Dear Venetian Property Owner:

Enclosed is the Venetian Community Development District’s (VCDD) legally required notice informing you of a Public Hearing to discuss next year’s District budget; the hearing is scheduled for **AUGUST 26, 2013 AT 1:30 P.M. AT THE RIVER CLUB.** You will notice that assessments are projected to increase for the 2013/2014 Fiscal Year. This increase is primarily due to the District’s intent to take back certain activities that were delegated to the Venetian Golf & River Club Property Owners Association, Inc. (POA) by the VCDD when the developer controlled both Boards. These activities include the operation and maintenance of “District’s Systems and Facilities” including roads, sidewalks, landscaping, irrigation water facilities, fences, walls, water management and drainage, wetland preserve areas, street lights, and access control gates. In making this change, there are several points that you should be aware of:

- The proposed assessment shown on the enclosed notice is the maximum amount that can be assessed for the 2013/2014 Fiscal Year. The VCDD Board is confident that the actual assessment will be lowered when the final budget is adopted.
- The change in control of the District’s Systems and Facilities should result in some economic and operational efficiencies, including state and local tax savings and reduction in bad debt expenses. The change will also facilitate some consolidation of management functions currently being provided by two different companies.
- Residents who pay their property tax bill in November will receive a 4% discount.

Similar to when the VCDD purchased the River Club, this change will result in an increase in your VCDD assessment and a reduction in your POA dues. However, this will likely not be a one-for-one conversion; the POA will still need to manage certain functions which Florida statutes prohibit CDDs from performing. As such, the POA will still be responsible for the Architectural Control and Rules Committees, the community’s Covenants enforcement and cable TV contract, and the oversight of residential lease agreements.

In addition to the financial impact of the change in control described above, the 2013-2014 assessment increase also reflects a full year of operation and maintenance expenses for the River Club. As explained last year when the VCDD purchased the River Club, the previous owner operated on a calendar year (January through December), but the VCDD operates on a fiscal year (October through September). For FY 2012-2013, you paid one-quarter of your River Club expenses as a River Club fee to WCI; you paid the remaining three-quarters of your River Club expenses as part of your 2012-2013 CDD assessment. The full amount of your share of the River Club expenses will be included in your 2013-2014 assessment.

The VCDD Board will be working on refining the proposed budget over the next several weeks. Should you have any questions, please contact District Manager Jason Pierman at 561-630-4922 or at 877-737-4922.

Respectfully,

The VCDD Board of Supervisors