

MINUTES OF MEETING

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

**BALLANTRAE
COMMUNITY DEVELOPMENT DISTRICT**

A meeting of the Board of Supervisors of Ballantrae Community Development District was held on **Monday, June 5, 2006 at 5:30 p.m.** at the Ballantrae Sales Center, 3003 Downan Pointe Drive, Land O'Lakes, FL 34638.

Present and constituting a quorum:

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| Fred Sikorski | Board Supervisor, Chairman |
| Theresa Lynn Collins | Board Supervisor, Vice Chairman |
| Jim Bagley | Board Supervisor, Assistant Secretary |
| Bill Daskarolis | Board Supervisor, Assistant Secretary |

Also present were:

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| Nils Hallberg | District Manager, Rizzetta & Company, Inc. |
| Scott Smith | Representative, Rizzetta & Company, Inc. |
| Tracey Robin | District Counsel, Straley, Williams & Robin |
| Dayne Piercefield | District Engineer, WilsonMiller, Inc. |
| Lee Thompson | Representative, M/I Homes |

FIRST ORDER OF BUSINESS

Call to Order

Mr. Hallberg called the meeting to order and performed roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes of the Board of Supervisors' Meeting on May 1, 2006

Mr. Hallberg stated that the next item on the agenda was the consideration of the minutes of the Board of Supervisors' meeting on May 1, 2006. Mr. Hallberg asked if there were any additions, deletions, or corrections. Hearing none, he asked for a motion to approve.

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| On Motion by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on May 1, 2006 for Ballantrae Community Development District. |
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THIRD ORDER OF BUSINESS

**Consideration of Operation and
Maintenance Expenditures for May**

Mr. Hallberg stated that the next item on the agenda was the Operation and Maintenance Expenditures for May. He briefly reviewed the expenditures that occurred between April 1 and April 30, 2006 totaling \$36,826.85, stating that these cover expenses such as the District's general liability insurance, landscape maintenance, electrical service from Progress Energy and other normal monthly expenditures. Following a brief discussion, Mr. Daskarolis made a motion to approve the May expenditures.

On Motion by Mr. Daskarolis, seconded by Mr. Sikorski, with all in favor, the Board approved the Operation and Maintenance Expenditures for May totaling \$36,826.85 for Ballantrae Community Development District.

FOURTH ORDER OF BUSINESS

**Consideration of Vendor Request to Sell
Hot Dogs at the Grand Opening of the
Clubhouse and Weekends Thereafter**

Mr. Hallberg stated that the next item on the agenda was the consideration of a vendor request to sell hotdogs during the grand opening of the clubhouse and weekends thereafter. He explained that he had received a letter from Mr. Martin Book of Heavenly Dogs asking permission to set up a hotdog cart at the clubhouse during the grand opening and on weekends. Mr. Hallberg stated that Mr. Book included a vendor's license but no insurance information. He stated that the vendor has evidently been catering to the workers during construction and would like to be able to continue to sell at the clubhouse once completed. Following a brief discussion regarding liability issues, it was decided that it was not in the District's best interest to allow Heavenly Dogs to operate on District property. Mr. Hallberg asked for a motion to that effect.

On Motion by Ms. Collins, seconded by Mr. Daskarolis, with all in favor, the Board denied permission for Heavenly Dogs to operate on District property for Ballantrae Community Development District.

FIFTH ORDER OF BUSINESS

**Presentation of Fiscal Year 2006/2007
Proposed Budget**

Mr. Hallberg stated that the next item on the agenda was the presentation of the Fiscal Year 2006/2007 proposed budget. He distributed a revised version of the Fiscal Year 2006/2007 proposed budget to the Board. Mr. Hallberg briefly reviewed items that changed from last year, stating that the biggest changes under the Administration area was funding for Board Supervisor compensation, which increased to accommodate any replacements that might be made to the Board and the Professional Officers Liability Insurance. A brief discussion ensued regarding the increase in liability insurance. Mr. Hallberg explained that this fee is based on the number of residents residing in the District.

A brief discussion ensued regarding the timing for transitioning to a resident Board and the fact that it will be two more years before the transition is required. Mr. Robin recommended that the Board keep the transition in mind and begin to bring residents on the Board slowly to make the process go smoother. Mr. Sikorski asked that the line item for Supervisor Compensation be reduced to \$7,200 as it is unlikely that more than one resident would be asked to sit on the Board next year, which would bring the Board to three paid Supervisors.

Mr. Hallberg reviewed the planned expenses under the Field Operations category stating that last year, the District had one line item for electricity, and this year he broke it out to more accurately reflect the costs by usage, for example street lighting, recreational facilities and operating the pumps. He explained that overall the costs in this area have increased due to additional services coming online. Mr. Hallberg stated that \$5,000 has been included for water next year to cover the costs associated with the recreational centers. A brief discussion ensued regarding pond and lake maintenance costs, lawn maintenance and property insurance. Mr. Hallberg stated that the cost on the property insurance is based on \$20,000 per \$1,000,000 in property value and he estimated the property value at \$2,000,000 for a total premium of \$40,000. He explained that this includes a 5% deductible. It was noted that an actual evaluation should be determined prior to finalizing the budget.

A brief discussion ensued regarding lawn maintenance and the timing for putting this service out to bid. It was noted that actual numbers would probably not be available within the next sixty days. Further discussion ensued regarding irrigation repairs and the fact that this was reduced to reflect the change of having a full-time person on site to make simple repairs rather than calling in a contractor. It was recommended that \$5,000 be deducted from miscellaneous expenses under other physical environments.

Mr. Hallberg discussed the costs associated with maintaining the recreational centers and recommended that the District consider building a storage shed and a vehicle to patrol the main street and go between the two recreational facilities. He stated that he included \$15,000 in the proposed budget for this item. Mr. Hallberg stated that there is also a contingency fund to cover the \$50,000 deductible should the District incur hurricane damage.

Mr. Hallberg asked if there were any other revisions that the Board would like to see made to the Fiscal Year 2006/2007 proposed budget. Hearing none, he stated that the new total for the proposed budget is \$948,035. He explained that this includes a line item for a Contingency for Trim of 18% to cover any possible additions the Board might want to make after the proposed budget is approved, since the County does not allow increases once the Trim notices have been sent out. Mr. Hallberg stated that this item can be zeroed out if not needed at the time the final budget is approved. He stated that the Trim notice will be sent out based on the Fiscal Year 2006/2007 proposed budget approved at tonight's meeting that will be submitted to the County. A brief discussion ensued regarding the Trim notices and the related assessments. It was noted that any excess from the current year's budget can be rolled over to the next year and could be used to reduce the assessments.

Mr. Hallberg recommended that the District hold a budget workshop during the regular July meeting to afford residents an opportunity to provide input on the budget. Following a brief discussion, it was decided that a budget workshop was not needed. It was also discussed that the Board may want to change the meeting date or cancel the July meeting. A decision on this matter will be made at a later date.

Mr. Daskarolis asked if the Board had any options regarding insurance carriers. Mr. Hallberg explained that currently there are no other options, as there very few companies writing policies in Florida right now.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2006-05,
Adopting Fiscal Year 2006/2007 Proposed
Budget and Setting the Date, Time and
Place for the Public Hearing**

Mr. Hallberg stated that now that the Fiscal Year 2006/2007 Proposed Budget has been approved the Board needs to formally adopt it and set the date, time and place for the public hearing. He recommended that the public hearing be held on August 7, 2006 during the regularly scheduled meeting at 5:30 p.m. Mr. Hallberg explained that this date falls after the 60-day point of August 4, 2006 and therefore meets the statutory requirements for holding the public hearing. He read the resolution into the record. Following a brief discussion, it was decided to hold the public hearing at the Ballantrae Recreational Center on Mentmore Boulevard. It was noted that the actual street address would be provided to Staff for the purposes of placing the required notices.

On Motion by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2006-05, Adopting the Fiscal Year 2006/2007 Proposed Budget totaling \$948,035 and setting the public hearing for August 7, 2006, at 5:30 p.m. at the Ballantrae Recreational Center located on Mentmore Boulevard for Ballantrae Community Development District.

SEVENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
No report.

- B. District Engineer
No Report.

- C. District Manager
Mr. Hallberg stated that he and Mr. Thompson interviewed one individual for the position of Field Manager, who does not have a CPO license but is willing to obtain one if hired and work at a reduced rate until then.

Mr. Hallberg explained that this individual might work, but that he contacted the State's Unemployment Office to try and obtain more resumes as he only received three from the advertisements that ran in the Pasco and Hillsborough editions of the Tampa Tribune. Mr. Hallberg stated that he received a resume from a Ballantrae resident interested in the part-time position and will be setting up an interview with that individual.

Mr. Hallberg updated the Board on the status of the damage done to Lintower Road, stating that he sent letters to both the Sylvan Pool Company and the homeowner hiring the pool company regarding this damage. He explained he was contacted by an attorney for Sylvan Pools indicating their intent to investigate the damages and get back to the Board within a week. Mr. Hallberg stated that it has been more than a week since he received the letter and he has heard nothing further from them. A brief discussion ensued regarding the best way to proceed at this time. It was decided to write another letter before turning it over to District Counsel for more aggressive action. It was noted that this may be a County issue rather than a District issue depending on whether or not the County has accepted the road.

Mr. Hallberg stated that the Board may want to reconsider changing the September meeting as it currently falls on Labor Day. Following a brief discussion, Ms. Collins made a motion to reschedule the September meeting to September 11, 2006 at 11:00 a.m. at the Recreational Center on Mentmore Boulevard.

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| <p>On Motion by Ms. Collins, seconded by Mr. Sikorski, with all in favor, the Board approved rescheduling the September meeting to September 11, 2006 at 11:00 a.m. at the Recreational Center on Mentmore Boulevard for Ballantrae Community Development District.</p> |
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Mr. Hallberg stated that at the last meeting the Board set a policy for resident rentals of the clubhouse facilities and recommended that the Board set a non-resident policy as well. Mr. Robin stated that since the facilities were paid for with tax free bonds the general public cannot be excluded. He explained that the rates can be lower for residents as they pay the assessments but needs to be set at market rates for non-residents. Mr. Robin stated the Board does not need to advertise the availability of facility space rentals to non-residents.

Mr. Robin inquired about whether the Board required that the homeowner provide proof of insurance at events serving alcohol. He recommended that the Board require a certificate from the homeowner's insurance agent naming the District as co-insured. Following a brief discussion, it was decided to amend the rental policy approved at last month's meeting to require a certificate of insurance be provided by individuals hosting an event where alcohol will be served.

On Motion by Ms. Sikorski, seconded by Ms. Collins, with all in favor, the Board amended the rental policy for the clubhouse to include a requirement that individuals hosting an event where alcohol will be served provide a certificate from their insurance agent naming the District as co-insured for Ballantrae Community Development District.

EIGHTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

Mr. Hallberg stated that the next item on the agenda was Supervisor requests and audience comments. He stated that there were no new audience members present.


Mr. Hallberg asked if there were any Supervisor requests.

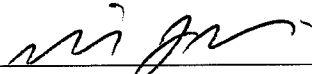
NINTH ORDER OF BUSINESS

Adjournment

Mr. Hallberg stated that there was no other business scheduled to come before the Board. He asked for a motion to adjourn the meeting.

On Motion by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board adjourned the Board of Supervisors' meeting at 6:45 p.m. for Ballantrae Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman