

**FALLSCHASE
COMMUNITY DEVELOPMENT
DISTRICT**

**REGULAR MEETING
AGENDA**

May 3, 2016

Fallschase Community Development District
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Fax: (561) 571-0013•Toll-free: (877) 276-0889

April 26, 2016

<p><u>ATTENDEES:</u> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>
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Board of Supervisors
Fallschase Community Development District

Dear Board Members:

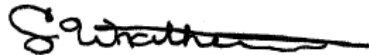
A Regular Meeting of the Fallschase Community Development District's Board of Supervisors will be held on **Tuesday, May 3, 2016 at 1:00 p.m.**, at the **office of Gardner, Bist, Bowden, Bush, Dee, Lavia & Wright, P.A., 1300 Thomaswood Drive, Tallahassee, Florida 32308.** The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Administration of Oath of Office to Newly Elected Supervisor, Brett DuBois [Seat 4] (*the following to be provided in a separate package*)
 - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - B. Membership, Obligations and Responsibilities
 - C. Financial Disclosure Forms
 - i. Form 1: Statement of Financial Interests
 - ii. Form 1X: Amendment to Form 1, Statement of Financial Interests
 - iii. Form 1F: Final Statement of Financial Interests
 - D. Form 8B – Memorandum of Voting Conflict
4. Consideration of **Resolution 2016-1**, Approving a Proposed Budget for Fiscal Year 2016/2017 and Setting a Public Hearing Thereon Pursuant to Florida Law; and Providing an Effective Date
5. Notice of Landowners' Meeting: **November 1, 2016 [Seats 1, 2, 3]**
 - A. Sample Notice of Landowners' Meeting
 - B. Sample Election Instructions
 - C. Sample Landowner Proxy

6. Approval of **September 29, 2015** Public Hearing and Regular Meeting Minutes
7. Other Business
8. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Manager
 - i. Approval of Unaudited Financial Statements as of March 31, 2016
 - ii. **0** Registered Voters in District as of April 15, 2016
 - iii. **NEXT MEETING DATE: June 7, 2016 at 1:00 P.M.**
9. Audience Comments/Supervisors' Requests
10. Adjournment

Should you have any questions and/or concerns, please feel free to contact me at 561-719-8675.

Sincerely,



Craig A. Wrathell
District Manager

**FOR BOARD MEMBERS AND STAFF TO
ATTEND BY TELEPHONE:**

**Call-in number: 1-888-354-0094
Conference ID: 2144145**

RESOLUTION 2016-1

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2016/2017 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors of Fallschase Community Development District (the "Board") prior to June 15, 2016, a proposed operating budget for Fiscal Year 2016/2017; and

WHEREAS, the Board has considered the proposed budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT:

1. The operating budget proposed by the District Manager for Fiscal Year 2016/2017 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said budget.
2. A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

DATE: September 27, 2016

HOUR: 1:00 P.M.

**LOCATION: Gardner, Bist, Bowden, Bush, Dee, Lavia & Wright,
P.A.
1300 Thomaswood Drive
Tallahassee, Florida 32308**

3. The District Manager is hereby directed to submit a copy of the proposed budget to Leon County at least 60 days prior to the hearing set above.
4. In accordance with Section 189.016, Florida Statutes, the District's Secretary is further directed to post these approved budgets on the District's website at least two days before the budget hearing date as set forth in Section 2 and said budget shall remain on the District's website for at least forty-five (45) days.
5. Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS ____ DAY OF _____, 2016.

ATTEST:

**BOARD OF SUPERVISORS OF THE
FALLSCHASE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

By:_____

Its:_____

EXHIBIT A: Fiscal Year 2016/2017 Budget

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2017
PROPOSED BUDGET
UPDATED APRIL 19, 2016**

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
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**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2017**

	Fiscal Year 2017				Proposed Budget FY 2017
	Adopted Budget FY 2016	Actual through 03/31/2016	Projected through 9/30/2016	Total Revenue and Expenditures	
REVENUES					
Assessment levy: on-roll - gross	\$ -				\$ 12,441
Allowable discounts	-				(498)
Assessment levy: on-roll - net	-	\$ -	\$ -	\$ -	11,943
Interest	-	10	-	10	-
Total revenues	-	10	-	10	11,943
EXPENDITURES					
Professional & administrative fees					
Supervisors	2,000	-	2,000	2,000	2,000
Management/accounting/recording*	6,000	3,000	3,000	6,000	6,000
Legal	750	943	300	1,243	750
Audit	2,500	2,500	-	2,500	2,500
Postage	250	90	160	250	250
Printing & binding	500	250	250	500	500
Legal advertising	750	-	750	750	750
Annual district filing fee	175	175	-	175	175
Insurance	5,150	5,350	-	5,350	5,350
Contingencies	250	-	250	250	250
Tax collector	-	-	-	-	373
Website	500	1,282	-	1,282	600
Total expenditures	18,825	13,590	6,710	20,300	19,498
Net increase/(decrease) of fund balance	(18,825)	(13,580)	(6,710)	(20,290)	(7,555)
Fund balance - beginning (unaudited)	(11,675)	27,845	14,265	27,845	7,555
Fund balance - ending (projected)	\$ (30,500)	\$ 14,265	\$ 7,555	\$ 7,555	\$ -

*Due to a difficult real estate market and economy, WHA will continue to charge the reduced fee of \$6,000 annually. Once market conditions normalize and the CDD becomes active and pursues the issuance of debt, the WHA management, general fund accounting, and recording fees will return to \$48,466.

ASSESSMENT SUMMARY			
Number of Acres	FY 2016 Assessment	FY 2017 Assessment	Total Revenue
396.00	\$ -	\$ 31.42	\$ 12,442
<u>396.00</u>			

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional Services

Supervisors	\$ 2,000
<p>Statutorily set at \$200 (plus applicable taxes) for each meeting of the Board of Supervisors, not to exceed \$4,800 for each fiscal year.</p>	
Management/accounting/recording*	6,000
<p>Wrathell, Hunt and Associates, LLC, specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, oversee the issuance of tax exempt bonds, and operate and maintain the assets of the community. The \$48,466 annual fee is inclusive of district management, general fund accounting and recording services; however, this fee has been reduced by 88% for the current fiscal year due to the economy and a difficult real estate market. Once the market normalizes and the District becomes active and pursues the issuance of debt these fees will return to \$48,466.</p>	
Legal	750
<p>As a local government attorney, District Counsel provides on-going representation specializing in legal issues concerning public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances, contracts, infrastructure and community development.</p>	
Audit	2,500
<p>Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.</p>	
Postage	250
<p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p>	
Printing & binding	500
<p>Letterhead, envelopes, copies, agenda packages, etc.</p>	
Legal advertising	750
<p>These expenditures relate to advertisements for monthly meetings, special meetings, public hearings, public bids, etc.</p>	
Annual district filing fee	175
<p>Annual fee paid to the Department of Economic Opportunity.</p>	
Insurance	5,350
<p>The District carries public officials and general liability insurance with policies written by Preferred Governmental Insurance Trust. The limit of liability is set at \$1,000,000 per occurrence.</p>	
Contingencies	250
<p>Bank charges and other miscellaneous expenses incurred during the year.</p>	
Tax collector	373
<p>This fee is 3% of the gross assessment levy.</p>	
Website	600
Total expenditures	<u>\$ 19,498</u>

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
NOTICE OF LANDOWNERS' MEETING**

Notice is hereby given to the public and all landowners within Fallschase Community Development District in Leon County, Florida advising that a meeting of landowners will be held for the purpose of electing three (3) people to the District Board of Supervisors.

DATE: November 1, 2016
TIME: 1:00 p.m.
PLACE: Gardner, Bist, Bowden, Bush, Dee, Lavia & Wright, P.A.
1300 Thomaswood Drive
Tallahassee, Florida 32308

Each landowner may vote in person or by written proxy. Proxy forms may be obtained upon request at the office of the District Manager, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431. At said meeting, each landowner or his or her proxy shall be entitled to nominate persons for the position of Supervisor and cast one vote per acre of land, or fractional portion thereof, owned by him or her and located within the District for each person to be elected to the position of Supervisor. A fraction of an acre shall be treated as one acre, entitling the landowner to one vote with respect thereto. Platted lots shall be counted individually and rounded up to the nearest whole acre. The acreage of platted lots shall not be aggregated for determining the number of voting units held by a landowner or a landowner's proxy. At the landowners' meeting the landowners shall select a person to serve as the meeting chair and who shall conduct the meeting.

The landowners' meeting and the Board of Supervisors meeting are open to the public and will be conducted in accordance with the provisions of Florida law. One or both of the meetings may be continued to a date, time, and place to be specified on the record at such meeting. A copy of the agenda for these meetings may be obtained from the District Manager at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431. There may be an occasion where one or more supervisors will participate by telephone.

Any person requiring special accommodations to participate in this meeting is asked to contact the District Office at (561) 571-0010, at least 48 hours before the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at (800) 955-8770 for aid in contacting the District Office.

A person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that such person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which the appeal is to be based.

**District Manager
Fallschase Community Development District**

Publish Dates:
October 4, 2016
October 11, 2016

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING
OF THE FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: November 1, 2016

TIME: 1:00 P.M.

LOCATION: Gardner, Bist, Bowden, Bush, Dee, Lavia &
Wright, P.A.
1300 Thomaswood Drive
Tallahassee, Florida 32308

Pursuant to Chapter 190, Florida Statutes, after a Community Development District ("District") has been established and the landowners have held their initial election, there shall be a subsequent landowners' meeting for the purpose of electing members of the Board of Supervisors every two years until the District qualifies to have its board members elected by the qualified electors of the district. The following instructions on how all landowners may participate in the election is intended to comply with Section 190.006(2)(b), Florida Statutes, as amended by Chapter 2004-353, Laws of Florida.

A landowner may vote in person at the Landowners' Meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the District, for each person that the landowner desires to elect to a position on the Board of Supervisors that is open for election for the upcoming term (three seats on the Board will be up for election). A fraction of an acre shall be treated as one acre, entitling the landowner to one vote with respect thereto. **Please note that a particular real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.**

At the Landowners' Meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he/she may nominate candidates and make and second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board of Supervisors that is open for election for the upcoming term. The two candidates receiving the highest number of votes shall be elected for a term of four years and the remaining candidate elected shall serve for a two-year term. The term of office for each successful candidate shall commence upon election. Thereafter, there shall be an election of supervisors for the District every two years in November on a date established by the Board of Supervisors upon proper notice until the District qualifies to have its board members elected by the qualified electors of the District.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

LANDOWNER PROXY

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
LANDOWNERS' MEETING
November 1, 2016**

LEON COUNTY, FLORIDA

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints:

Proxy Holder

for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Fallschase Community Development District to be held at the offices of Gardner, Bist, Bowden, Bush, Dee, Lavia & Wright, P.A., 1300 Thomaswood Drive, Tallahassee, Florida, on November 1, 2016, at 1:00 p.m., and at any continuances or adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner which the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing which may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with their discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

Any proxy heretofore given by the undersigned for said meeting is hereby revoked. This proxy is to continue in full force and effect from the date hereof until the conclusion of the annual meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice of such revocation presented at the annual meeting prior to the Proxy Holder exercising the voting rights conferred herein.

Print or type name of Landowner
(or, if applicable, authorized representative of Landowner)

Date

Signature of Landowner, or Landowner Representative

<u>Parcel Description</u>	<u>Acreage</u>	<u>Authorized Votes*</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

(must provide street address, tax parcel ID number, or attached legal description)

Total Number of Authorized Votes: _____

* Pursuant to section 190.006(2)(b), Florida Statutes , a fraction of an acre is treated as one acre entitling the landowner to one vote with respect thereto.

Please note that a particular real property is entitled to only one vote for each eligible acre of lands or fraction thereof; two or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property. If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached hereto. (e.g., bylaws, corporate resolution, etc.). If more than one parcel, each must be listed or described.

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**MINUTES OF MEETING
FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT**

A Public Hearing and Regular Meeting of the Fallschase Community Development District's Board of Supervisors was held on **Tuesday, September 29, 2015** at **1:00 p.m.**, at the **office of Gardner, Bist, Wadsworth, Bowden, Bush, Dee, Lavia & Wright, P.A., 1300 Thomaswood Drive, Tallahassee, Florida 32308.**

Present and constituting a quorum were:

Chuck Vavrus	Chair
Tim Marston	Vice Chair
Sean Marston	Assistant Secretary
Mike Taggart	Assistant Secretary

Also present were:

Rick Woodville	Wrathell, Hunt and Associates, LLC
Kenza "Ken" van Assenderp	District Counsel
Charles Gardner	Landowners' Counsel/Gardner, Bist, <i>et al.</i>

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Woodville called the meeting to order at 1:12 p.m., and noted, for the record, that Supervisors Chuck Vavrus, Tim Marston, Sean Marston and Mike Taggart were present, in person. Supervisor Brett DuBois was not present.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Newly Elected Supervisor, Brett DuBois [Seat 4] (the following to be provided in a separate package)

A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees

B. Membership, Obligations and Responsibilities

- 42 C. **Financial Disclosure Forms**
- 43 i. **Form 1: Statement of Financial Interests**
- 44 ii. **Form 1X: Amendment to Form 1, Statement of Financial Interests**
- 45 iii. **Form 1F: Final Statement of Financial Interests**

46 **D. Form 8B – Memorandum of Voting Conflict**

47 Mr. Woodville deferred this item, as Mr. DuBois was not present. Mr. Vavrus’, Mr. Sean
 48 Marston’s and Mr. Tim Marston’s seats expire November, 2016; Mr. DuBois’ and Mr. Taggart’s
 49 seats expire November, 2018.

50

51 **FOURTH ORDER OF BUSINESS**

**Public Hearing to Hear Comments and
 Objections on Adoption of Fiscal Year
 2015/2016 Budget**

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53
54
55 **A. Affidavit of Publication**

56 Mr. Woodville presented the affidavit of publication for today’s Public Hearing and
 57 Regular Meeting.

58 **B. Consideration of Resolution 2015-4, Relating to the Annual Appropriations and**
 59 **Adopting the Budget for the Fiscal Year Beginning October 1, 2015 and Ending**
 60 **September 30, 2016**

61 Mr. Woodville reported that the proposed Fiscal Year 2016 budget was presented at the
 62 March 24, 2015 meeting.

63 Mr. van Assenderp explained that the Board approved the proposed budget, at the last
 64 meeting, and will adopt the final budget, today. He pointed out that the Board may revise the
 65 budget but cannot increase assessment amounts. Mr. van Assenderp advised that cities and
 66 counties follow the same procedure.

67 Mr. Woodville referred to Page 1, of the proposed Fiscal Year 2016 budget and noted
 68 that revenues and expenditures were exactly the same and the fund balance will pay the
 69 operational expenses of the District, as projected.

70 Mr. van Assenderp indicated that, under “Legal”, on Page 2, the statement “they provide
 71 services as local government lawyers” should be changed to “they are local government
 72 lawyers”.

73 ******Mr. Woodville opened the Public Hearing.******

74 Mr. Woodville noted, for the record, that there were no questions or comments from
75 members of the public.

76 *****Mr. Woodville closed the Public Hearing.*****

77 Mr. Woodville presented Resolution 2015-4 for the Board’s consideration and read the
78 title into the record:

79 “THE ANNUAL APPROPRIATIONS RESOLUTION OF THE
80 FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT
81 (THE “DISTRICT”) RELATING TO THE ANNUAL
82 APPROPRIATIONS AND ADOPTING THE BUDGET FOR
83 THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND
84 ENDING SEPTEMBER 30, 2016”
85

On MOTION by Mr. Taggart and seconded by Mr. Tim Marston, with all in favor, Resolution 2015-4, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2015 and Ending September 30, 2016, as amended, was adopted.

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92
93 In response to a Board Member’s question, Mr. Woodville indicated that Staff will
94 complete the blanks in Resolution 2015-4.

95
96 **FIFTH ORDER OF BUSINESS**

Consideration of Fiscal Year 2015/2016 Funding Agreement

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99 Mr. Woodville presented the Fiscal Year 2015/2016 Funding Agreement with the
100 landowner, RBC Fallschase LLC (RBC), for the Board’s consideration.

101 Mr. Vavrus referred to Article 2, on Page 2, and requested clarification of the following
102 statement:

103 *“The Landowner agrees to make available to the District the*
104 *moneys necessary for and limited to the operation of the District as*
105 *called for in the Budget....”*

106 Mr. Woodville explained that this is a standard form of agreement and, according to the
107 fourth WHEREAS clause, on Page 1, this Funding Agreement is in effect for one year. He noted
108 that the current budget is being funded from fund balance and, for contingency reasons, should

109 additional funds be needed to operate the District, the District would request funding from the
110 developer; however, this was not anticipated.

111 Mr. Vavrus asked why the agreement does not specify that funding is on a contingency
112 basis, as he understood that RBC must immediately write a check.

113 Mr. van Assenderp clarified that the District is limited by the budget, which is not a
114 requirement to spend but an authorization of the maximum amount to be spent.

115 Mr. Vavrus questioned the meaning of “contingency”. Mr. Woodville indicated that
116 there is raw land and no infrastructure so there is only operation and maintenance (O&M);
117 however, for debris removal due to a tornado or hurricane, the District will turn to the developer
118 for additional funding. Mr. Woodville anticipated that, next year, the District must consider
119 other funding sources, such as a direct contribution from the developer or imposing assessments.

120 Mr. Vavrus reported that grates must be installed along the stormwater system and asked
121 why this would not be under the purview of the District, if the roads are not operational. Mr.
122 Woodville explained that the District is responsible to the City or County. Mr. van Assenderp
123 believed that the District owned the old drainage system and, if the improvement is not the
124 responsibility of the District, it would be the responsibility of the landowner. In response to Mr.
125 Vavrus’ question, Mr. van Assenderp indicated that the District Engineer can determine whether
126 an improvement is owned by the District.

127 Mr. Tim Marston understood that the District did not own anything but, if it was within
128 the District’s boundaries and, if there was an accident, the District could be liable. He recalled
129 that, several years ago, manholes were stolen.

130 Mr. van Assenderp advised that the District’s one purpose is to provide infrastructure and
131 the District has not provided any infrastructure, nor does it own any infrastructure. He pointed
132 out that, if the District does not own, construct or maintain anything, the fact that the Charter
133 gives the District the power to do so is not enough for the County to require the District to do
134 something. The District only performs administrative tasks, such as approving a budget.

135 In response to Mr. Tim Marston’s question, Mr. Woodville indicated that the District
136 carries public officials and general liability insurance.

137 Mr. Gardner asked why the developer is paying for the protective barriers over the storm
138 drains. Mr. Vavrus indicated that the developer owns the drainage system and the County
139 requires them. Mr. Gardner recalled this issue being resolved last year.

140 Mr. van Assenderp will research what the CDD owns and whether the County has an
141 enforceable right to ask the District to do something, in the event of an act of God. Mr.
142 Woodville was of the opinion that, because the District does not own any land; the responsibility
143 falls on the landowner.

144 Mr. Gardner inquired if the developer owns the holding ponds. Mr. Vavrus indicated that
145 the developer agreed to maintain them.

146 Mr. Vavrus did not want to sign a blank check that the District can use for whatever
147 purpose necessary.

148 Mr. Woodville advised that, if the District encountered a situation where it did not have
149 funding, the Board has authority to assess the developer.

150 In response to Mr. Vavrus' question, Mr. van Assenderp indicated that a noticed Public
151 Hearing is required. Mr. Vavrus asked if the assessment can occur at any time of the year. Mr.
152 van Assenderp explained that the District can impose and levy an assessment, which is a lien on
153 property equal to a property tax lien, whenever it wants to but, it must be collected through the
154 Tax Collector, once per year. Mr. Woodville noted that the assessment is collected under
155 uniform tax collection or direct bill, at the direction of the Board. Mr. van Assenderp explained
156 that, with direct billing, all billing is directly off roll and collected by the Tax Collector or
157 District Manager.

158 Mr. Woodville recalled a conversation with Mr. Vavrus, last year, regarding adjacent
159 homeowners complaining about pond maintenance. It was determined, at that time, that the
160 District did not own any property and the developer immediately handled this matter. Mr. van
161 Assenderp commented that this is a great example.

162 Mr. van Assenderp will ask the District Engineer to confirm what property is owned by
163 the District.

164 Mr. Vavrus did not recall signing a Developer Funding Agreement last year. Mr.
165 Woodville reiterated that this is standard operating procedure in all Districts where there must be
166 a funding source, whether imposing assessments or entering into a Developer Funding
167 Agreement.

168 It was noted that, once the land is developed, the District will issue bonds and assess
169 property owners. On Page 3, of the Funding Agreement, "RBS FALLSCHASE, LLC" should be
170 "RBC FALLSCHASE, LLC".

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On MOTION by Mr. Sean Marston and seconded by Mr. Taggart, with all in favor, the Fiscal Year 2015/2016 Funding Agreement, as amended, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2015-5, Adopting the Annual Meeting Schedule for Fiscal Year 2015/2016

Mr. Woodville presented Resolution 2015-5 for the Board’s consideration. He advised that the meeting schedule is published once per year and, although monthly meetings are scheduled, the Board only meets twice per year; in May, when the proposed budget is presented and in August, when the Board finalizes the budget.

Mr. Tim Marston recalled that, this year and last year, the Public Hearing on the final adoption of the budget was held in September; he was not available in August.

In response to a question, Mr. Woodville indicated that contact information was provided in the advertisement and will be posted on the District’s website. This Public Hearing satisfies the legal requirement.

On MOTION by Mr. Tim Marston and seconded by Mr. Sean Marston, with all in favor, Resolution 2015-5, Adopting the Annual Meeting Schedule for Fiscal Year 2015/2016, as amended to schedule the Public Hearing to adopt the Fiscal Year 2017 budget, in September, and authorizing Staff to advertise, accordingly, was adopted.

SEVENTH ORDER OF BUSINESS

Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2014, Prepared by Grau & Associates

Mr. Woodville presented the Audited Financial Report for the fiscal year ended September 30, 2014, which was prepared by Grau & Associates (Grau). He advised that an annual audit is statutorily required.

On Page 1, Mr. Woodville reported that the Auditor stated, “*In our opinion, the above information was presented fairly*”, meaning that the financials were materially accurate. He discussed the “Financial Highlights”, under “Management Discussion and Analysis”, on Page 3, noting that the liabilities of the District exceeded its assets, at the close of Fiscal Year 2014,

209 resulting in a net position deficit of \$45,639. Mr. Woodville indicated that the audit met the
210 requirement of being filed with the state by June 30, 2015.

211 Mr. Woodville referred to the “Statement of Net Position”, on Page 6, and explained that,
212 due to the adoption of Governmental Accounting Standards Board (GASB) 34, in 2000, the “Net
213 Position” recognizes full accrual of the District’s total liabilities and assets. In this case, the
214 District does not have any bonds or assets; the same is reflected in the “Statement of Activities,
215 on Page 7.

216 Mr. Woodville noted that the “Balance Sheet” for the “Governmental funds”, on Page 8,
217 reflected the District’s current assets and liabilities. There were no long-term liabilities, assets or
218 depreciation. As of September 30, 2014, the District had \$41,778 in “Cash” and “Prepays” of
219 \$5,150, for general liability and officers and directors liability insurance, “Accounts payable” of
220 \$1,289 and an “Unassigned” fund balance of \$21,664.

221 Mr. Woodville referred to the “Statement of Revenues, Expenditures, and Changes in
222 Fund Balances”, on Page 9, and noted “Miscellaneous revenue” of \$55, which accrued during
223 the year from interest and a “Fund Balance - Beginning” of \$63,193. There was a deficit of
224 \$17,554 in revenues over expenditures, resulting in a “Fund Balance - Ending” of \$45,639.

225 On Page 10, Mr. Woodville reported that the District was originally created under
226 Ordinance 75-6, on February 11, 1975, and later re-established by Ordinance 97-18, in Leon
227 County, on October 23, 1997.

228 Mr. van Assenderp explained that, technically, Fallschase was created as a Special
229 Taxing District by the County Commission for the original developer, Lennar; after the Charter
230 of CDD was enacted in 1980, the County Attorney converted Fallschase into a CDD, in 1997.
231 He noted that no District, as a matter of Florida law, under Chapter 190, has ever been created by
232 a County; the legislature created Fallschase and chartered it. All the County did, in 1997, was to
233 take this legislatively created District, breathe life into it and allow it to operate on Fallschase
234 property, independently.

235 Mr. van Assenderp advised that the statement: “*Fallschase Community Development*
236 *District was originally created under Ordinance 75-6 on February 11, 1975*” is incorrect and
237 should say “*Fallschase Special District was created under Ordinance 75-6 on February 11,*
238 *1975 and later re-established as a Community Development District...*”

239 Mr. Woodville referred to Note 5, on Page 14, and the statement: *“During the fiscal year*
240 *2013, CPP Fallschase II LLC and RBC Fallschase LLC purchased the remaining land owned by*
241 *the Developer at a bankruptcy proceeding, which became the major Landowner. The*
242 *Landowner/Developer agrees to make available to the District the monies necessary for and*
243 *limited to the operation of the District as called for in the budget”*. Mr. van Assenderp noted that
244 the words “and limited to” protect the developer.

245 Mr. Woodville indicated that the reason for the Funding Agreement was because of Note
246 6, which stated: *“The District’s activity is dependent upon the continued involvement of the*
247 *major Landowner, the loss of which could have a material adverse effect on the District’s*
248 *operations”*. Mr. Vavrus pointed out that two entities purchased the land. Mr. van Assenderp
249 and Mr. Woodville agreed.

250 Mr. Woodville advised that, in the “Independent Auditor’s Report on Internal Control
251 Over Financial Reporting and on Compliance”, on Page 17, the Auditor identified no instances
252 of noncompliance or other matters, meaning that this was a clean opinion on the internal controls
253 of Management.

254 Mr. Woodville reported that the “Independent Auditor’s Report on Compliance with the
255 Requirements of Section 218.415, Florida Statutes, Required by Rule 10.556(10) of the Auditor
256 General of the State of Florida”, was a new report, which showed the District’s compliance with
257 investment requirements. The “Management Letter” and “Report to Management”, on Pages 20
258 and 21, were required by the Auditor General and reflected no current or prior year findings or
259 recommendations.

260 In response to a question, Mr. Woodville explained the conditions of a financial
261 emergency, which would pertain to a District’s inability to pay its bills or a negative fund
262 balance. He stated that there were no conditions for a financial emergency or indications that the
263 District was under any deteriorating financial conditions because the District is adequately
264 funded.

265 Mr. Vavrus questioned the “Miscellaneous revenue” of \$55. Mr. Woodville will clarify
266 this with the Accountant.

267

268

269 **EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2015-6,
Accepting the Audited Financial Report
for the Fiscal Year Ended September 30,
2014**

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Mr. Woodville presented Resolution 2015-6 for the Board’s consideration.

**On MOTION by Mr. Sean Marston and seconded by Mr. Tim
Marston, with all in favor, Resolution 2015-6, Accepting the
Audited Financial Report for the Fiscal Year Ended
September 30, 2014, as amended, was adopted.**

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282 **NINTH ORDER OF BUSINESS**

**Approval of April 7, 2015 Regular
Meeting Minutes**

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285

Mr. Woodville presented the April 7, 2015 Regular Meeting Minutes and asked for any additions, deletions or corrections.

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287

**On MOTION by Mr. Taggart and seconded by Mr. Sean
Marston, with all in favor, the April 7, 2015 Regular Meeting
Minutes, as presented, were approved.**

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293 **TENTH ORDER OF BUSINESS**

Other Business

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There being no other business, the next item followed.

297 **ELEVENTH ORDER OF BUSINESS**

Staff Reports

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299

A. Attorney

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301
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303

Mr. van Assenderp reported that, last November, he sent Mr. Vavrus and Mr. Wrathell a draft petition to contract the District. He explained that the area within the District will be reduced by taking certain property outside of the District. Mr. van Assenderp noted that this action was placed on hold because of the preparation of Exhibit B.

304
305

Mr. van Assenderp pointed out that certain real properties within the current District boundary are privately owned; including a road right-of-way (ROW) and stormwater ponds,

306 which are being moved out of the District, as the District does not own them. He noted that the
307 developable parcels are:

- 308 ➤ Parcel ID: 1127290000070, a 14.5 acre parcel owned by CPP Fallschase II LLC;
309 seven acres are within the District boundary and a ROW and stormwater pond,
310 owned by the POA, will be removed from the District boundary.
- 311 ➤ Parcel ID: 112741K0030, a 0.33 acre parcel owned by RBC Fallschase LLC, will
312 be removed from the District boundary.
- 313 ➤ Parcel ID: 1126200090000, a 3.33 acre parcel owned by RBC Fallschase LLC,
314 will be removed from the District boundary.

315 Mr. van Assenderp noted that, upon receiving the report from the landowner/developer,
316 Staff will proceed with the County to contract the District's boundary.

317 Mr. Vavrus will verify with Mr. Gardner why the 0.33 parcel has a separate Parcel ID
318 number and why it is being moved out of the District's boundaries. Mr. Sean Marston requested
319 an exhibit.

320 Mr. van Assenderp advised that, if the Board is ready to authorize the draft petition to
321 contract the District, he will task the District Engineer with preparing Exhibit B.

322 Mr. Taggart asked if a new boundary survey was necessary. Mr. van Assenderp
323 indicated that it is not required but it is a good idea, especially if the District eventually issues
324 bonds and imposes assessments. Mr. Sean Marston pointed out that a boundary survey is costly.
325 Mr. van Assenderp clarified that a meets and boundary survey is required.

326 ****The meeting recessed at 2:06 p.m.****

327 ****The meeting reconvened at 2:20 p.m.****

328 Mr. van Assenderp reported that he thoroughly examined the parcels to be contracted out
329 of the District and will revise the contraction resolution, which Mr. Gardner, attorney for the
330 landowner, provided, and will explain it.

331 Mr. Woodville asked if all District Counsel or District Engineer expenses would be paid
332 by the developer. Mr. Vavrus indicated that the expenses will be paid by CPP Fallschase II LLC.

333 Mr. van Assenderp advised that when and if the decision is brought to the Board, the
334 Board must then decide whether to file the petition.

335 Mr. Gardner stated that the landowner must send a letter to the District. Mr. van
336 Assenderp concurred and noted that he provided an estimate to Mr. Gardner, which was
337 minimal, as Mr. Gardner completed most of the work.

338 ■ **Approval of April 7, 2015 Regular Meeting Minutes**

339 Discussion of the April 7, 2015 Regular Meeting Minutes resumed.

340 Line 198: Change “pre-operation” to “pre-application”

341

342 **On MOTION by Mr. Taggart and seconded by Mr. Sean**
343 **Marston, with all in favor, amending the prior motion to**
344 **approve the April 7, 2015 Regular Meeting Minutes, as**
345 **amended, was approved.**

346

347

348 Mr. van Assenderp reminded Mr. Woodville to contact Grau regarding the audit
349 corrections.

350 **B. Engineer**

351 There being no report, the next item followed.

352 **C. Manager**

353 **i. Approval of Unaudited Financial Statements as of August 31, 2015**

354 Mr. Woodville presented the Unaudited Financial Statements as of August 31, 2015 and
355 noted that the “Balance Sheet”, on Page 1, reflected “Cash” and “Fund balance” of \$29,246. He
356 indicated that on Page 2, “Legal advertising” was trending higher, at 42% of budget but the
357 remainder of the budget was trending appropriately, at 92%. Per the financials, “Legal
358 advertising” was at 113% and the remainder averaged at 87%.

359

360 **On MOTION by Mr. Sean Marston and seconded by Mr. Tim**
361 **Marston, with all in favor, the Unaudited Financial Statements**
362 **as of August 31, 2015, were approved.**

363

364

365 **ii. 0 Registered Voters in District as of April 15, 2015**

366 Mr. Woodville indicated that there were zero registered voters residing within the
367 boundaries of the District as of April 15, 2015.

368

369	TWELFTH ORDER OF BUSINESS	Audience	Comments/Supervisors'
370		Requests	

371
372 Mr. Sean Marston requested an update on the plan for the residential property.

373 Mr. Vavrus reported that the developer, RBC, is continuing with planning efforts; the pre-
374 operation meeting with the County was held on April 29, 2015. He noted that the County raised
375 some issues with the plan for Phase 1, or the western portion, which are being resolved. Mr.
376 Vavrus advised that construction was at a standstill, as Public Alliance was trying to purchase
377 some parcels and working with the Department of Trails and Parks; they may have enough
378 money to purchase the land east of the ravine. The apartments also received some interest. Mr.
379 Vavrus believed that everyone would have the same issues and it was better for the developer to
380 resolve the issues to reap the benefit.

381
382 **THIRTEENTH ORDER OF BUSINESS** **Adjournment**

383
384 There being no further business to discuss, the meeting adjourned.

385
386 **On MOTION by Mr. Tim Marston and seconded by Mr.**
387 **Taggart, with all in favor, the meeting adjourned at 2:28 p.m.**

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390 [SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

Chair/Vice Chair

DRAFT

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
MARCH 31, 2016**

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
MARCH 31, 2016**

	<u>Major Funds</u>	<u>Total</u>
	<u>General</u>	<u>Governmental</u>
ASSETS	<u> </u>	<u>Funds</u>
Cash	\$ 16,266	\$ 16,266
Total assets	<u>\$ 16,266</u>	<u>\$ 16,266</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 2,000	\$ 2,000
Total liabilities	<u>2,000</u>	<u>2,000</u>
Fund balances:		
Unassigned	<u>14,266</u>	<u>14,266</u>
Total fund balances	<u>14,266</u>	<u>14,266</u>
Total liabilities & fund balances	<u>\$ 16,266</u>	<u>\$ 16,266</u>

**FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED MARCH 31, 2016**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Adopted Budget</u>	<u>% of Budget</u>
REVENUES				
Interest income	\$ 2	\$ 10	\$ -	N/A
Total revenues	<u>2</u>	<u>10</u>	<u>-</u>	N/A
EXPENDITURES				
Supervisors	-	-	2,000	0%
Management/accounting/recording	500	3,000	6,000	50%
Legal	-	943	750	126%
Audit	2,000	2,500	2,500	100%
Postage	83	90	250	36%
Printing & binding	42	249	500	50%
Legal advertising	-	-	750	0%
Annual district filing fee	-	175	175	100%
Insurance	-	5,350	5,150	104%
Contingencies	-	-	250	0%
Website	-	1,282	500	256%
Total expenditures	<u>2,625</u>	<u>13,589</u>	<u>18,825</u>	72%
Excess/(deficiency) of revenues over/(under) expenditures	(2,623)	(13,579)	(18,825)	
Fund balance - beginning	16,889	27,845	27,845	
Fund balance - ending	<u>\$ 14,266</u>	<u>\$ 14,266</u>	<u>\$ 9,020</u>	

Ion Sancho
Supervisor of Elections
Leon County, Florida

April 15, 2016

Daphne Gillyard
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431

Re: Fallschase Community Development District

Dear Ms. Gillyard:

In response to your email we are happy to provide the number of registered voters for the Fallschase CDD as of April 15, 2016. The voter registration total that you requested is as follows:

Fallschase CDD: **0 registered voters**

These determinations were made using our voter registration database and the current map of the district. We hope this information satisfies your requirements. If you need additional assistance please contact Johnny To, Demographics/GIS Manager at (850) 606-8683 or via email at ToJ@leoncountyfl.gov.

Sincerely,



Ion Sancho