

**MINUTES OF MEETING
FALLSCHASE
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Fallschase Community Development District's Board of Supervisors was held on **Tuesday, May 3, 2016 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 (<i>via telephone</i>)	Chair
Tim Marston	Vice Chair
Sean Marston	Assistant Secretary
Mike Taggart	Assistant Secretary

Also present were:

Howard McGaffney	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. McGaffney called the meeting to order at approximately 1:10 p.m., and noted, for the record, that Supervisors Tim Marston, Sean Marston and Mike Taggart were present, in person. Supervisor Chuck Vavrus was attending via telephone. 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**
- 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**

This item was deferred.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2016-1,
Approving a Proposed Budget for Fiscal
Year 2016/2017 and Setting a Public
Hearing Thereon Pursant to Florida Law;
Providing an Effective Date**

Mr. McGaffney presented Resolution 2016-1 for the Board’s consideration.

Mr. van Assenderp stated that, statutorily, a proposed Fiscal Year 2017 budget is being presented for Board approval and to set a public hearing date, for final adoption, prior to September 30. The proposed budget may be approved, as presented, or the Board may make changes. A Developer Funding Agreement or Operation and Maintenance (O&M) assessments would be the source of additional revenue, if necessary.

Mr. Sean Marston asked what would happen to the fund balance if the District was dissolved. Mr. van Assenderp replied the fund balance would be returned to the developers. Currently, there are two developers; therefore, the fund balance would be prorated on an acreage basis.

Mr. van Assenderp explained that dissolving the District would require additional work by Staff in order for the District to continue to operate and remain in good standing, until then. At least one hearing would be required, as well as the possible imposition and levying of assessments or preparation of a Developer Funding Agreement to fund the work required for the dissolution.

Mr. McGaffney stated that dissolution has an impact on the budget and the assessments must be placed on the tax roll, as there was not sufficient fund balance to operate the District, as proposed.

Mr. Sean Marston asked if Mr. Vavrus' group intended to fund the CDD's operations in Fiscal Year 2017. Mr. Vavrus stated that it depended on the outcome of the acquisition being proposed by the State of Florida.

Mr. van Assenderp stated the only relevance of an acquisition would be a contingency in the budget.

Mr. McGaffney noted that a resolution would be necessary to dissolve the District.

Mr. Vavrus stated if the State proceeds with acquisition of 295 acres, it would not make sense to keep the CDD active; however, an appraisal is necessary and the developer does not know what the offer will be. The budget could be approved, as presented, and, if there is a change, a meeting would be held prior to September 15 to place assessments on the tax roll.

Mr. van Assenderp explained that September 15 is the deadline for placing assessments on the tax bill. A better option would be for the District Manager to collect the assessments, as the District would not be subject to the September 15 deadline. Mr. van Assenderp recommended including an O&M assessment in the proposed budget to fund potential expenses that may be incurred during dissolution. There is no size requirement for a Community Development District; therefore, there was no legal reason to dissolve the District.

Mr. McGaffney noted that, in the "General" fund, "Legal" fees for Fiscal Year 2017 were proposed at \$750; however, the actual amount, through March 31, 2016, was \$943, and an additional \$300 was projected through September 30. A higher budget for "Legal" fees was recommended, should the decision be made to dissolve the District.

Mr. van Assenderp stated that, between now and September 30, if a sale occurs and Staff is instructed to dissolve the District, there must be a process involving the District Manager and District Counsel to establish a collection method.

Referring to the proposed budget, Mr. Sean Marston asked how the Fiscal Year 2017 assessment amount of \$31.42 was derived. He noted if the budget is increased, the assessment amount would be increased.

Mr. McGaffney stated the assessment amount was based on the expenses, which totaled \$19,498, as proposed. The \$7,555 projected fund balance would pay a portion of the expenses.

The Board agreed to increase the "Legal" fees line item to \$5,000.

Mr. McGaffney reviewed the line items in the "General" fund. The "Website" line item was \$600 over the budget, for Fiscal Year 2016, due to a one-time charge based on recent

legislative changes. Total expenditures were \$23,748. The ending fund balance would be used to offset the assessments.

On MOTION by Mr. Tim Marston and seconded by Mr. Taggart, with all in favor, Resolution 2016-1, Approving a Proposed Budget for Fiscal Year 2016/2017, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for September 27, 2016 at 1:00 p.m., at this location, was adopted.

FIFTH ORDER OF BUSINESS

**Notice of Landowners' Meeting:
November 1, 2016 [Seats 1, 2, 3]**

A. Sample Notice of Landowners' Meeting

Mr. McGaffney stated that a Landowners' Meeting will be held on November 1, 2016. Seats 1, 2, and 3, currently held by Mr. Chuck Vavrus, Mr. Tim Marston and Mr. Sean Marston, respectively, will be up for election. Mr. McGaffney advised that landowners who own 1.1 acres are entitled to two votes; those owning 1 acre or less are entitled to one vote.

B. Sample Election Instructions

This item was provided for informational purposes.

C. Sample Landowner Proxy

This item was provided for informational purposes.

SIXTH ORDER OF BUSINESS

**Approval of September 29, 2015 Public
Hearing and Regular Meeting Minutes**

Mr. McGaffney presented the September 29, 2015 Public Hearing and Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Mr. Sean Marston and seconded by Mr. Tim Marston, with all in favor, the September 29, 2015 Public Hearing and Regular Meeting Minutes, as presented, were approved.

SEVENTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. van Assenderp stated there is no need to proceed with removing the commercial property from the District’s boundary; he will wait for further direction from Mr. Vavrus.

B. Engineer

There being no report, the next item followed.

C. Manager

i. Approval of Unaudited Financial Statements as of March 31, 2016

Mr. McGaffney presented the Unaudited Financial Statements as of March 31, 2016.

On MOTION by Mr. Sean Marston and seconded by Mr. Taggart, with all in favor, the Unaudited Financial Statements as of March 31, 2016, were approved.

ii. 0 Registered Voters in District as of April 15, 2016

Mr. McGaffney indicated that there were zero registered voters residing within the boundaries of the District as of April 15, 2016.

iii. NEXT MEETING DATE: June 7, 2016 at 1:00 P.M.

Mr. McGaffney presumed that the Board would not meet on June 7, 2016. He recommended keeping the meeting date and waiting for Mr.Vavrus to contact Mr. Wrathell. If necessary, the meeting may be cancelled. The Board must meet before September 15.

NINTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors’

There being no audience comments or Supervisors’ requests, the next item followed.

TENTH ORDER OF BUSINESS

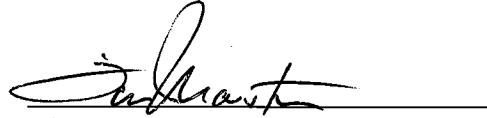
Adjournment

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

On MOTION by Mr. Taggart and seconded by Mr. Tim Marston, with all in favor, the meeting adjourned at 1:45 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair