

**MINUTES OF MEETING  
MEADOW POINTE II  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Meadow Pointe II Community Development District was held on Wednesday, January 2, 2008 at 6:30 p.m. at the Meadow Pointe II Clubhouse; 30051 County Line Road; Wesley Chapel, Florida.

Present and constituting a quorum were:

Gerald Lynn	Chairman
Harold Ziegler	Treasurer
Brian Shahin	Supervisor

Also present were:

Andy Mendenhall	District Manager
Bill Snyder	Property Manager
Yolanda Bush	Deed Restrictions Committee

*The following is a summary of the minutes and actions taken at the January 2, 2008 Meadow Pointe II Board of Supervisors regular meeting. A copy of the recording of the meeting is on file at the District Office.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Lynn called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Pledge of Allegiance**

The Pledge of Allegiance was recited.

**THIRD ORDER OF BUSINESS**

**Guest Speakers**

There not being any, the next item followed.

**FOURTH ORDER OF BUSINESS**

**Audience Comments**

There not being any, the next item followed.

**SBA Fund Discussion**

- Mr. Lynn was authorized by the Board at the December meeting to move the funds out of the SBA account to a Wachovia account on an interim basis.
- Approximately \$1.2 million or 86% was allowed to be removed from the SBA account.
- Mr. Mendenhall discussed the following:
  - The SBA situation occurred six weeks ago
  - This was considered by many to be a quasi-governmental fund.
  - It was a private fund with the potential for risk which occurred recently.
  - A portion of the District money was moved to the Wachovia bank account.
  - It is a Government Advantage interest checking account currently earning 3.95% interest.
  - SBA was paying at the middle range of 4% as the investments were riskier.
  - Mr. Mendenhall distributed a chart of different investment options for the District's funds.
    - SunTrust and Wachovia Bank were the primary options.
    - Mr. Bovis presented an option with Colonial National Bank.
  - The District wants to be relatively safe in protecting the community's large sum of money in the reserves.
  - The safest option is to keep it in the Wachovia checking account.
  - SunTrust, Wachovia and Colonial National Bank are qualified public depositories.
    - They are registered with the state.
    - They will raise collateral for any dollars a government entity holds with them.
    - They are required to give this collateral to the CFO of the State.
    - They are checked periodically to ensure they have enough liquid assets to cover if a bank fails.
    - The FDIC limit is \$100,000 on a typical checking account.

- Public funds are protected by collateral as required by Florida Statute Chapter 280 which governs uses of public funds.
- The list is distributed to a number of different funds offered by both Wachovia and SunTrust Bank.
  - Money Market funds are primarily used.
  - They are extremely safe.
  - They have their own guarantees but not necessarily dollars associated with them.
  - They are invested in Treasury Bills and government agencies.
  - The rates vary by the investment risk.
- The list shows the spread from high to low risk as well as the proportional interest rate.
- The Board must decide how they want to balance it out on risk to interest rate.
- All are safer than the SBA, based on the SBA's investment practices.
- The Board discussed the following concerns and questions:
  - According to Mr. Ziegler, none of the Money Markets are guaranteed with collateral as Wachovia Bank is.
    - Mr. Mendenhall concurred; and a Money Market is different from a Qualified Public Depository (QPD) checking account.
    - Mr. Mendenhall noted Wachovia and SunTrust Bank both offer QPD checking accounts.
  - Mr. Ziegler recommended breaking it up into numerous accounts in order to keep it under \$100,000.
    - Mr. Mendenhall disagreed with this because the funds must be in a checking or savings account in order to be covered by the FDIC; and for the account to be guaranteed for the full balance by the fact it is a QPD.
  - Mr. Mendenhall will investigate whether the savings account is paying more interest than the checking account.

- The District can deposit 75% into savings and 25% into checking for anything which comes up relative to expenses.
- Mr. Lynn noted the money will only be spent in the event of an emergency.
- The District has the benefit of on-line transfers by using Wachovia.
- A 1% swing on \$1 million amounts to \$10,000, which is not worth the risk.
- The Board has a fiduciary responsibility to protect the money.
- Mr. Ziegler was under the impression the SBA was an agency backed by the State of Florida.
  - Mr. Mendenhall noted their marketing lead many people to believe this.
- Mr. Lynn believes the savings account will probably pay more interest.
- Mr. Mendenhall will determine whether the auditor will treat the separate accounts as separate auditing functions or keep it the same since they are with Wachovia.
- Mr. Mendenhall is not certain whether or not the remainder of the money can be withdrawn from the SBA account.
- Mr. Mendenhall outlined Florida Statutes Chapter 280 in relation to QPDs which stipulates government entities are covered.
- Mr. Mendenhall assured the Board the state regards Meadow Pointe II as a governmental entity.
- The accounts which come under this are stipulated as demand deposit accounts or time deposit accounts.
- Money Market accounts earn slightly more interest than savings accounts.
- Mr. Mendenhall clarified these Money Market accounts will not qualify under this particular arrangement as a QPD.
- The motion may be phrased to state the highest allowable QPD type account.

- Mr. Shahin recommended depositing the funds in a CD with a three-month maturity, which was not agreeable since it would constantly have to be renewed.
- The District cannot define an amount it may need at any given time in the event of a major disaster.
- The operating funds for the District throughout the year are sufficient to use in the event of an emergency while the District is waiting to get money out of the account.
- Mr. Shahin noted there are Jumbo CDs which are usually purchased by companies and corporations.
  - Mr. Mendenhall will investigate the possibility of investing in a CD.

Mr. Ziegler moved to transfer the District's SBA funds from the Wachovia Checking Account to the highest allowable QPD; to include checking, savings, Money Market and CDs; and authorize the Chairman to work with Mr. Mendenhall with regards to this matter and Mr. Shahin seconded the motion.

- Mr. Mendenhall will investigate the options with no potential risks.
- There being no further discussion,

On VOICE vote with all in favor, the prior motion was approved.

On MOTION by Mr. Ziegler seconded by Mr. Shahin with all in favor, Severn Trent Services was authorized to withdraw all remaining funds from the SBA Account as soon as they become available; and transfer said funds into a District account selected as the depository for the SBA monies.

- Mr. Mendenhall was directed to ensure there are no auditing issues with the accounts.
- Mr. Mendenhall was also directed to check penalty requirements in the event a Jumbo CD must be cashed early.

- Mr. Lynn does not foresee any emergencies requiring the District to withdraw \$1.2 million.

**TENTH ORDER OF BUSINESS**

**Other Business**

- Mr. Lynn discussed a tax bill which was received from the county for stormwater sewer tax as mandated by the EPA.
  - The county charged each homeowner \$47 which may not be acceptable since they are all responsible for maintenance of their own systems.
  - The District is also charging residents for maintenance of stormwater systems.
  - The county pays taxes on their facilities since it is a tax exercised outside the county's jurisdiction.
  - The tax bill in the amount of \$1,600 was paid at the reduced rate.
  - The Board wants to know where the county gets money to pay taxes on their buildings.
    - If residents are paying for their property, CDD property, as well as county property, they are being triple-taxed.
  - Mr. Lynn will attend a Board of County Commissioners meeting next week with regards to a different matter, but will raise this issue.
- Mr. Snyder wanted to know whether or not an invoice in the amount of \$855.99 was submitted for 95 trees.
  - The District was cited for dead trees in the mitigation area.
  - All trees in the area of the Publix shopping center must be replaced.
  - Mr. Mendenhall will work with Mr. Valentine to determine whether or not the mitigation area near the Publix shopping center is involved before the invoice is paid since they were authorized to maintain the mitigation area in order to build the shopping center.

On MOTION by Mr. Ziegler seconded by Mr. Shahin with all in favor, the invoices were approved less the cost of the mitigation area if involved.

Mr. Lynn announced to the Board Mr. Ricciardi was promoted and is now in charge of Severn Trent Services Tampa office.

**FIFTH ORDER OF BUSINESS**

**Resident Council Representative**

- A home in Meadow Pointe III is boarded up.
  - Deputy Rick has been working on a program for the Sheriff's Department to identify every property in Meadow Pointe II, III and IV in foreclosure or owned by the banks in order to identify vacant homes.
  - There is hearsay of 300 homes in foreclosure in Meadow Pointe III.
- Mr. Lynn compliment the Sheriff's Department and deputies for doing a fabulous job here.
  - The Deputy acknowledged the compliment.

**SIXTH ORDER OF BUSINESS**

**Committee Reports**

**A. Architectural Review**

- Ms. Bush distributed the ARC report for review, which is attached hereto and made part of the public record.
  - Board and staff discussed the Architectural Review report.

There being no further discussion,

On MOTION by Mr. Ziegler seconded by Mr. Shahin with all in favor, the Architectural Review recommendations were approved.

**B. Deed Restrictions**

- Ms. Bush distributed the Deed Restriction report for review, which is attached hereto and made part of the public record.
  - The Board and staff discussed the Deed Restriction report as well as letters which were to be sent by Ms. Johnson-Velez.
  - The Board and staff discussed the follow-up course if the deed restriction still exists once letters are sent by the attorney.

There being no further comments or questions,

On MOTION by Mr. Shahin seconded by Mr. Ziegler with all in favor, Deed Restriction recommendations for Deed Restriction Items 2007/232 through 2007/241 were approved; with the exception of Deed Restriction Items 2007/236, 2007/240 and 2007/241 to be sent to Ms. Johnson-Velez, with items 2007/240 and 2007/241 to be considered after the attorney sends the second letters.

- Mr. Snyder recommended addressing Ms. Johnson-Velez’ responsiveness.
- Copies of attorney letters need to be received in a timely fashion since the ARC and Deed Restriction have staff.
- Mr. Shahin asked Ms. Johnson-Velez to send all copies of letters to the clubhouse.
- Mr. Snyder requested copies in September, October and November.

**EIGHTH ORDER OF BUSINESS**

**Status Reports – Supervisor Areas of Specialization and Comments**

- **Mr. Shahin**
  - The website was delayed due to the holidays.
  - The shell was coded and they are working on content.
  - He sent a note to Mr. Mendenhall with regards to the agenda packages.
- **Mr. Lynn**
  - He will attend the Board of County Commissioners meeting next week to address the marquis signs.
  - PACA representatives were asked for their support on this issue.
  - There was further discussion concerning the County ordinance.

**SEVENTH ORDER OF BUSINESS**

**Property Manager**

Mr. Snyder discussed the following issues:

- The electric company was billed on May 16, 2007 for electrical work which the CDD paid \$1,500 per Village.
  - The CDD received a bill for additional work, which was not in the contract.
  - The wiring in Solitude had to be changed at the CDD’s expense.
  - The CDD billed them \$2,051.88 and they billed the CDD \$1,460.



- The balance the CDD is asking for is a difference of \$598.
- They agreed to cover the cost for the replacement.
- Mr. Snyder's letter will be turned over to Ms. Johnson-Velez for follow-up if there is no response.
- Mr. Ziegler believes the attorney's fees will outweigh the gain.
- Mr. Snyder will be receiving a check within two weeks with regards to the item on Lettingwell.
  - The check will be deposited to the account it was withdrawn from as opposed to the general fund.
- Mr. Snyder identified the person who ran through the fence on County Line Road in Manor Isle.
  - Mr. Snyder has the name and address.
  - The scrub cost is \$390.
  - Estimate on fencing is coming.
  - Resident will be sent a bill when all cost estimates are received.
- Only CDD-owned property in Longleaf gets power washed.

**NINTH ORDER OF BUSINESS**

**Approval of Minutes of the November 14, 2007 Meeting**

Mr. Lynn stated each Board member received a copy of the minutes of the November 14, 2007 meeting and requested any additions, corrections or deletions.

There not being any,

On MOTION by Mr. Ziegler seconded by Mr. Shahin with all in favor, the minutes of the November 14, 2007 were approved.
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**ELEVENTH ORDER OF BUSINESS**

**Audience Comments**

There not being any, the next item followed.

January 2, 2008

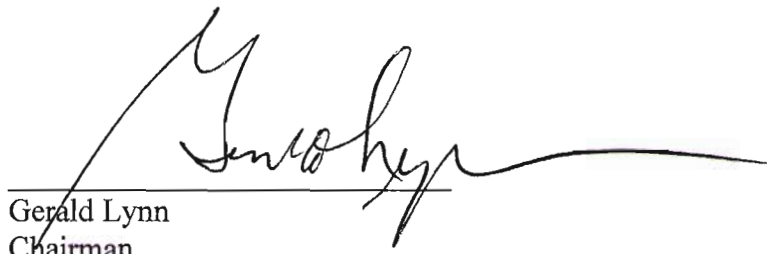
Meadow Pointe II C.D.D.

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

There being no further business,

On MOTION by Mr. Ziegler seconded by Mr. Shahin with all in favor, the meeting was adjourned.

  
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Gerald Lynn  
Chairman