

**MINUTES OF MEETING
FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1**

The regular business meeting of the Fiddler's Creek Community Development District #1 was held on Wednesday, May 24, 2006 at 10:00 a.m. at the Fiddler's Creek Club and Spa, 3470 Club Center Drive, Naples, Florida 34114.

Present and constituting a quorum were:

Phil Brougham	Chairman
Diane Matire	Assistant Secretary
Alexander Love	Assistant Secretary
James Robertson	Assistant Secretary
Peggy Schmidt	Vice Chairperson

Also present were:

Chuck Adams	Manager
Bob Casey	Assistant Regional Manager
Terry Cole	Engineer
Tony Pires	Attorney
Jay Gaines	Auditor
Mark Strain	Developer
Craig Wrathell	Managing Partner (Wrathell, Hart, Hunt & Associates)

FIRST ORDER OF BUSINESS

Roll Call

Mr. Adams called to order the meeting of the Fiddler's Creek Community Development District #1 Board of Supervisors at 10:10 a.m. on Wednesday, April 26, 2006 at the Fiddler's Creek Club and Spa, 3470 Club Center Drive, Naples, Florida. 34114.

All Supervisors were present at roll call.

FIRST ORDER OF BUSINESS

**Presentation and Acceptance of Audit for
Fiscal Year 2005**

Mr. Jay Gaines, with the auditing firm of Berger, Toombs, Elam, Gaines and Frank, gave a brief presentation of the audit. He stated the total net assets are almost \$3.4 million. The operations for the year generated a \$2.1 million increase in net assets, almost tripling from the

\$1.2 to almost \$3.4 million at the end of the year. The main reason for the increase for the change in net assets is because the community paid off almost \$3.2 million in bonds.

On page 11 and 12, the balance sheet is a more traditional governmental accounting view of the operations of the district. At this level, you still have a little over 9 million dollars in fund balance, which is a very strong position.

On pages 14 and 15, you are looking at your operations at the governmental level. You operated at an almost 1.5 million dollar deficit for the year, and that was mainly brought about by two funds: you had significant improvements in your 2002 Capital Projects fund, which are recognized as expenditures at this level and capitalized at the government fund level, and also, you paid off 1.4 million dollars in debt in your '96 fund. Those two funds are the funds that operated at a deficit.

The other thing that I wanted to point out is our Management Letter, which is on page 35 and 36. We had no findings this year as far as operational or statutory compliance issues, and I will point out that you did not meet one of the conditions described in Section 218.503, which means you are not in a state of financial emergency, which would be deficit fund balances, etc., so you are in sound financial health.

Mr. Brougham asked were you made aware of the financial reporting difficulties we have had for a period of time during this past fiscal year?

Mr. Gaines responded do you mean not getting the financial statements from the Management company?

Mr. Brougham responded that is correct.

Mr. Gaines stated I was generally aware of it because we do a lot of work there and there are continuing issues, but we did go through the financial records and tested them, and the end result was stated materially correct.

Mr. Brougham asked if there was any negative impact because of this.

Mr. Gaines responded no, there was not.

Mr. Brougham had a question regarding Item Number 1 on page 25, Bond Issuance Cost. He stated the District Management Company is making a proposal for the upcoming fiscal year to expense those types of fees associated with the bond funds out of the General Fund. I noticed that you stated precisely "the cost of these assets is reported as expenditures in the governmental

funds”, so I wonder if there is any conflict between that statement and what Wrathell, Hart, Hunt is proposing.

Mr. Wrathell stated, if I may assist, there are certain expenses that, in the past, have been incorporated into the Debt Service fund that included services like dissemination agent, arbitrage rebate and trustee fees. One of our concerns is that when you originally are putting yourself in the position to issue the bonds, you will prepare an Assessment Methodology and you will actually develop a legal cap as far as how high the assessments can go on the different unit types in the community. The long-term Bond Debt Service schedule is relatively constant; however, there are certain years where they will increase a little bit toward that cap, and I am concerned that if you add those expenses in the Debt Service fund — that coupled with the debt service payments — that you could actually exceed that established cap. That is why my firm is recommending doing it.

Mr. Gaines stated when we talk about these bond issuance costs, these are actually costs associated with the issuance of the bond, as opposed to the costs associated with servicing the bond.

On MOTION by Ms. Matire seconded by Mr. Love with all in favor the audit for Fiscal Year 2005 was accepted as presented for the purposes of transmittal to the State in accordance with the law, and also for public record.

THIRD ORDER OF BUSINESS

Distribution of the Proposed Budget for Fiscal Year 2007 and Consideration of Resolution 2006-8, Setting the Public Hearing Thereon Pursuant to Florida Law

Mr. Adams stated that the Board has been provided with a copy of a draft budget. There are some additional modifications that still need to take place in terms of appropriations. As we continue through the budget deliberation process, we are considering or hoping to engage the Fiddler's Creek #2 Board in some cost sharing of some of the mutual services, i.e., security and a few other things, much in the same sense as we did last year with the irrigation supply system.

Mr. Brougham stated the biggest additional expense is the principal and interest on the Hurricane Wilma bond for \$826,000, and that figure is very much in flux. It won't be locked in until we lock in the final amount of the loan.

Mr. Adams suggested they clear their schedules as much as possible for the next meeting and really get into the budget, and set aside some extra time to do that at the June meeting so they can get into the details of this budget at that point, and focus on nothing but the budget.

Mr. Brougham stated the Board needs to be thinking about the fact that the 2003 vehicle is coming off lease this August. The older vehicle, which is a 2001, is going to be expensive in terms of maintenance. The question is what do we do to replace the Crown Victoria? Do we keep it, do we buy it out of the lease, do we trade it in, do we get a Toyota, do we need two cars?

Mr. Adams stated the lease itself is set up so that you do own it at the end of the term in August, but much like the other one, I suspect it will begin to incur expenses for repairs and maintenance, so you do need to consider a new vehicle. What level of vehicle you want is part of the discussion you need to have. There are obviously some reasons why a Crown Victoria was chosen. It duplicates what you see in the Sheriff's program. Also, with the Police Interceptor package, which we are able to get a Federal Government pricing as a District, we can actually get it cheaper than most export employees can get on a regular Crown Victoria, and it is designed for higher mileage. We run about 150,000 or 200,000 in about 3 years, and that is why the lease is taken out for 3 years, because that is the useful life expectancy. Having two vehicles is nice when you have to take the initial vehicle in for repairs, oil changes, tire changes, alignments, etc., but does it need to sit in the parking lot for 330 days of the year and actually be used for the other 35 days? That is not necessarily a sound business decision. An alternative may be to look into a rental agreement with someone who could deliver a vehicle to us at a moment's notice to use while the primary vehicle is being serviced.

Mr. Brougham encouraged the Board to e-mail any questions that come up regarding their budget concerns to Mr. Adams.

Mr. Love stated regarding the year-to-date actuals and your projections for the end of the year, if there are variances, I would like to see those explained.

Mr. Adams stated I would be more than happy to get into the variance description in detail at the budget workshop.

Ms. Schmidt stated that she wanted to let the Board know that she is not going to be available on Wednesday, August 23.

Mr. Adams stated I will need confirmation that the other three Board members will be here. We can always continue the Public Hearing if necessary but we are getting to the time when the tax roll needs to be submitted to the County.

Once we are able to finalize our draws on the loan and set our interest rate and determine what the annual pay back will be, as well as the total principal amount against each property, we will send out a notice to the residents. We want to give them an opportunity to pay it off without incurring any interest. We also want to notify them of what portion of the increase that they will see on their tax bill is related to debts and what part is related to the Wilma financing.

Mr. Brougham stated that communication, according to your calculations, should go out in late June or early July.

Mr. Adams stated a special letter will be sent out notifying everybody of the final numbers and their options for pay off, and if they don't pay it off, what the impact is going to be. We will set forth a very direct, easy-to-read notice that indicates the total amount borrowed, the amount of principal leaned against their property as part of this program, and their annual payment responsibilities. Hopefully that will clearly set out what this program means to them in terms of dollars and cents. We will also include the duration for the next five years.

On MOTION by Mr. Brougham seconded by Mr. Love with all in favor Resolution 2006-8 was adopted.

FOURTH ORDER OF BUSINESS

Consideration of District "Housekeeping" Issues

Mr. Adams stated the housekeeping issues have to deal with the Special Meeting minutes of August 17, 2005. They were not presented or approved by the Board.

On MOTION by Mr. Love, seconded by Mr. Brougham with all in favor the minutes of the Special Meeting held on August 17, 2005 were approved as presented.

A question arose regarding establishing a website sometime in the near future for the residents.

Mr. Adams stated we have been discussing creating a simple website for each of our clients.

Mr. Wrathell stated I was unaware of that so I apologize. We have a firm that will accomplish exactly that within a 45 day period and it will cost approximately \$1,500.

Mr. Brougham responded affirmatively.

FIFTH ORDER OF BUSINESS

Approval of the Minutes of March 22, 2006 and April 26, 2006 Meeting

Mr. Adams stated the next item is approval of the minutes. We will start with March 22: a copy of the minutes was provided to the Board. They were in a much more detailed format by request of the Board.

Mr. Brougham stated that there needed to be a correction made on page 6 with the word "tax" between the words "what" and "exempt." Other corrections were noted on page 7: "Mr. Brougham stated he would like to make a motion that IF they do get a second"... that sentence needs to be rewritten. The intent of the discussion was the fact that if we get a second, then we can have a discussion on it.

Mr. Adams stated we will strike out "that they do" and put in "and" – make a motion and get a second, and then we can have a discussion on this."

Mr. Brougham stated on page 8, last paragraph, second line, "...suggested by the Attorney which dealt with meetings in terms "of"- insert the word "of", office..."

Mr. Cole had a correction regarding the spelling of Mr. Frank Feeney's last name, which is spelled F-E-E-N-E-Y. It was reported as "Mr. Beam" and needs to be changed on pages 1, 10, and 11.

Ms. Schmidt stated on page 10, under "Engineer", there is a correction to be made where it says "Mr. Beam stated there were two items of items..." and that "items" should be deleted. She noted a correction on page 12, fourth paragraph - Mr. Adams responded "that" instead of "the". She also questioned an item on page 13 regarding the statement about waste management. She stated she does not remember being the person who brought up waste management.

Mr. Adams told her that her name would be replaced with Mr. Love's in the transcript.

On MOTION by Mr. Brougham seconded by Ms. Schmitt with all in favor the minutes of the March 22, 2006 meeting were approved as amended.

Mr. Adams stated the next item is the approval of the April 26, 2006 minutes.

Mr. Brougham noted a correction for page 1 as the last name C-O-M-B-E-S. He said that when he addressed her, he addressed her as Mary Kay. He stated on page 4, under "Fifth Order of Business," it should read, "Mr. Brougham introduced Mr. Dale Slabaugh as the landscape architect," instead of "Mr. Brougham is the landscape architect." He then noted that the second paragraph on the bottom of the page, it should read, "Miss Combes has a question..." and the same at the top of page 5. He then stated that in that motion, just for clarification, they need to insert the word "park bench" in front of "project." Also, on page 7, "the" ramps should be inserted instead of "each" ramp in the range of \$40,000. He also had a correction for the bottom of page 10. "Mr. Brougham stated he understood from Mr. ... should be "Adams"...

Mr. Love stated that it was in the minutes that he was late, but he wasn't even at that meeting. He had a correction on page 5 as well, because he was not present.

Mr. Adams explained that there were blanks instead of names, and he had tried to fill them in because nobody said their name when presenting a question or comment, and the transcriber had no idea who was speaking.

Ms. Schmidt had a correction on page 2 as to whether or not the statement should have been quoted.

On MOTION by Ms. Schmidt seconded by Mr. Brougham with all in favor the minutes of the meeting on April 26, 2006 were approved as amended.

SIXTH ORDER OF BUSINESS

Other Business

Mr. Adams gave a quick update on the restoration project. He stated we have not had any additional expenses within the last 30 days, which is why the Board had not received an updated spreadsheet as to where the expenses are to date. I did have a meeting this morning with Mr. **Rache(?)** and the primary contractor, Ray Doriem, and we talked about the schedule going forward because we did have some elevated concern that we have slowed down, almost to a complete stop, and we want to get this wrapped up. Ray has committed that he will have the project completed within the next 30 days. He feels very confident, from a materials standpoint, and resources for installation, so he should have his portion completed within 30 days, which is the primary portion remaining. The three remaining areas are down Mulberry Row, the continuation of the Parkway to Sandpiper, and out through Mahogany Bend. They have minimal

amounts of work to be done in them, but nonetheless, they are important to the residents that live in those areas. We need to get this completed so that we can get our notices out to our residents, we can close the loan, can set our interest rate, determine what the fees will be and give the residents the opportunity to pre-pay within a 20 or 30 day period and then we can set our assessments accordingly. I will speak directly to Ray on a weekly basis to keep pushing him along.

Ms. Schmitt asked Mr. Adams if they could please check on Mulberry, because there is a hole in the fence, across from 7750 Mulberry, that needs to be attended to before all of the bushes and shrubs are put in. She stated that a top section of the fence is missing. Also, the Royal Palm is still missing at the entryway.

Mr. Brougham stated there are two ficus trees that are uprooted by the entrance. Also, could someone look at the CDD berm area at the intersection of Cotton Green and Village Creek Parkway — the berm that comes down that elevation from the Parkway towards the last house at Cotton Green. He stated that he was in there in the last several days and the whole area of planting has weeds growing in it and needs to be made more presentable. From the Village edge up the incline to the parkway and the guardrail, it looks horrible.

Mr. Adams stated it leads me to believe that in their review in the field, they determined that it is not the CDD's responsibility, so I will need to take a look at that with them.

Mr. Brougham asked as you come in from Championship into Mulberry, there are planting beds on either side of the road with bougainvillea. Do they belong to the Village or to the District?

Mr. Adams responded they belong to the District. We are doing some widespread bougainvillea replacement and I believe that is one of the areas being targeted.

Mr. Adams stated the next item is the Cost Sharing Interlocal Agreement. A copy has been provided to the developer, who is the primary controller of Fiddler's Creek #2. This has to do with some cost sharing of the mutual programs. It is in their hands at this point, and we'll see the kind of considerations they would want to give it from the Fiddler's #2 standpoint.

Mr. Brougham stated correct me if I'm wrong, but we can go forward with cost sharing in certain service areas for the upcoming fiscal year budget without that agreement.

Mr. Adams stated I think you need to have that agreement; otherwise, you will find yourself in a shortfall funding wise, if you are assuming that they are going to budget their side

of it. You have to have that first. They did not indicate a turnaround time. I made the offer that you and I would discuss it with them, but they did not want to entertain doing that at this time, but it is under consideration. We have to tighten up the budget on their side. We have to determine the roof tops that they want to assess this upcoming year, so they can better understand their additional program costs, such as security.

Mr. Adams stated the irrigation, without a doubt, is built for the entire community. There are no boundaries. Security, very much like the lakes and landscaping, has no boundaries, so there is an opportunity for them to fund that program themselves.

Mr. Adams discussed a housekeeping item on the Supplemental Maintenance Agreement. They are in consideration of the expanded definition of maintenance being the foundation board and also, with regards to the updated palate, once again, we want to try to document that in a photo, and it will be an exhibit attachment to the revised or amended Supplemental Maintenance Agreement. Once the restoration planting is wrapped up, we intend to go out and photograph or videotape the right-of-way so you get a feel for all of the plant material types and locations, and that will be attached as an Exhibit to the Supplemental Agreement.

SEVENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Pires stated as a follow-up to the last Board meeting, the Board authorized that a letter be sent to Wrathell, Hart, Hunt and Associates with regard to the financial statements and the Board's desire to ensure that by June 1st, the financials comply with the agreement of delivery of record management reports of October of '05 to March of '06. I understand that there has been substantial movement in that regard. For the record, here is a copy of the letter.

Mr. Pires stated that this coming year, there are two seats up for election on this Board, and the Supervisor of Elections likes to have a resolution and Lee County requires it. The terms that expire are seats one and two. I double checked that with the Supervisor of Elections office. If you decide to become a candidate for a seat on the District Board, you have to identify a seat number.

He stated that the adoption of Resolution 2006-9 would be in order.

On MOTION by Mr. Brougham seconded by Mr. Robertson with all in favor Resolution 2006-9 was adopted.

Mr. Pires stated with regard to the potential Severn Trent litigation, we haven't finalized all of our analysis yet, so I will get back to you. From a cost benefit analysis, if you decide you are going to litigate an issue in the State of Florida, one of the arguments, besides determining whether or not you believe you have a valid claim to make in Court, is the determination of whether or not the time frame to bring that claim has run or expired, called the Statute of Limitations. Typically, according to Florida Statutes, Chapter 95, if you are going to sue on a contract, to enforce the terms of the contract or breach of contract, typically the Statute of Limitations is 5 years on the written contract. In other words, you have to file your lawsuit 5 years from the date the incident occurred. If it is an action relating to recovering public money or property, it is a four year Statute of Limitations, and if it is an action based upon partial negligence, that is a two year Statute of Limitations.

The reason I mention this is we have a combination of all of them in the possible claims that the District has outlined against Severn Trent. The letter that was sent out earlier this year to Severn Trent related to the number of months for which Severn Trent received payment and did not provide service, which was a total amount of almost \$6,000; triple that amount was approximately \$18,000, and that is the demand letter that went out to Severn Trent earlier this year.

On a purely Breach of Contract issue, if we want to sue, they have paid themselves for services not provided and arguably that would be the five year or four year Statute of Limitations. If there are any expenses that the District may have incurred by virtue of Severn Trent's failure to provide you appropriate financial reporting or accounting, or for costs you have incurred, then that may fall under Professional Negligence and we discovered that last fall, in July of 2005, so we have until July of 2007 to make that claim. Mr. Pires went into a further detailed explanation.

Mr. Adams stated there is an additional bill that came through that was due to them for June.

Mr. Brougham stated that included field management services that should not have been paid.

Mr. Adams stated that was done back in February, prior to this particular issue being brought up for a potential lawsuit.

Mr. Brougham asked February of 2006?

Mr. Adams responded affirmatively.

Mr. Brougham stated they should not have been paid for the field management for June. Let's say we are talking about the \$6,000 - \$8,000 range. That can be handled in a County Court action to make it quick. You always have to do a cost benefit analysis on this type of thing.

Mr. Pires stated I would estimate it would run in the \$200,000 range. It is the Board's discretion as to whether to proceed or not, or possibly to continue the discussions. One course of action would be to file a lawsuit based upon the field management services in County Court. That would be a relatively inexpensive litigation process, as opposed to suing for the triple amount, which would be more expensive.

Mr. Brougham stated he would rather not pursue any lawsuits, because of the cost versus the potential gain, and there's only a potential gain assuming we win. My course of action is to leave the matter open and keep contacting them once a month and see where that leads.

There was further discussion regarding this issue.

Mr. Pires stated I understand the Board's direction is to calendar it for a particular time frame so that we can do an analysis at that time to figure out where we are.

As far as the gathering of prior agreements and minutes, we are in the process of doing that and are probably one-third of the way through it. I will coordinate it with Mr. Adams and Mr. Casey to make sure he has captured everything.

b. Engineer

Mr. Cole stated there are three draws to look at today. The first is the 99 Series Bond, which is for Draw #43, in the amount of \$198,000. Primarily these miscellaneous items were payment retainage.

Professional fees: \$105,000 approximately, which was primarily consisting of management fees paid to Gulf Bay for the management fees for the project.

The 2002 Bond, which is Draw #45, is for \$275,000 approximately, and is purely for professional fees, which primarily consisted of payment of management fees to Gulf Bay.

The 2005 Bond, which is Draw #2, is for approximately \$193,000 and consists of some roadway work related to the South Commercial Center entrance. The box culverts have been installed recently for that entrance, and they are in the process of doing the road work. Mr. Cole stated that some lake excavation has occurred and some clearing as well. There were professional fees included, too, which primarily consisted of engineering and permitting fees.

Mr. Brougham asked Mr. Cole if he was able to make any headway on the sidewalk ramps so we don't have to install sidewalks as well.

Mr. Cole responded that he has not been able to meet with the gentleman and that he will continue to follow up.

c. Manager

Mr. Adams stated that they have received the FEMA reimbursement and it will be posted on the next statement as revenue in the amount of approximately \$87,000 and change. That is a 3% mark-up over our original submittal for administrative that they are tacking on.

Mr. Brougham stated he is still concerned about One Source's trimming program. That should have been initiated right after Easter, and some of the grass along Championship was trimmed, but they are falling behind on it.

Mr. Adams responded that it is a two-month program anticipated in the schedule. It was highlighted with Mr. Steele, who is the Director of Operations for this area, and he indicated that they were playing catch-up, but anticipated having all of that completed by the end of this month, so it will be consistent with the bid schedule and billing.

Mr. Brougham stated that \$142,000 is coming in for the new trees from the bond funds.

Mr. Adams told him that transfer will be effective next week; we had to generate an invoice that lays those out so we can get the engineer to certify that invoice and it is then sent onto the Trustee.

Mr. Brougham inquired about the road restriping and paver refurbishment.

Mr. Casey responded I met with _____ on Championship and got a very reasonable proposal to do the repair. There are about 14 different areas that need to be cut out and repaired on Championship, including the striping and a couple of stop bars along the way. They submitted a very reasonable price, and he is going to meet with them again tomorrow. Because there are funds available, they are going to do all the stop bars and any other striping that needs to be done throughout the District.

Mr. Brougham noted that, as far as the striping on Championship, you may want to schedule that as soon as they get the determination from Mr. Cole and the Board as to whether they're going to do the crosswalks and the sidewalk ramp.

Mr. Adams stated he thought they could have them come back, and rather than delay the entire striping program, we need to get them started.

The topic of road failure was discussed, particularly on Championship.

Mr. Adams stated we were not going to be addressing cracking unless it was determined that it was actually creating a depression, which would be indicative of some subsurface issues. You will get some hairline cracking in the asphalt just as a matter of the upper layer of asphalt and the lower layer of subgrade expanding and contracting with the heating and cooling.

Mr. _____ brought up the topic of irrigation and maintenance.

Mr. Adams stated we have a very state-of-the-art filter system; nonetheless, it is limited in its ability to filter everything out of the water. As a result, the water quality is not comparable to what this community started out at, which was drinking water quality. It is open to all kinds of debris and sediments. It does a good job of removing those, but there does need to be a different maintenance program adopted by individuals, as well as neighborhoods and the District when it comes to operating and maintaining your sprinkler system, this time of the year, in particular.

Ms. Schmidt brought up the street sweepers and asked Mr. Adams if he could touch base with them, because she witnessed them speeding in excess of 35-40 mph

when they're sweeping the street. She also commented on the vacant lots at Isla Del Sol, and the grass and weeds are growing out of the lot into valley gutters and are totally blocking the gutter.

Mr. Adams stated that it is a gated community, and the District doesn't own the roads in there and does not provide any roadside mowing. It may be better handled through the Foundation by notice of deficiency or improper maintenance. It was suggested that Mr. Adams call the property management company, and Mr. Adams agreed. Mr. Adams stated they will highlight the concern for Stuart and have him address it for the neighborhood as their manager.

Mr. Adams had to leave the meeting early due to another commitment.

Mr. Wrathell was introduced to speak regarding the financials. He received the letter that Mr. Pires mentioned earlier in the meeting, and was extremely concerned and placed a call immediately to Mr. Brougham. He wanted to find out and investigate what the issues were. Mr. Brougham and he had spoken on a number of occasions via phone, e-mails, etc., and it was abundantly clear that he is in full agreement with Mr. Brougham as to the issues that needed to be corrected in the financial statements.

Mr. Wrathell took more of a personal interest in this for a couple of different reasons, one of which is he wanted to make sure one of them was related to the accountant that is providing that service; secondly, as a firm, he wanted to be certain that the mistakes that particular accountant was making were isolated and not systemic. He stated that the one positive is it wasn't systemic; it was related to the work practices of that particular accountant. Instead of assigning it over to one of their more experienced accountants, Mr. Wrathell sat down with the prior accountant and tried to go through everything that he had done, and to make the corrections to those statements. Corrections were made all the way from the October, 2005 financial statements through the present period today, which is through the end of April. Mr. Wrathell stated that the problem with many accounting programs is that they present the financial statements in a poor format. Because of this issue, Mr. Wrathell stated the financial statements are exported into excel for presentation purposes. That particular accountant was not making sure that it was imported over to the Excel database in a manner consistent with the quick books or consistent with the expense and revenue reconciliation sheets.

Mr. Wrathell went into further detail regarding the financials. He stated that that particular accountant will no longer be doing the accounting for Fiddler's Creek. He offered his sincere apologies to everybody, and stated that he is comfortable with the corrections that have been made. Although there were no catastrophic mistakes, it was more a case of "sloppiness in presentation." He is confident the records now accurately reflect the current financial condition of the District.

Mr. Wrathell stated that Madonna Dell'Olio will be the new accountant for the District. Madonna is familiar with the District and has already started work on the budget. Mr. Wrathell stated that he will also continue to be actively involved in making sure the District is getting the quality work they should be getting.

Mr. Brougham added that he had worked with Mr. Wrathell and had personally gone through each of the corrected financial statements from October onward to make sure that everything is reflected properly. He stated he is confident that at least as of April, they are correct.

On MOTION by Mr. Brougham seconded by Ms. Schmitt with all in favor the financial statements were approved as presented. The following dates for approval are: 10/31/05, 11/30/05, 12/31/05, 1/31/06, 2/28/06, 3/31/06, and 4/30/06.

EIGHTH ORDER OF BUSINESS

Supervisors Request and Audience Comments

Mr. Brougham stated that there has been a complaint by a resident concerning the signage on the entrance to Mulberry Row at the Parkway. He does not know the history, but apparently, some years ago, someone over there requested of the developer better signage so that people coming in could find Mulberry Row more easily and it was turned down. Mr. Brougham went out and took a picture of the sign for Mulberry versus the sign for Peppertree, and wasn't sure what the issue was on visibility, but he noticed that the Mulberry sign sits back quite a ways from the Parkway. He asked if there was any standardization, or is it a CDD issue for Mulberry, or is it a village issue.

Mr. Cole responded that it may be an isolated issue in that the post was placed too far back from the intersection. He stated that it would be a District issue as far as relocating that sign post. He stated he could talk to the contractor about the sign post.

A resident from Deer Crossing wanted to know if he could assume, based on the conversation he heard today, that the work on Championship, specifically behind Deer Crossing, has been completed.

Mr. Brougham responded that it has been completed. He asked if there was going to be a tagging program for all of the trees that went in.

Mr. Casey responded that all the palm trees and feature oaks and so forth have tags on them.

Mr. Casey offered one update on the Bench Project. Mark is working with the engineer in Gulf Bay to do engineering drawings on those so that we know specifically where we might need [unintelligible] and where we might not. It is still ongoing.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Brougham seconded by Ms. Schmitt with all in favor the meeting was adjourned at 11:45 a.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman