

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT
DISTRICT**

**REGULAR MEETING
AGENDA**

January 21, 2010

Moody River Estates Community Development District
6131 Lyons Road, Suite 100 • Coconut Creek, Florida 33073
Phone (954) 426-2105 • Fax (954) 426-2147 • Toll-free: (877) 276-0889

January 11, 2010

Board of Supervisors
Moody River Estates Community Development District


Dear Board Members:

A Regular Meeting of the Moody River Estates Community Development District's Board of Supervisors will be held on **Thursday, January 21, 2010 at 12:30 p.m.**, at the **Candlewood Suites, 3626 Colonial Court, Fort Myers, Florida 33913**. The agenda is as follows:

1. Call to Order/Roll Call
2. Attorney-Client Session
3. Return to Public Session: Consideration of any Pertinent Actions Resulting from Attorney-Client Session
4. Approval of **December 16, 2009** Regular Meeting Minutes
5. Other Business
6. Staff Reports
 - a. Attorney
 - b. Manager
 - i. Unaudited Financial Statements as of November 30, 2009
 - ii. **NEXT MEETING DATE: March 18, 2010 at 1:00 P.M.**
7. Audience Comments/Supervisors' Requests
8. Adjournment

Should you have any questions and/or concerns, please contact me directly at 239-464-7114.

Sincerely,


Chesley E. Adams, Jr.
District Manager

CA:dg

For Board Members and Staff unable to attend in person, a toll-free call-in number of **1-888-354-0094** has been established.

Please input the conference ID of **8593810#**. You will be placed on hold until the moderator calls in and all parties are joined on the same line.

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**MINUTES OF MEETING
MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

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A Regular Meeting of the Moody River Estates Community Development District's Board of Supervisors was held on **Wednesday, December 16, 2009** at **2:00 p.m.**, at the **Candlewood Suites, 3626 Colonial Court, Fort Myers, Florida 33913.**

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Present and constituting a quorum were:

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| Ilse Mayer | Chairperson |
| Kathy Shea | Vice Chairperson |
| Terry Pye | Assistant Secretary |

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Also present were:

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| Cleo Crismond | Assistant Client Services Manager |
| Mike Eckert | District Counsel |
| Michelle Blackstock (via telephone) | Grau & Associates |

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FIRST ORDER OF BUSINESS **Call to Order/Roll Call**

Ms. Crismond called the meeting to order at 2:00 p.m., and noted Supervisors Harrell and Berry were absent.

SECOND ORDER OF BUSINESS **Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2008, Prepared by Grau & Associates**

Ms. Michelle Blackstock, of Grau & Associates, summarized the Audited Financial Report for Fiscal Year Ended September 30, 2008. She noted the prior period adjustment, on Page 19, has to do with the assessment revenues. The District recorded \$64,000, deemed uncollectible, in the prior year, due to Developer related matters. That was removed and the beginning total net asset (deficit), as restated, is (\$2,382,646); which results in the net asset ending at about negative \$3.3 million. She discussed the Balance Sheet, as provided on Page 8; the total fund balance is \$2.6 million. Page 10 reflects the statement of revenue and expenditures; the general fund has a shortfall of \$18,000 for the year, but a positive fund balance of \$27,000. The capital projects fund has a deficit of \$926,000 because the capital outlay is still

39 being extended. She noted the reserve accounts were withdrawn from, but the accounts have
40 been replenished. Page 23 is a report on the internal control and is a clean report. Page 25 is the
41 management letter for the Auditor General of Florida.

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43 **THIRD ORDER OF BUSINESS** **Consideration of Resolution 2010-1,**
44 **Accepting the Audited Financial Report**
45 **for the Fiscal Year Ended September 30,**
46 **2008**

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48 Ms. Crismond presented Resolution 2010-1 for the Board’s approval.

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**On MOTION by Mr. Pye and seconded by Ms. Mayer, with all
in favor of approving Resolution 2010-1, Accepting the
Audited Financial Report for the Fiscal Year Ended
September 30, 2008.**

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Mr. Eckert stated, usually the Board reviews the audit before the end of the fiscal year;
however, due to the District’s meeting schedule, this was the earliest that the Board could review
the audit. The state’s website reflects the submittal date as October 15th.

FOURTH ORDER OF BUSINESS **Discussion of Mood Litigation and**
Request for Attorney Client Strategy
Session

Mr. Eckert explained that, on October 22nd, Mood Development Corporation filed a
complaint against the District; their complaint essentially seeks a determination of declaratory
judgment by the court. It does not mean someone is seeking money, it just wants the court to
declare what are the peoples’ rights and responsibilities. Essentially, what they are asking the
court to declare is that Mood’s property is not legally within the boundaries of the District and
that the District’s Notice of Establishment did not comply with Florida law; the District’s special
assessments were not, validly, levied against Mood’s properties and that the special assessments
were not, validly, allocated to Mood’s properties. The complaint was forwarded to the insurance
company and they declined coverage. The letter received from Mood’s attorney explicitly said
they are writing the complaint and filing it against the District and they did not think that the way
the complaint was written, the District would have insurance coverage. Mood filed it a week to

75 ten (10) days before the mediation was scheduled, in relation to the big developer lawsuit. He
 76 stated he did not attend the mediation on behalf of the District, as he could not make any
 77 concessions or any decisions on behalf of the District. Upon receipt of the complaint, several
 78 deficiencies were found in the way it was drafted and a Motion to Dismiss was filed by the
 79 District. Mood also filed a Motion to Consolidate, in which they want their claims against the
 80 District to be heard in the same case as all of the developer’s litigations. Mr. Eckert stated,
 81 currently, he felt he would be able to get most of the motions dismissed; however, if something
 82 was to go to trial, it would probably be a one (1)-day trial. He noted no hearings were scheduled
 83 and there was nothing in the complaint that was a surprise. In an attempt to be economically
 84 efficient, Mr. Eckert is trying to get as much dismissed, procedurally, as possible. He noted that
 85 the District’s meetings are public and the District has the opportunity to discuss items in a special
 86 session. He requested an attorney client session to obtain advice from the Board regarding the
 87 Mood litigation and relating to settlement negotiations and strategy related to litigation expenses.
 88 The attendees would include the Board Members, District Counsel and the District Manager.

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 90 **On MOTION by Ms. Mayer and seconded by Ms. Shea, with**
 91 **all in favor of approving an attorney-client session during the**
 92 **regularly scheduled meeting on January 21, 2010 at 12:30 p.m.,**
 93 **at the Candlewood Suites Hotel. Attendees will include all**
 94 **Board Members, District Counsel and the District Manager.**

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 97 The special attorney client session will be held during the regularly scheduled meeting on
 98 January 21, 2010 at 12:30 p.m.

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 100 **FIFTH ORDER OF BUSINESS** **Consideration of Agreement for**
 101 **Professional Engineering Services with**
 102 **Barraco and Associates, Inc.**
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104 Ms. Crismond presented the Barraco and Associates, Inc., Agreement for Professional
 105 Engineering Services. Mr. Eckert noted the only change was the notice address was changed to
 106 reflect the current District Manager.

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On MOTION by Ms. Mayer and seconded by Ms. Shea, with all in favor of approving the Professional Engineering Services Agreement with Barraco and Associates, Inc.

SIXTH ORDER OF BUSINESS

Approval of October 15, 2009 Regular Meeting Minutes

Ms. Crismond presented the October 15, 2009 Regular Meeting Minutes for the Board's consideration.

On MOTION by Ms. Shea and seconded by Ms. Mayer, with all in favor of approving the October 15, 2009 Regular Meeting Minutes, as presented.

SEVENTH ORDER OF BUSINESS

Other Business

There being no Other Business, the next order of business followed.

EIGHTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Eckert discussed a proposed bill that would amend Chapter 197 and possibly affect how the District collects assessments. The other proposed bill is a provision to Chapter 190 that would require CDDs, after two (2) years, to purchase tax certificates that have been issued on a property within a District's boundaries. Mr. Eckert will update the Board as information is received.

b. Manager

i. Unaudited Financial Statements as of October 31, 2009

Ms. Crismond presented the Unaudited Financial Statements as of October 31, 2009.

ii. NEXT MEETING DATE: January 21, 2010 at 1:00 P.M.

Ms. Crismond reminded the Board that the next meeting date is January 21, 2010 at 12:30 p.m.

NINTH ORDER OF BUSINESS

Audience Requests

Comments/Supervisors'

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146 There being no Audience Comments, Ms. Crismond asked for any Supervisors'
147 Requests. There being none, the next item followed.

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149 **TENTH ORDER OF BUSINESS Adjournment**

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151 There being no further business, all were in agreement with adjournment.

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153 **On MOTION by Mr. Pye and seconded by Ms. Mayer, with all**
154 **in favor, the meeting adjourned at 2:30 p.m.**

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Secretary/Assistant Secretary

Chairperson/Vice Chairperson

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
NOVEMBER 30, 2009**

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
NOVEMBER 30, 2009**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash - SunTrust	\$ 90,221	\$ -	\$ -	\$ 90,221
Investments				
Revenue	-	122,594	-	122,594
Reserve	-	686,847	-	686,847
Prepayment	-	7,985	-	7,985
Deferred cost	-	28,306	-	28,306
Construction	-	-	291	291
Due from other funds				
General fund	-	39,463	-	39,463
Total assets	<u>\$ 90,221</u>	<u>\$ 885,195</u>	<u>\$ 291</u>	<u>\$ 975,707</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,400	\$ -	\$ -	\$ 2,400
Due to other funds				
Debt service fund	39,463	-	-	39,463
Total liabilities	<u>41,863</u>	<u>-</u>	<u>-</u>	<u>41,863</u>
Fund Balances:				
Reserved for:				
Debt service	-	885,195	-	885,195
Capital projects	-	-	291	291
Unreserved, reported in:				
Unreserved, undesignated	48,358	-	-	48,358
Total fund balances	<u>48,358</u>	<u>885,195</u>	<u>291</u>	<u>933,844</u>
Total liabilities and fund balances	<u>\$ 90,221</u>	<u>\$ 885,195</u>	<u>\$ 291</u>	<u>\$ 975,707</u>

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED NOVEMBER 30, 2009**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ 12,036	\$ 12,036	\$ 251,186	5%
Interest and miscellaneous	17	38	1,500	3%
Total revenues	<u>12,053</u>	<u>12,074</u>	<u>252,686</u>	5%
EXPENDITURES				
Professional & administrative				
Management fees	3,734	7,467	44,802	17%
Accounting services	729	1,457	8,742	17%
Audit	-	-	6,000	0%
Assessment roll services	1,073	2,146	12,875	17%
Arbitrage rebate calculations	-	-	1,750	0%
Dissemination agent fees	-	-	5,305	0%
Trustee fees	-	-	6,000	0%
Supervisor fees	-	861	6,459	13%
Legal	-	-	15,000	0%
Engineering	-	-	5,000	0%
Postage	248	248	1,250	20%
Telephone	42	83	500	17%
Insurance	-	5,000	5,150	97%
Printing & binding	92	183	1,100	17%
Legal advertising	-	-	1,500	0%
Other current charges	441	496	1,100	45%
Office supplies	-	-	500	0%
Annual district filing fee	175	175	175	100%
Contingency	-	-	20,000	0%
Total professional & administrative	<u>6,534</u>	<u>18,116</u>	<u>143,208</u>	13%
Water management				
Other contractual	924	924	50,000	2%
Utilities	4,552	4,552	47,000	10%
Aquascaping	-	-	10,000	0%
Total water management	<u>5,476</u>	<u>5,476</u>	<u>107,000</u>	0%
Other fees and charges				
Property appraiser	752	752	991	76%
Tax collector	130	130	1,487	9%
Total other fees and charges	<u>882</u>	<u>882</u>	<u>2,478</u>	36%
Total expenditures	<u>12,892</u>	<u>24,474</u>	<u>252,686</u>	10%
Excess/(deficiency) of revenues over/(under) expenditures	(839)	(12,400)	-	
Fund balances - beginning	49,197	60,758	27,828	
Fund balances - ending	<u>\$ 48,358</u>	<u>\$ 48,358</u>	<u>\$ 27,828</u>	

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2005
FOR THE PERIOD ENDED NOVEMBER 30, 2009**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ 38,986	\$ 38,986	\$ 814,498	5%
Total revenues	<u>38,986</u>	<u>38,986</u>	<u>814,498</u>	5%
EXPENDITURES				
Debt service				
Principal	-	-	175,000	0%
Principal prepayment	5,000	5,000	70,000	7%
Interest	273,786	273,786	547,573	50%
Total debt service expenditures	<u>278,786</u>	<u>278,786</u>	<u>792,573</u>	35%
Other fees and charges				
Tax collector	422	422	-	N/A
Total other fees and charges	<u>422</u>	<u>422</u>	<u>-</u>	N/A
Total expenditures	<u>279,208</u>	<u>279,208</u>	<u>792,573</u>	N/A
Excess/(deficiency) of revenues over/(under) expenditures	(240,222)	(240,222)	21,925	
Fund balance - beginning	1,125,417	1,125,417	992,773	
Fund balance - ending	<u>\$ 885,195</u>	<u>\$ 885,195</u>	<u>\$ 1,014,698</u>	

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2005
FOR THE PERIOD ENDED NOVEMBER 30, 2009**

	Current Month	Year to Date
REVENUES	\$ -	\$ -
Total revenues	-	-
 EXPENDITURES		
Total expenditures	-	-
 Excess/(deficiency) of revenues over/(under) expenditures	-	-
 Fund balances - beginning	291	291
Fund balances - ending	\$ 291	\$ 291