on page 1.

5 The Landscaping cost center is where the District captures the operating  
6 expenses and supplies exclusive of labor. There will be a small decrease here.  
7 Current year totals \$411,000, while next year totals \$402,000. The area of  
8 change indicated here is a smaller projected line item for Fertilizer and  
9 Chemicals. Mr. Dorrill further indicated that we were a little over budget in  
10 Fertilizers and Chemicals. 14:33

11 A short break was then taken in the proceedings.