

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT
DISTRICT #1**

**REGULAR MEETING
AGENDA**

June 27, 2012

Fiddler's Creek Community Development District #1

6131 Lyons Road, Suite 100 • Coconut Creek, Florida 33073

Phone: (954) 426-2105 • Fax: (954) 426-2147 • Toll-free: (877) 276-0889

June 21, 2012

ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors

Fiddler's Creek Community Development District #1

Dear Board Members:

The Board of Supervisors of the Fiddler's Creek Community Development District #1 will hold a Regular Meeting on **Wednesday, June 27, 2012 at 8:00 a.m.**, at the **Fiddler's Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114**. The agenda is as follows:

1. Call to Order/Roll Call
2. Special Counsel Update: Bankruptcy Proceedings [Aleida Martinez Molina]
3. Developer's Report/Update
4. Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2011, Prepared by Grau & Associates
5. Consideration of **Resolution 2012-9**, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2011
6. Engineer's Report
7. Continued Discussion: Fiscal Year 2013 Proposed Budget
8. Update: Lake Ownership Transfer
9. Approval of **May 23, 2012** Regular Meeting Minutes
10. Other Business
11. Staff Reports
 - a. Attorney
 - b. Manager
 - i. Unaudited Financial Statements as of May 31, 2012
 - ii. **NEXT MEETING DATE: July 25, 2012 at 8:00 A.M.**

c. Operations Manager

12. Audience Comments/Supervisors' Requests

13. Adjournment

The fourth and fifth orders of business deal with the Audited Financial Report for the fiscal year ended September 30, 2011, prepared by Grau & Associates, as well as the resolution accepting this report for the District's records. These items will be discussed at the meeting.

Should you have any questions, please do not hesitate to contact me directly at 239-464-7114.

Sincerely,



Chesley E. Adams, Jr.
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE:

CALL IN NUMBER: 1-888-354-0094

CONFERENCE ID: 8593810

CA:dg

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

THIRD REVISED DRAFT

**FIDDLER’S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Fiddler's Creek Community Development District 1
Collier County, Florida

We have audited the accompanying financial statements of the governmental activities and each major fund of Fiddler's Creek Community Development District 1, Collier County, Florida (the "District") as of and for the fiscal year ended September 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 8 to the financial statements, the District is unable to provide sufficient competent evidential matter for certain expenditures paid for by the Trustee from the Series 2002 debt service fund and the capital project fund. In addition, as discussed in Note 12, the District is unable to provide sufficient competent evidential matter to support certain transfers made by the Trustee through the capital project fund between the District and Fiddler's Creek Community Development District 2. The financial information of the Series 2002 debt service fund and capital projects fund are part of the governmental activities and are considered major funds of the District.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the effects of the matter, as discussed above, been audited, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the debt service Series 2002 fund and the capital projects fund of the District as of September 30, 2011, and the changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general, debt service Series 1999, debt service Series 2005, and debt service Series 2006 funds of the District as of September 30, 2011, and the respective changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Notes 7 through 11 to the financial statements, the District's financial conditions are deteriorating. At September 30, 2011, the District's governmental funds reported a deficit in the combined ending fund balances of (\$1,498,862). The Developer did not pay current and prior year assessments of approximately \$6.3 million and, along with certain related entities, filed for Chapter 11 reorganization in the prior year. Consequently there were insufficient funds to pay the principal and interest on the Series 2002 Bonds and the Series 2005 Bonds due on or before May 1, 2011. As a result, events of default on the Series 2002 Bonds and Series 2005 Bonds have occurred and are continuing. During the current fiscal year, the Bankruptcy Court approved the Developer and certain related entities' plans of reorganization. As a result, the Series 2002 and 2005 Bonds claims with respect to off roll property owned by the Developer shall have a new par amount equal to the outstanding amounts plus unpaid and accrued interest. In addition, subsequent to fiscal year end, the Developer and another delinquent land owner paid assessments due to the District with respect to on roll property in the amount of approximately \$780,000. The District is economically dependent on the Developer.

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In accordance with *Government Auditing Standards*, we have also issued our report dated xxxxxxxx, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

xxxxxxx, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Fiddler's Creek Community Development District 1, Collier County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2011. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the fiscal year ended September 30, 2011 resulting in a net asset balance of \$5,498,557.
- The change in the District's total net assets in comparison with the prior year was \$79,543, an increase. The key components of the District's net assets and change in net assets are reflected in the table in the government-wide financial analysis section.
- At September 30, 2011, the District's governmental funds reported combined ending fund balances of (\$1,498,862), a decrease of (\$3,801,140) in comparison with the prior fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessments and Developer revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service Series 1999, 2002, 2005 and 2006 funds and capital projects Series 2005 funds. All of the funds are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net assets are reflected in the following table:

	NET ASSETS	
	SEPTEMBER 30,	
	2011	2010
Assets, excluding capital assets	\$ 10,161,439	\$ 9,271,816
Capital assets, net of depreciation	37,159,638	37,973,767
Total assets	47,321,077	47,245,583
Liabilities, excluding long-term liabilities	4,551,689	2,414,016
Long-term liabilities	37,270,831	39,412,553
Total liabilities	41,822,520	41,826,569
Net assets		
Invested in capital assets, net of related debt	789,493	170,679
Restricted for debt service	-	4,765,984
Unrestricted	4,709,064	482,351
Total net assets	\$ 5,498,557	\$ 5,419,014

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net assets reflects its investment in capital assets (e.g. land, land improvements, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net assets represents resources that are subject to external restrictions on how they may be used.

The District's net assets increased during the most recent fiscal year. The increase is primarily a result of intergovernmental transfers from Fiddler's Creek Community Development District 2 in the current year.

Key elements of the change in net assets are reflected in the following table:

CHANGES IN NET ASSETS		
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2011	2010
Revenues:		
Program revenues		
Charges for services	\$ 6,421,829	\$ 7,305,062
Operating grants and contributions	237	112
Capital grants and contributions	528	4,638
General revenues		
Investment income	1,510	4,585
Intergovernmental	135,540	-
Total revenues	<u>6,559,644</u>	<u>7,314,397</u>
Expenses:		
General government	1,617,787	683,392
Maintenance and operations	2,433,980	2,771,061
Interest	2,428,334	2,431,827
Total expenses	<u>6,480,101</u>	<u>5,886,280</u>
Change in net assets	79,543	1,428,117
Net assets beginning	5,419,014	3,990,897
Net assets ending	<u>\$ 5,498,557</u>	<u>\$ 5,419,014</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2011 was \$6,480,101. The majority of the costs of the District's activities were paid by program revenues. Program revenues are comprised primarily of assessments in the current year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2011 was amended to increase revenues by \$3,748 and increase appropriations by \$979,534. The increase in appropriations is primarily due to unanticipated legal costs. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2011.

GENERAL BUDGETING HIGHLIGHTS (Continued)

Actual general fund expenditures for the fiscal year ended September 30, 2011 were less than appropriations due primarily to anticipated costs which were not incurred in the current fiscal year. Assessments collected were less than budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2011, the District had \$48,718,478 invested in land, land improvements, and infrastructure. In the government-wide financial statements depreciation of \$11,558,840 has been taken, which resulted in a net book value of \$37,159,638. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2011, the District had \$38,040,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

As discussed in the notes to the basic financial statements, there are significant delinquent fiscal year 2009, 2010 and 2011 assessments that have not been collected due to the Developer not paying its assessments. Consequently, the District did not have sufficient funds to pay the principal and interest on the Series 2002 Bonds and the Series 2005 Bonds due on or before May 1, 2011. As a result, events of default on the Series 2002 Bonds and Series 2005 Bonds have occurred and are continuing. During the current fiscal year, the Bankruptcy Court approved the Developer and certain related entities' plans of reorganization. As a result, the Series 2002 and 2005 Bonds claims in respect of off roll property owned by the Developer shall have a new par amount equal to the outstanding amounts plus unpaid and accrued interest. In addition, subsequent to fiscal year end the Developer and another land owner paid assessments due to the District in respect of on roll property in the amount of approximately \$780,000.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Fiddler's Creek Community Development District 1's Finance Department at 6131 Lyons Road, Suite 100, Coconut Creek, Florida, 33073.

**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011**

	Governmental Activities
ASSETS	
Cash	\$ 332,085
Investments	47,621
Accounts receivable	906,747
Due from Developer	6,378,625
Deposits	5,125
Due from other government	15,547
Restricted assets:	
Investments	1,575,003
Deferred charges	900,686
Capital assets:	
Nondepreciable	25,829,408
Depreciable, net	11,330,230
Total assets	47,321,077
LIABILITIES	
Accounts payable	221,125
Accrued interest payable	945,745
Contracts payable	39,962
Due to Bondholder:	
Principal	680,000
Interest	2,664,857
Non-current liabilities:	
Due within one year	1,528,462
Due in more than one year	35,742,369
Total liabilities	41,822,520
NET ASSETS	
Invested in capital assets, net of related debt	789,493
Unrestricted	4,709,064
Total net assets	\$ 5,498,557

See notes to the financial statements

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**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 1,617,787	\$ 1,617,787	\$ -	\$ -	\$ -
Maintenance and operations	2,433,980	576,935	-	528	(1,856,517)
Interest on long-term debt	2,428,334	4,227,107	237	-	1,799,010
Total governmental activities	<u>6,480,101</u>	<u>6,421,829</u>	<u>237</u>	<u>528</u>	<u>(57,507)</u>
General revenues:					
Unrestricted investment earnings					1,510
Intergovernmental					135,540
Total general revenues					<u>137,050</u>
Change in net assets					79,543
Net assets - beginning					5,419,014
Net assets - ending					<u>\$ 5,498,557</u>

See notes to the financial statements

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**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011**

	Major Funds						Total Governmental Funds
	General	Debt Service Series 1999	Debt Service Series 2002	Debt Service Series 2005	Debt Service Series 2006	Capital Projects Series 2005	
ASSETS							
Cash	\$ 332,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 332,085
Investments	47,621	904,973	39,839	5,262	608,850	16,079	1,622,624
Due from other funds	257,528	3,382	-	-	2,221	-	263,131
Due from Developer	73,405	-	3,188,470	3,116,750	-	-	6,378,625
Accounts receivable	363,372	368,554	-	-	174,821	-	906,747
Deposits	5,125	-	-	-	-	-	5,125
Due from other governments	15,547	-	-	-	-	-	15,547
Total assets	<u>\$ 1,094,683</u>	<u>\$ 1,276,909</u>	<u>\$ 3,228,309</u>	<u>\$ 3,122,012</u>	<u>\$ 785,892</u>	<u>\$ 16,079</u>	<u>\$ 9,523,884</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 221,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221,125
Contracts payable	-	-	-	-	-	39,962	39,962
Due to other funds	-	-	7,500	246,240	-	9,391	263,131
Debt service - current portion	-	-	2,427,957	916,900	-	-	3,344,857
Deferred revenue	335,157	350,430	3,188,470	3,116,750	162,864	-	7,153,671
Total liabilities	<u>556,282</u>	<u>350,430</u>	<u>5,623,927</u>	<u>4,279,890</u>	<u>162,864</u>	<u>49,353</u>	<u>11,022,746</u>
Fund balances:							
Nonspendable:							
Prepays and deposits	5,125	-	-	-	-	-	5,125
Restricted for:							
Debt service	178,475	926,479	-	-	623,028	-	1,727,982
Unassigned:							
General	354,801	-	-	-	-	-	354,801
Debt service	-	-	(2,395,618)	(1,157,878)	-	-	(3,553,496)
Capital projects	-	-	-	-	-	(33,274)	(33,274)
Total fund balances	<u>538,401</u>	<u>926,479</u>	<u>(2,395,618)</u>	<u>(1,157,878)</u>	<u>623,028</u>	<u>(33,274)</u>	<u>(1,498,862)</u>
Total liabilities and fund balances	<u>\$ 1,094,683</u>	<u>\$ 1,276,909</u>	<u>\$ 3,228,309</u>	<u>\$ 3,122,012</u>	<u>\$ 785,892</u>	<u>\$ 16,079</u>	<u>\$ 9,523,884</u>

See notes to the financial statements

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**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011**

Fund balance - governmental funds \$ (1,498,862)

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in the governmental funds. The statement of net assets includes those capital assets, net of any accumulated depreciation, in the net assets of the government as a whole.

Cost of capital assets	48,718,478	
Accumulated depreciation	<u>(11,558,840)</u>	37,159,638

Assets that are not available to pay for current-period expenditures are deferred in the fund statements.		7,153,671
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Bond issue costs are not financial resources and, therefore are not reported as assets in the governmental funds. The statements of net assets includes these costs, net of amortization.

Bond issue costs	1,841,764	
Accumulated amortization	<u>(941,078)</u>	900,686

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(945,745)	
Deferred amount on refunding	92,631	
Bonds payable	(37,360,000)	
Leases payable	<u>(3,462)</u>	<u>(38,216,576)</u>

Net assets of governmental activities		<u><u>\$ 5,498,557</u></u>
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See notes to the financial statements

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**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

	Major Funds						Total Governmental Funds
	General	Debt Service Series 1999	Debt Service Series 2002	Debt Service Series 2005	Debt Service Series 2006	Capital Projects Series 2005	
REVENUES							
Assessments	\$ 2,184,413	\$ 980,713	\$ -	\$ -	\$ 655,182	\$ -	\$ 3,820,308
Interest	1,510	-	224	13	-	528	2,275
Intergovernmental revenue	-	-	-	-	-	148,777	148,777
Miscellaneous income	10,309	-	-	-	-	-	10,309
Total revenues	<u>2,196,232</u>	<u>980,713</u>	<u>224</u>	<u>13</u>	<u>655,182</u>	<u>149,305</u>	<u>3,981,669</u>
EXPENDITURES							
Current:							
General government	1,553,885	29,478	7,500	7,500	19,424	-	1,617,787
Maintenance and operations	1,492,242	-	-	-	-	-	1,492,242
Intergovernmental expenses	-	-	13,237	-	-	-	13,237
Debt service:							
Principal	455,250	740,000	260,000	175,000	530,000	-	2,160,250
Interest	11,190	476,954	953,163	741,900	188,477	-	2,371,684
Capital outlay	-	-	-	-	-	127,609	127,609
Total expenditures	<u>3,512,567</u>	<u>1,246,432</u>	<u>1,233,900</u>	<u>924,400</u>	<u>737,901</u>	<u>127,609</u>	<u>7,782,809</u>
Excess (deficiency) of revenues over (under) expenditures	(1,316,335)	(265,719)	(1,233,676)	(924,387)	(82,719)	21,696	(3,801,140)
OTHER FINANCING SOURCES (USES)							
Transfers in	1,193,910	-	-	-	-	-	1,193,910
Transfers out	-	-	(333,331)	(177,932)	-	(682,647)	(1,193,910)
Total other financing sources (uses)	<u>1,193,910</u>	<u>-</u>	<u>(333,331)</u>	<u>(177,932)</u>	<u>-</u>	<u>(682,647)</u>	<u>-</u>
Net change in fund balances	(122,425)	(265,719)	(1,567,007)	(1,102,319)	(82,719)	(660,951)	(3,801,140)
Fund balances - beginning	660,826	1,192,198	(828,611)	(55,559)	705,747	627,677	2,302,278
Fund balances - ending	<u>\$ 538,401</u>	<u>\$ 926,479</u>	<u>\$ (2,395,618)</u>	<u>\$ (1,157,878)</u>	<u>\$ 623,028</u>	<u>\$ (33,274)</u>	<u>\$ (1,498,862)</u>

See notes to the financial statements

THIRD REVISED DRAFT

**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

Net change in fund balances - total governmental funds	\$ (3,801,140)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net assets.	127,609
Depreciation on capital assets is not recognized in the governmental fund statement but is reported as an expense in the statement of activities.	(941,738)
Revenues that do not provide current available resources are deferred in the fund statements but are recognized as revenues in the statement of activities.	2,591,212
Repayment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the statement of net assets and are eliminated in the statement of activities.	2,160,250
Governmental funds report the effect of issuance of costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Amortization of bond issuance costs	(81,103)
Amortization of deferred amount on refunding	(18,527)
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements.	42,980
Change in net assets of governmental activities	<u><u>\$ 79,543</u></u>

See notes to the financial statements

**FIDDLER’S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Reporting Entity

Fiddler’s Creek Community Development District 1, (“District”) was created on August 13, 1996 under the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “Act”) and Rule 42X 1.001-1.003 adopted by Florida Land and Water Adjudicatory Commission and amended on September 16, 2003, designated as Fiddler’s Creek Community Development District 1. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is located in the metropolitan Naples area of Collier County, Florida, within the Fiddler’s Creek Development of Regional Impact (“DRI”), a master planned community that is comprised of the District and Fiddler’s Creek Community Development District 2. The District consists of approximately 1,390 acres within the Fiddler’s Creek DRI. In 2003, the boundaries of the District were modified but the acreage, 1,390 acres, remained the same. The Developer owns significant portions of the land; therefore, the District is economically dependent on the Developer. In the prior year the Developer and certain related entities filed for bankruptcy protection.

The District is governed by the Board of Supervisors (“Board”), which is composed of five members. The Supervisors are elected by qualified electors living within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board (“GASB”) Statement 14, and Statement 39, an amendment of GASB Statement 14. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment (Operating-type special assessments for maintenance and debt service are treated as charges for services.) and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on all real property within the District. Assessments are levied each November 1 on property as of the previous January. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. The District invoices the prime Developer for some of the debt service assessments. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Funds

The debt service funds are used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt for the Series 1999, 2002, 2005 and 2006.

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Capital Projects Funds

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District related to the Series 2005 capital project.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities and Net Assets or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to bond and debt covenants.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Capital Assets (Continued)

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	5 - 10
Infrastructure	20 - 40
Buildings and improvements	7 - 39

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Deferred Charges

In prior years, in connection with the issuance of certain debt, the District incurred costs totaling \$1,841,764. In the government-wide financial statements that amount has been capitalized and amortized over the estimated life of the Bonds. At September 30, 2011, the District reported accumulated amortization of \$941,078.

Deferred Amount on Refunding

For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized using the effective interest method over the remaining life of the old debt or the life of the new debt, whichever is shorter. The deferred amount is offset against the new liability.

In connection with the refunding, the deferred amount on the refunding was \$185,266 and is being amortized over the life of the Bonds. Accumulated amortization of the deferred amount is \$92,631 at September 30, 2011.

Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the Bonds using the straight-line method, which does not result in a material difference from the effective interest method. Bonds payable are reported net of applicable premiums or discounts.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity/Net Assets

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change. Under GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are required to be reported according to the following classifications:

Non-spendable fund balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted fund balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed.

Unassigned fund balance – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net assets in the government-wide financial statements are categorized as invested in capital assets, net of related debt, restricted or unrestricted. Invested in capital assets, net of related debt represents net assets related to infrastructure and property, plant and equipment, net of any related debt. Restricted net assets represent the assets restricted by the District’s Bond covenants.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2011:

	Fair Value	Credit Risk	Maturities
Money Market Mutual Funds - First American			Weighted average of the fund portfolio: 50 days
Government Obligations	\$ 1,584,518	S&P AAAm	
Treasury Obligations Fund SS	38,106	S&P AAAm	Weighted average of the fund portfolio: 21 days
Total Investments	<u>\$ 1,622,624</u>		

Custodial risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The money market mutual funds are not evidenced by securities that exist in physical or book entry form.

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

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NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and improvements	\$ 23,293,924	\$ -	\$ -	\$ 23,293,924
Construction in progress	2,423,731	127,609	(15,856)	2,535,484
Total capital assets, not being depreciated	<u>25,717,655</u>	<u>127,609</u>	<u>(15,856)</u>	<u>25,829,408</u>
Capital assets, being depreciated				
Building and improvements	7,695,968	-	-	7,695,968
Infrastructure	15,109,489	-	-	15,109,489
Equipment	67,757	15,856	-	83,613
Total capital assets, being depreciated	<u>22,873,214</u>	<u>15,856</u>	<u>-</u>	<u>22,889,070</u>
Less accumulated depreciation for:				
Building and improvements	6,014,834	404,866	-	6,419,700
Infrastructure	4,560,237	527,831	-	5,088,068
Equipment	42,031	9,041	-	51,072
Total accumulated depreciation	<u>10,617,102</u>	<u>941,738</u>	<u>-</u>	<u>11,558,840</u>
Total capital assets, being depreciated, net	<u>12,256,112</u>	<u>(925,882)</u>	<u>-</u>	<u>11,330,230</u>
Governmental activities capital assets	<u>\$ 37,973,767</u>	<u>\$ (798,273)</u>	<u>\$ (15,856)</u>	<u>\$ 37,159,638</u>

The total projected cost of infrastructure to the District was estimated at approximately \$55,000,000. Four phases of major infrastructure construction were anticipated. Construction of Phases 1, 2, and 3 were substantially completed. In prior year the District reduced the scope of the project and redeemed a portion of the outstanding Series 2005 Bonds. For the fiscal year ended September 30, 2011, \$127,609 construction cost was incurred for the remaining phases.

Depreciation expense was charged to the maintenance and operation function.

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2011 were as follows:

Fund	Receivable	Payable
General	\$ 257,528	\$ -
Debt service Series 1999	3,382	-
Debt service Series 2002	-	7,500
Debt service Series 2005	-	246,240
Debt service Series 2006	2,221	-
Capital projects Series 2005	-	9,391
Total	<u>\$ 263,131</u>	<u>\$ 263,131</u>

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. The balances between the general fund and the debt service Series 2005 relate to legal fees incurred with regard to the bond default that were paid from the general fund and are allowed to be paid from the Series 2005 remedial trust account with the consent of the Bondholders. As of the report date, the Bondholders have not consented to the payment of the legal fees of the District from the remedial trust account.

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

Interfund transfers for the fiscal year ended September 30, 2011 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer out</u>
General	\$ 1,193,910	\$ -
Debt service Series 2002	-	333,331
Debt service Series 2005	-	177,932
Capital projects Series 2005	-	682,647
Total	<u>\$ 1,193,910</u>	<u>\$ 1,193,910</u>

These transfers from the debt service funds and the capital project fund to the general fund are related to legal fees incurred with regard to the bond default. Of this amount, approximately \$980,000 was utilized by the Trustee for legal fees– see Note 7.

NOTE 7 – LONG TERM LIABILITIES

At September 30, 2011 the District has the following Bond issues outstanding.

Series 1999

In May 1999, the District issued \$17,245,000 of Special Assessment Revenue Bonds, Series 1999 consisting of \$9,305,000 Term Bonds Series 1999A due on May 1, 2021 with a fixed interest rate of 5.875% and \$7,940,000 Term Bonds Series 1999B due on May 1, 2021 with a fixed interest rate of 5.80%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is to be paid on May 1, commencing May 1, 2002.

The Series 1999 Bonds are subject to redemption at the option of the District, in whole or in part at any time on or after May 1, 2009 at a redemption price as set forth in the Master Trust Indenture and associated Supplemental Trust Indentures (“Bond Indenture”).

The Series 1999 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. During the fiscal year ended September 30, 2011, the District collected assessments and prepaid \$75,000 on the Series 1999A Bonds and \$120,000 on the Series 1999B.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with those requirements of the Bond Indenture at September 30, 2011.

Series 2002

In March 2002, the District issued \$15,450,000 of Special Assessment Revenue Bonds, Series 2002 consisting of \$10,120,000 Term Bonds Series 2002A due on May 1, 2033 with a fixed interest rate of 6.875% and \$5,330,000 Term Bonds Series 2002B due on May 1, 2033 with a fixed interest rate of 6.625%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is to be paid on May 1, commencing May 1, 2004.

The Series 2002 Bonds are subject to redemption at the option of the District, in whole or in part at any time on or after May 1, 2012 at a redemption price as set forth in the Bond Indenture.

The Series 2002 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

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NOTE 7 – LONG TERM LIABILITIES (Continued)

Series 2002 (Continued)

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. Because of delinquent special assessments due from the Developer there were insufficient funds to pay the principal and interest on the 2002 Series Bonds due on or before May 1, 2011. As a result, the Trustee declared an event of default.

In a prior year, the Series 2002 Bond Indenture was amended which directed the Trustee to withdraw \$29,129 from the Series 2002A reserve subaccount and \$15,303 from the Series 2002B reserve subaccount and deposit into the Remedial Expenditures Account to be used to pay remedial fees (legal fees and expenses, and consultant charges related to the preparation for and enforcement of a foreclosure action to enforce the collection of delinquent special assessments). Remedial fees could be incurred by the District or the Trustee on behalf of the Bondholders. Any remedial fees that are incurred by the District must be approved by a majority of the Bondholders, whereas any remedial fees that are incurred by the Trustee do not require the approval of a majority of the Bondholders. During the fiscal year ended September 30, 2011, approximately \$300,000 was utilized by the Trustee for legal and other fees.

Series 2005

In December 2005, the District issued \$18,095,000 of Special Assessment Revenue Bonds, Series 2005 due May 1, 2038 with a fixed interest rate of 6.00%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is to be paid on May 1, commencing May 1, 2009.

The Series 2005 Bonds are subject to redemption at the option of the District, in whole or in part at any time on or after May 1, 2016 at a redemption price as set forth in the Bond Indenture.

The Series 2005 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. Because of delinquent special assessments due from the Developer there were insufficient funds to pay the principal and interest on the 2005 Series Bonds due on or before May 1, 2011. As a result, the Trustee declared an event of default.

In a prior year, the Series 2005 Bond Indenture was amended which directed the Trustee to withdraw \$55,568 from the Series 2005 acquisition and construction account and deposit into the Remedial Expenditures Account to be used to pay remedial fees incurred by the District or the Trustee on behalf of the Bondholders. Pursuant to the provisions of the Bond Indenture, any remedial fees that are incurred by the District must be approved by a majority of the Bondholders, whereas any remedial fees that are incurred by the Trustee do not require the approval of a majority of the Bondholders. During the fiscal year ended September 30, 2011, approximately \$680,000 was utilized by the Trustee for legal and other fees. However, the District is seeking recourse from the Trustee as to replenishing the Series 2005 Bonds Construction account (see Note 15 for details).

NOTE 7 – LONG TERM LIABILITIES (Continued)

Series 2006

In November 2006, the District issued \$6,570,000 of Special Assessment Revenue Refunding Bonds, Series 2006 due May 1, 2018 with a fixed interest rate of 4.20%. Bonds were issued to refund \$6,790,000 of the Capital Improvement Revenue Bonds, Series 1996. Interest is to be paid semiannually on each May 1 and November 1, commencing May 1, 2007. Principal is to be paid on May 1, commencing May 1, 2008.

The Series 2006 Bonds are subject to redemption at the option of the District, in whole or in part at any time at a redemption price as set forth in the Bond Indenture.

The Series 2006 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. This occurred during the fiscal year ended September 30, 2011 as the District collected assessments and prepaid \$45,000 of the Series 2006 Bonds.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with those requirements of the Bond Indenture at September 30, 2011.

SunTrust Loan

On March 23, 2006 the District entered into an agreement with SunTrust Bank and obtained a Promissory Note in the principal amount not to exceed \$3,600,000 for the purpose of financing repairs to certain District assets damaged by Hurricane Wilma. The interest rate of 5.22% was fixed at the day following the day the last advance was made. The interest and principal are payable in quarterly installments on each April 30, July 30, October 30, and January 30. Interest payments commenced January 30, 2007 and principal payments commenced April 30, 2007. The Note matured in March 2011 and was paid in full.

Long-term debt transactions

Changes in long-term liability activity for the fiscal year ended September 30, 2011 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 1999A	\$ 6,260,000	\$ -	\$ (490,000)	\$ 5,770,000	\$ 435,000
Series 1999B	1,905,000		(250,000)	1,655,000	125,000
Series 2002A	9,365,000		-	9,365,000	510,000
Series 2002B	4,920,000		-	4,920,000	275,000
Series 2005	12,365,000		-	12,365,000	360,000
Series 2006	4,495,000		(530,000)	3,965,000	500,000
SunTrust loan agreement	447,285		(447,285)	-	-
Capital leases	11,426	-	(7,964)	3,462	3,462
Less: deferred amount on refunding	(111,158)		18,527	(92,631)	-
Total	<u>\$ 39,657,553</u>	<u>\$ -</u>	<u>\$ (1,706,722)</u>	<u>\$ 37,950,831</u>	<u>\$ 2,208,462</u>

The ending balance as reported above includes the following amounts reported in the statement of net assets as follows:

Total ending balances	\$ 37,950,831
Less: Unpaid principal due to Bondholder	(680,000)
Non-current liabilities	<u>\$ 37,270,831</u>

The due within one year amount as reported above of \$2,208,482 includes the unpaid principal of \$680,000, which is reported under due to Bondholders in the statement of net assets.

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NOTE 7 – LONG TERM LIABILITIES (Continued)

At September 30, 2011, the scheduled debt service requirements on the long - term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2012	\$ 2,208,462	\$ 4,933,634	\$ 7,142,096
2013	1,620,000	2,184,247	3,804,247
2014	1,710,000	2,095,163	3,805,163
2015	1,805,000	2,000,709	3,805,709
2016	1,910,000	1,900,951	3,810,951
2017-2021	9,180,000	7,877,839	17,057,839
2022-2026	5,095,000	5,655,356	10,750,356
2027-2031	7,045,000	3,763,481	10,808,481
2032-2036	5,750,000	1,402,225	7,152,225
2037-2038	1,720,000	156,300	1,876,300
Total	<u>\$ 38,043,462</u>	<u>\$ 31,969,905</u>	<u>\$ 70,013,367</u>

NOTE 8 – EVENT OF DEFAULT

On May 28, 2010, the Trustee declared the occurrence of events of default in accordance with the Series 2002 and Series 2005 Bond Indentures due to the District's failure to make certain debt service payments. The occurrence of an event of default creates certain remedial rights and remedies in favor of the Bondholders. Pursuant to the Indenture, the owners of a majority in aggregate principal amount of the Bonds then outstanding may direct the Trustee with regard to such rights and remedies following an event of default and upon provision of indemnity satisfactory to the Trustee and in accordance with provisions of the Indenture.

During the current fiscal year, approximately \$1.2 million of expenditures were disbursed by the Trustee from the Series 2002 debt service fund, Series 2005 debt service fund and Series 2005 capital project fund for services asserted by the Trustee to have been performed related to the events of default, legal services, and related matters. Invoices were not provided by the Trustee for approximately \$416,000 of these expenditures incurred in the debt service Series 2002 and capital projects funds.

NOTE 9 – DEVELOPER BANKRUPTCY

On February 23, 2010, the Developer and certain related entities filed for Chapter 11 bankruptcy protection. During the current fiscal year, the Bankruptcy Court approved the Developer's plans of reorganization. As a result, the Series 2002AB Bond claims with respect to off roll property owned by the Developer shall have a new par amount equal to the outstanding amounts plus unpaid and accrued interest thereon for 2009, 2010 and for the period from March 1, 2011, through November 1, 2012 with the same pre-petition coupon rate commencing on May 1, 2013 as the first payment date with the maturity date on May 1, 2033. Regarding the Series 2005 Bond claims with respect to off roll property owned by the Developer, it shall have a new par amount equal to the outstanding amounts plus unpaid and accrued interest thereon for 2009, 2010 and for the period from March 1, 2011 through November 1, 2012 with a coupon rate of 6%, commencing on April 15, 2013 as the first payment date with the maturity date on May 1, 2038.

Subsequent to fiscal year end, the Developer, another delinquent land owner and the District entered into an escrow agreement, approved by the Bankruptcy Court, in which the Developer and another delinquent land owner agreed to pay assessments due to the District in the amount of approximately \$790,000 and will deposit it into an escrow account. As of the report date, funds have been deposited into the escrow account.

NOTE 10 – DEVELOPER TRANSACTIONS

The Developer owns significant portions of land within the District; therefore, assessment revenues in the general and debt service funds include the assessments levied on those lots owned by the Developer.

For the fiscal year ended September 30, 2011, the Developer paid \$673,936 assessment revenue recorded in the general fund.

As of September 30, 2011, the Developer had approximately \$670,000 delinquent assessments which should be settled in the escrow agreement (see Note 9 for details). With respect to off roll property that the Developer owned, the delinquent off roll assessments due from the Developer were approximately \$3.2 million for the Series 2002 Bonds and \$3.1 million for the Series 2005 Bonds. Those delinquent assessments have been recognized as revenue in the governmental-wide financial statements and will be collected through part of the Bonds claims (see Note 9 for details).

NOTE 11 – DEFICIT FUND EQUITY

At September 30, 2011, the District has deficit fund balances of (\$2,395,618) in the Series 2002 debt service fund, (\$1,157,878) in the Series 2005 debt service fund and (\$33,274) in the capital project fund.

NOTE 12 – RELATED ENTITY TRANSACTIONS

The District is related to Fiddler's Creek Community Development District 2 and shares the same Developer. The District has a receivable in the amount of \$15,547 from Fiddler's Creek Community Development District 2 for shared costs as of September 30, 2011.

In association with approximately \$1.2 million of expenditures disbursed by the Trustee from the Series 2002 debt service fund, Series 2005 debt service fund and Series 2005 capital project fund for services asserted by the Trustee to have been performed related to the events of default, legal services, and related matters as discussed in Note 8 above, approximately \$13,000 was transferred out of the District's Series 2002 debt service fund to Fiddler's Creek Community Development District 2, and approximately \$149,000 transferred into the District's Series 2005 capital project fund from Fiddler's Creek Community Development District 2 by the Trustee. The District was unable to obtain documentation substantiating these transfers made by the Trustee for the asserted remedial expenditures between the two Districts.

NOTE 13 – MANAGEMENT COMPANY

The District has contracted with Wrathell, Hunt and Associates to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 14 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE 15 – LITIGATION AND CLAIMS

In the prior year, the District considered foreclosure litigation against the Developer and another land owner who have not paid assessments on property owned within the District. However, due to the fact that the Developer and another land owner filed for Chapter 11 reorganization, the anticipated foreclosure filings were automatically stayed pursuant to 11 USC § 362. On August 29, 2011, the bankruptcy court confirmed plans of reorganization. As such, no further litigation may take place with respect to collection of amounts owed by the Developer as of the February 23, 2010 bankruptcy filing date. The District filed timely and subsequently amended proofs of claim in the Fiddler's Bankruptcy Case. However, U.S Bank ("Trustee") appealed the confirmation order and another order addressing district issues. Said appeals have now been dismissed voluntarily as to some Bond Series by court determination as to others. Further appeals are now time barred. The bankruptcy court's confirmation order stands.

On April 14, 2011, the Trustee filed suit against the District. The complaint sought a declaratory judgment that the District had improperly attempted to amend the assessment mechanisms and improperly intended to make non-specific business decisions relating to Series 1999, Series 2002, Series 2005 and Series 2006 Bonds. On November 1, 2011, the Trustee filed a Notice of Voluntary Dismissal and the case has been dismissed.

On May 9, 2011, the Trustee filed suit against the District to seek a preliminary and permanent injunction as to the District's voting rights in the Fiddler's Bankruptcy Case. The District filed a motion to consolidate the cases. On July 12, 2011, the Trustee filed a Notice of Voluntary Dismissal and the case has been dismissed.

Currently, the District remains in payment default under operative documents. The Trustee has reminded the District of this situation through ancillary correspondence although no complaint has been filed regarding the defaults. However since the District is in default, the District is bound by the orders of the bankruptcy proceedings and would rely on same as a defense.

In addition, subsequent to the fiscal year, the District has notified the Trustee under the District's 2005 Series Bonds that it seeks recourse as to replenishing the Series 2005 Bonds construction account and protection from overdraft charges. As of the report date, the outcome cannot be determined and, therefore, no amounts related to this matter have been reflected in the financial statements.

**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Assessments	\$ 2,259,927	\$ 2,259,927	\$ 2,184,413	\$ (75,514)
Interest	3,000	1,439	1,510	71
Miscellaneous income	5,000	10,309	10,309	-
Total revenues	<u>2,267,927</u>	<u>2,271,675</u>	<u>2,196,232</u>	<u>(75,443)</u>
EXPENDITURES				
Current:				
General government	306,976	1,607,411	1,553,885	53,526
Maintenance and operations	1,821,577	1,500,676	1,492,242	8,434
Debt service:				
Principal and interest	457,899	457,899	466,440	(8,541)
Total expenditures	<u>2,586,452</u>	<u>3,565,986</u>	<u>3,512,567</u>	<u>53,419</u>
Excess (deficiency) of revenues over (under) expenditures	(318,525)	(1,294,311)	(1,316,335)	(22,024)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,193,911	1,193,910	(1)
	<u>-</u>	<u>1,193,911</u>	<u>1,193,910</u>	<u>(1)</u>
Net change in fund balance	<u>\$ (318,525)</u>	<u>\$ (100,400)</u>	(122,425)	<u>\$ (22,025)</u>
Fund balance - beginning			<u>660,826</u>	
Fund balance - ending			<u>\$ 538,401</u>	

See notes to required supplementary information

**FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT 1
COLLIER COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2011 was amended to increase revenues by \$3,748 and increase appropriations by \$979,534. The increase in appropriations is primarily due to unanticipated legal costs. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2011.

Actual general fund expenditures for the fiscal year ended September 30, 2011 were less than appropriations due primarily to anticipated costs which were not incurred in the current fiscal year. Accordingly, assessments collected were less than budgeted amounts.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
Fiddler's Creek Community Development District 1
Collier County, Florida

We have audited the financial statements of the governmental activities and each major fund of Fiddler's Creek Community Development District 1, Collier County, Florida ("District") as of and for the fiscal year ended September 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated xxxxxxxx, 2012, which includes an explanatory paragraph as to the qualified opinion for lack of sufficient competent evidential matter for certain expenditures paid and related party transactions and an emphasis of matter paragraph. Except as discussed in the explanatory paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. However, as discussed in the accompanying report to management dated xxxxxx, 2012, we consider deficiency 2011-01 to be a significant deficiency in internal control over financial reporting as it relates to transactions completed by the Trustee.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the District in a separate letter dated xxxxxxxx, 2012.

THIRD REVISED DRAFT

The District's responses to the findings identified in our audit are described in the accompanying Management Letter. We did not audit the District's responses and, accordingly, we express no opinion on them. This report is intended for the information and use of the management, Board of Supervisors of Fiddler's Creek Community Development District 1, Collier County, Florida and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

xxxxxxx, 2012

**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Fiddler's Creek Community Development District 1
Collier County, Florida

We have audited the accompanying basic financial statements of Fiddler's Creek Community Development District 1 ("District") as of and for the fiscal year ended September 30, 2011, and have issued our report thereon dated xxxxxxxx, 2012, which includes an explanatory paragraph as to the qualified opinion for lack of sufficient competent evidential matter for certain expenditures paid and related party transactions and an emphasis of matter paragraph.

Except as discussed in the explanatory paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In addition, we have issued our Report on Internal Control over Financial Reporting and Compliance and Other Matters dated xxxxxxxx, 2012. Disclosures in that report should be considered in conjunction with this management letter.

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. This letter is intended for the information and use of the management, Board of Supervisors of Fiddler's Creek Community Development District 1, Collier County, Florida and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Fiddler's Creek Community Development District 1, Collier County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

xxxxxxx, 2012

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Significant Deficiency:

2011-01 No Supporting Documentation Provided for Certain Expenditures and Transfers

Observation: Invoices could not be provided for certain expenditures and related interfund activity paid for out of the Trust Accounts. In addition, no documentation could be provided to support transfers between the District and Fiddler's Creek Community Development District 2. Accordingly, auditor was unable to determine whether these expenditures and transfers had been recorded correctly. Upon inquiry of management, numerous attempts have and continue to be made by District Management to obtain the necessary documentation for these transactions.

Recommendation: We recommend that the District continue its efforts to obtain the supporting documentation for these transactions that have been recorded in the general ledger.

Management Response: As noted above by the Auditor, District Management has made numerous attempts to obtain support from the Trustee for transactions for certain amounts that were expended by the Trustee from the District's trust accounts as well as support for other amounts that were transferred to and from Fiddler's Creek Community Development District 2 by the Trustee. Unfortunately, many of the related invoices and the support for the transfers has been withheld by the Trustee to date; however, District Management will continue to request these items.

Compliance Findings:

2011-02 Reserve Requirement

Observation: The Series 2002A and B and the Series 2005 debt service reserve requirements were not met as of September 30, 2011.

Recommendation: The District should make the necessary arrangements to ensure funds are available to make debt service payments.

Management Response: In regards to the debt service reserve requirements, the District has and continues to pursue all appropriate remedies as required by the related trust indentures. Unfortunately, the Trustee (US Bank) has exacerbated this problem by removing an amount in excess of \$377,000 from the Series 2002A and B reserve accounts to fund certain lawsuits against the District, two of which were ultimately voluntarily dismissed by the same Trustee as explained by the Auditor in Note 15 of the audit.

2011-03 Financial Condition Assessment

Observation: The District's financial conditions are deteriorating. The Developer did not pay assessments levied for the Series 2002 and Series 2005 Bonds since the fiscal year 2009. As a result, there were insufficient funds to pay the principal and interest on the Series 2002 and 2005 Bonds due on or before May 1, 2011. Consequently, events of default on both the Series 2002 and 2005 Bonds have occurred and are continuing. In addition, the District has deficit fund balances of (\$2,395,618) in the Series 2002 debt service fund, (\$1,157,878) in the Series 2005 debt service fund and (\$33,274) in the Series 2005 capital project fund. In the prior year, the Developer filed Chapter 11 for bankruptcy protection and the District is economically dependent on the Developer.

Recommendation: The District should take steps to alleviate the deteriorating financial condition.

REPORT TO MANAGEMENT (Continued)

2011-03 Financial Condition Assessment (Continued)

Management Response: The District has and continues to pursue all appropriate remedies as required by the related trust indentures. In addition, as the Auditor is aware and is noted in both the audit opinion and Note 9 of the audited financial statements, the court approved the Developer's plan of reorganization, which should help to alleviate the items noted above. Unfortunately, as explained by the Auditor in the audit opinion, Note 12, and Note 15 of the audited financial statements, US Bank (the Trustee) has removed approximately \$1,200,000 from the District accounts to fund multiple lawsuits, some of which have since been voluntarily dismissed by the same Trustee. Furthermore, as explained by the Auditor in Note 15 of the audited financial statements, the District is seeking recourse as to replenishing the \$682,000 that was taken by the Trustee (US Bank) from the District's Series 2005 construction account.

2011-04 Bondholder Consent

Observation: The District entered into a First Amendment to the Master Trust Indenture and Fourth and Fifth Supplemental Indentures with the Trustee with the consent and/or approval of the majority owners of the Series 2002 and 2005 Bonds. The amendment and the supplemental indentures provided for the transfer of certain amounts from the Series 2002 and 2005 Bond trust accounts to set up remedial accounts for the payment of remedial expenditures related to the foreclosure against the primary landowner. The amendment provided to the District was not signed by the respective Bondholders. In addition, there were reimbursements made from the remedial accounts for remedial expenditures incurred by the District as provided for in the Fourth and Fifth Supplemental Indentures that require Bondholder consent. Per inquiry, District management has requested the Bondholders consent from the Trustee but has not been provided this information through the report date.

Recommendation: The Trustee should ensure written consent is received from the Bondholders for all transfer of funds related to the trust accounts and expenditures paid for by the trust accounts that are not outlined in the Bond Indenture and for agreements that require Bondholder approval or consent.

Management Response: As noted above by the Auditor, the District has requested Bondholder consent from the Trustee. Unfortunately, the Trustee has not provided this information to the District to date.

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2010-01 Financial Condition Assessment – matter is repeated in the current year as finding 2011-03.

2009-01 Debt Service Reserve – matter continued in 2010 and is repeated in the current year as finding 2011-02.

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2010, except as noted above.

REPORT TO MANAGEMENT (Continued)

2. A statement as to whether or not the local governmental entity complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The District complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

3. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2011, except as noted above.

4. Violations of provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2011, except as noted above.

5. For matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors, the following may be reported based on professional judgment:

- a. Violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse.
- b. Deficiencies in internal control that are not significant deficiencies.

There were no such matters discovered by, or that came to the attention of, the auditor, that, in our judgment, are required to be reported, for the fiscal year ended September 30, 2011, except as noted above.

6. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
7. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2011 financial audit report.
8. In connection with our audit, we determined that the District has met one or more of the financial emergency conditions described in Section 218.503 (1), Florida Statutes. At September 30, 2011, the District had deficit fund balances of (\$2,395,618) in the Series 2002 debt service fund, (\$1,157,878) in the Series 2005 debt service fund and (\$33,274) in the Series 2005 capital project fund. In addition, the District failed to make debt service payments as a result of lack of funds. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and determined that a deteriorating financial condition was noted. See Finding Number 2011-03 above for additional information. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

RESOLUTION 2012-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #1 HEREBY ACCEPTING THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

WHEREAS, the District's Auditor, Grau & Associates, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Report for Fiscal Year 2011;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #1;

1. The Audited Financial Report for Fiscal Year 2011, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2011, for the period ending September 30, 2011; and

2. A verified copy of said Audited Financial Report for Fiscal Year 2011 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this _____ day of _____, 2012.

FIDDLER'S CREEK COMMUNITY DEVELOPMENT DISTRICT #1

Secretary/Assistant Secretary

Chair/Vice Chair

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
PROPOSED BUDGET
FISCAL YEAR 2013
JUNE 27, 2012**

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
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**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
GENERAL FUND 001 BUDGET
FISCAL YEAR 2013**

Fiscal Year 2012

	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12	Total Revenues & Expenditures	Proposed Budget FY 2013
REVENUES					
Assessment levy: on-roll - gross	\$ 1,844,023				\$ 1,924,475
Allowable discounts (4%)	(73,761)				(76,979)
Assessment levy: on-roll - net	1,770,262	\$ 1,353,278	\$ 416,984	\$ 1,770,262	1,847,496
Assessment levy: off-roll	639,197	580,283	58,914	639,197	585,731
Interest	2,000	488	488	976	1,000
Miscellaneous**	7,000	13,554	5,000	18,554	10,000
Total revenues	<u>2,418,459</u>	<u>1,947,603</u>	<u>481,386</u>	<u>2,428,989</u>	<u>2,444,227</u>
EXPENDITURES					
Professional and administrative					
Supervisors	12,918	8,827	6,459	15,286	12,918
Management	58,175	29,087	29,088	58,175	58,175
Assessment roll preparation	25,000	24,500	-	24,500	24,500
Accounting services	18,997	9,498	9,499	18,997	18,997
Audit	15,100	13,500	1,600	15,100	15,100
Legal	110,000	21,465	10,000	31,465	20,000
Legal - bankruptcy	-	39,303	-	39,303	-
Engineering	15,000	13,779	5,000	18,779	15,000
Telephone	574	287	287	574	594
Postage	3,000	830	950	1,780	2,000
Insurance	16,193	28,106	-	28,106	29,511
Printing and binding	574	287	287	574	594
Legal advertising	2,000	3,398	1,000	4,398	2,000
Office supplies and expenses	750	419	331	750	750
Annual district filing fee	175	175	-	175	175
Trustee	15,500	13,524	1,976	15,500	15,500
Arbitrage rebate calculation	4,000	-	4,000	4,000	4,000
Contingencies	1,500	1,475	1,500	2,975	3,000
Dissemination agent	10,928	5,464	5,464	10,928	10,928
Total professional and administrative	<u>310,384</u>	<u>213,924</u>	<u>77,441</u>	<u>291,365</u>	<u>233,742</u>
Field management					
Field management services	25,218	12,609	12,609	25,218	25,218
Total field management	<u>25,218</u>	<u>12,609</u>	<u>12,609</u>	<u>25,218</u>	<u>25,218</u>
Water management					
Other contractual	401,789	66,281	335,508	401,789	401,789
Fountains	47,500	21,411	26,089	47,500	47,500
Total water management	<u>449,289</u>	<u>87,692</u>	<u>361,597</u>	<u>449,289</u>	<u>449,289</u>

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
GENERAL FUND 001 BUDGET
FISCAL YEAR 2013**

	Fiscal Year 2012				Proposed Budget FY 2013
	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12	Total Revenues & Expenditures	
Street lighting					
Contractual services	18,000	2,867	7,500	10,367	12,000
Electricity	34,000	16,641	17,359	34,000	34,000
Holiday lighting program	12,000	11,000	1,000	12,000	12,000
Miscellaneous	1,500	-	1,500	1,500	1,500
Total street lighting	<u>65,500</u>	<u>30,508</u>	<u>27,359</u>	<u>57,867</u>	<u>59,500</u>
Landscaping					
Other contractual - landscape maint. Improvements and renovations	880,000	325,452	554,548	880,000	880,000
Contingencies	75,000	5,790	69,210	75,000	145,000
	25,000	-	25,000	25,000	25,000
Total landscaping services	<u>980,000</u>	<u>331,242</u>	<u>648,758</u>	<u>980,000</u>	<u>1,050,000</u>
Access control					
Contractual services	291,850	146,645	145,205	291,850	315,688
Rentals and leases	17,090	14,214	2,876	17,090	26,067
Fuel	10,358	5,667	4,691	10,358	10,358
Repairs and maintenance - parts	5,179	5,079	2,000	7,079	5,179
Repairs and maintenance - gatehouse	17,263	7,824	9,439	17,263	17,263
Insurance	4,696	231	-	231	4,696
Operating supplies	27,621	23,350	4,271	27,621	27,621
Total access control	<u>374,057</u>	<u>203,010</u>	<u>168,482</u>	<u>371,492</u>	<u>406,872</u>
Roadway services					
Contractual services	6,500	1,995	4,505	6,500	6,500
Roadway maintenance	40,000	3,465	35,000	38,465	40,000
Total roadway services	<u>46,500</u>	<u>5,460</u>	<u>39,505</u>	<u>44,965</u>	<u>46,500</u>
Irrigation supply					
Electricity	750	112	112	224	750
Repairs and maintenance	1,500	611	600	1,211	1,500
Supply system	93,221	62,346	30,875	93,221	103,500
Total irrigation supply services	<u>95,471</u>	<u>63,069</u>	<u>31,587</u>	<u>94,656</u>	<u>105,750</u>
Parks and recreation					
Repairs and maintenance	7,500	-	-	-	-
Total parks & recreation	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
GENERAL FUND 001 BUDGET
FISCAL YEAR 2013**

	Fiscal Year 2012				Proposed Budget FY 2013
	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12	Total Revenues & Expenditures	
Other fees and charges					
Property appraiser	27,660	26,987	673	27,660	28,867
Tax collector	36,880	26,598	10,282	36,880	38,489
Total fees and charges	64,540	53,585	10,955	64,540	67,356
Total expenditures	2,418,459	1,001,099	1,378,293	2,379,392	2,444,227
Excess/(deficiency) of revenues over/(under) expenditures	-	946,504	(896,907)	49,597	-
OTHER FINANCING SOURCES/(USES)					
Transfers in*	-	49,334	-	49,334	-
Total other financing sources/(uses)	-	49,334	-	49,334	-
Net change in fund balances	-	995,838	(896,907)	98,931	-
Fund balance - beginning (unaudited)	547,492	580,400	1,576,238	580,400	679,331
Fund balance - ending (projected)	<u>\$ 547,492</u>	<u>\$ 1,576,238</u>	<u>\$ 679,331</u>	<u>\$ 679,331</u>	<u>\$ 679,331</u>

*The "Projected through 9/30/11" portion of this item includes fund 002 residual fund balance transfer in.

** The majority of Misc Income results from gate clicker purchases.

	Assessment Summary			
	ERU's	FY 2012 Assessment	FY 2013 Assessment	Total Revenue
On-roll: other	1,269	\$ 1,294.05	\$ 1,305.61	\$ 1,656,824
On-roll: Developer	205	\$ 1,294.05	\$ 1,305.61	\$ 267,651
Off-roll	485	\$ 1,197.00	\$ 1,207.69	\$ 585,731
	<u>1,959</u>			

*These amounts relate to delinquent FY 2010 O&M assessments, are contingent upon a favorable ruling and may be amended by interest, penalties and fees.

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEFINITIONS OF GENERAL FUND 001 EXPENDITURES**

EXPENDITURES

Professional and administrative

Supervisors	\$ 12,918
Statutorily set at \$200 (plus applicable taxes) for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year. The District anticipates meeting 12 times in fiscal year 2013.	
Management	58,175
Wrathell, Hunt and Associates, LLC , specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experiences of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, administer the issuance of tax exempt bond financings, and finally operate and maintain the assets of the community.	
Assessment roll preparation	24,500
Includes preparing, maintaining and transmitting the annual lien roll with annual special assessment amounts for capital and operating and maintenance assessments. Pursuant to an agreement with the District, AJC Associates, Inc., currently provides this service.	
Accounting services	18,997
Consists of budget preparation and reporting, cash management, revenue reporting and accounts payable functions.	
Audit	15,100
The District is required to annually undertake an independent examination of its books, records and accounting procedures. This audit is conducted pursuant to Florida State Law and the Rules of the Auditor General.	
Legal	20,000
Woodward, Pires & Lombardo, P.A., provides on-going general counsel and legal representation. These lawyers are confronted with issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications and conveyance and contracts. In this capacity, we provide service as "Local government lawyers," realizing that this type of local government is very limited in its scope - providing infrastructure and services to development.	
Engineering	15,000
Hole Montes, Inc., provides a broad array of engineering, consulting and construction services to the District, which assists in crafting solutions with sustainability for the long term interests of the Community - recognizing the needs of government, the environment and maintenance of the District's facilities.	
Telephone	594
Telephone and fax machine.	
Postage	2,000
Mailing of agenda packages, overnight deliveries, correspondence, etc.	
Insurance	29,511
The District carries public officials liability and general liability insurance. The limit of liability for this coverage is set at \$1,000,000 for general liability (\$5,000,000 general aggregate) and \$5,000,000 for public officials liability limit.	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEFINITIONS OF GENERAL FUND 001 EXPENDITURES**

EXPENDITURES (continued)

Printing and binding	594
Letterhead, envelopes, copies, etc.	
Legal advertising	2,000
The District advertises in a local newspaper for monthly meetings, special meetings, public hearings, bidding, etc. Based on prior year's experience.	
Office supplies and expenses	750
Accounting and administrative supplies.	
Annual district filing fee	175
Annual fee paid to the Florida Department of Community Affairs.	
Trustee	15,500
Annual fee paid to U.S. Bank for the services provided as trustee, paying agent and registrar.	
Arbitrage rebate calculation	4,000
To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate the arbitrage rebate liability.	
Dissemination agent	10,928
Wrathell, Hunt and Associates, LLC , currently provides Dissemination Agent services, which are a requirement of the Securities & Exchange Act of 1934, pursuant to Rule 15c2-12.	
Contingencies	3,000
Miscellaneous, unforeseen costs incurred throughout the year.	
Field management	
Field management services	25,218
The field manager is responsible for the day-to-day field operations. These responsibilities include preparing and bidding of services and commodities, contract administration, hiring and maintaining qualified personnel, preparation and implementation of operating schedules and policies, ensuring compliance with operating permits, preparing field budgets, being a resource regarding District programs and attending board meetings.	
Water management	
Other contractual	401,789
The District has a contract with Lakemasters Aquatic Weed Control, Inc., for monthly service within the lake and wetland areas. For Fiscal Year 2013, it is anticipated that the District will continue with it's priority phase lake bank erosion repair project and has budgeted \$200K for the second phase. Also the District will continue to maintain the 310 acre Belle Meade Preserve in a cooperative effort with CDD #2, this expense will continue to be shared with CDD #2 at the same cost sharing ratio as used for "access control" and "irrigation supply services".	
Lake Maintenance Contract	150,000
Lake Bank Erosion	200,000
Belle Meade Pres.	51,789
Total	401,789
Fountains	47,500
These expenditures relate to the decorative and floating fountains located at the main entrance.	
Utilities (Electric)	30,000
Maintenance	15,000
Insurance	2,500

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEFINITIONS OF GENERAL FUND 001 EXPENDITURES**

EXPENDITURES (continued)

Street lighting

Contractual services	12,000
The District utilizes a licensed electrician for street light, signage and landscape lighting repairs.	
Electricity	34,000
The District is charged on a monthly basis per street light for electric service.	
Holiday lighting program	12,000
The District subcontracts to install and maintain holiday lighting at the 951 entrance and the gatehouse.	
Miscellaneous	1,500
Covers unforeseen costs.	

Landscaping

Other contractual - landscape maint.	880,000
This District contracts with an outside company to maintain the landscaping on 2,300,000 square feet of District common area and right-of-way. The contract provides for equipment, labor and materials. Costs also include mulching and on-call services.	
Maintenance Contract	745,000
Tree Trimming	100,000
Mulch	35,000
Improvements and renovations	145,000
Provides for the replacement and renovation of landscape material and irrigation systems.	
Contingencies	25,000
Covers any unforeseen costs.	

Access control

Contractual services	315,688
The District maintains a security contract with Fiddler's Creek Foundation, which provides labor and certain equipment for the access control services of the District at the Foundations actual costs. The projected scheduled hours are 21,234 annually for 24/7 service at the main gate and roving patrol and 12/6 service at the Sandpiper Drive Gate. This category also covers the cost of hiring an off-duty sheriff's deputy twice a month for traffic enforcement and patrolling. This program cost will be shared with Fiddler's Creek Community Development District #2 based upon the number of units.	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEFINITIONS OF GENERAL FUND 001 EXPENDITURES**

EXPENDITURES (continued)

Rentals and leases		26,067
	This category anticipates that a new vehicle will be leased (2 year) during Fiscal Year 2013. Includes the lease of a trailer to serve as a temporary guardhouse at Sandpiper/US 41. Also includes the annual maintenance agreement covering various access control equipment including keypad, access base, mega-arm etc.	
	System upgrade	5,697
	Temp. guardhouse	3,107
	Maintenance agreement	8,286
	Patrol Vehicle	8,977
Fuel		10,358
	This category covers the fuel costs for the vehicles utilized by the Department. The increase, as compared to the prior year, is due to increase of fuel prices.	
Repairs and maintenance - parts		5,179
	This category covers the maintenance costs for the vehicles utilized by the department.	
Repairs and maintenance - gatehouse		17,263
	This category covers the maintenance costs for the gate mechanisms.	
Insurance		4,696
	This expenditure is for automobile insurance.	
Operating supplies		27,621
	Costs associated with miscellaneous supplies used during daily actives of the department. Includes office supplies, daily passes and the inclusion of transmitters for new residents. Also includes contract with ADT for security alarm monitoring in the Championship Drive guard house; fee is \$103.35 quarterly.	

Summary of Expenditures for Access Control			
Units			
Fiddler's Creek #1	1,959	69%	
Fiddler's Creek #2	878	31%	
Total	2,837	100%	
	Fiddler's #1	Fiddler's #2	Total
Contractual services	315,688	141,488	457,176
Rentals and leases	26,067	11,683	37,750
Fuel	10,358	4,642	15,000
Repairs and maintenance - parts	5,179	2,321	7,500
Repairs and maintenance - gatehouse	17,263	7,737	25,000
Insurance	4,696	2,104	6,800
Operating supplies	27,621	12,379	40,000
Total	406,872	182,354	589,226

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEFINITIONS OF GENERAL FUND 001 EXPENDITURES**

EXPENDITURES (continued)

Roadway services

Contractual services		6,500
	The District utilizes the services of a sub-contractor for street sweeping, once a month.	
Roadway maintenance		40,000
	This category covers the costs associated with minor repairs of the road, roadway signage and sidewalks.	

Irrigation supply

Electricity		750
	The category covers the cost of electricity to the community's computerized irrigation controller.	
Repairs and maintenance		1,500
	The category covers the costs of repairs and maintenance to the community's computerized irrigation controller.	
Supply system		103,500
	The District will maintain the community's irrigation pumping facility. This includes the well pumps, irrigation supply pumps and providing for secondary potable water supply in the event of an emergency. These costs are shared with Fiddler's Creek CDD #2 based upon units.	

Summary of Expenditures for Supply System			
Units			
Fiddler's Creek #1	1,959	69%	
Fiddler's Creek #2	878	31%	
Total	2,837	100%	
	Fiddler's #1	Fiddler's #2	Total
Electricity	44,850	20,150	65,000
Repairs and maintenance	34,500	15,500	50,000
Contractual service	20,700	9,300	30,000
Insurance	3,450	1,550	5,000
Total	103,500	46,500	150,000

Other fees and charges

Property appraiser		28,867
	The property appraiser charges 1.5% of the assessments collected.	
Tax collector		38,489
	The tax collector charges 2% of the assessments collected.	

Total expenditures	\$ 2,444,227
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**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEBT SERVICE FUND BUDGET- SERIES 1999 A/B BONDS
FISCAL YEAR 2013**

	Fiscal Year 2012			Total Revenue & Expenditures	Proposed Budget FY 2013
	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12		
REVENUES					
Assessment levy: on-roll - gross	\$ 1,075,652				\$ 1,083,428
Allowable discounts (4%)	(43,026)				(43,337)
Assessment levy: on-roll - net	1,032,626	\$ 811,683	\$ 220,943	\$ 1,032,626	1,040,091
Assessment levy: off-roll	-	320,392	-	320,392	-
Interest	-	5	-	5	-
Total revenues	1,032,626	1,132,080	220,943	1,353,023	1,040,091
EXPENDITURES					
Debt service					
Principal A	435,000	-	435,000	435,000	465,000
Principal B	125,000	-	125,000	125,000	135,000
Interest A	338,988	169,494	169,494	338,988	313,431
Interest B	95,990	47,995	47,995	95,990	88,740
Total debt service	994,978	217,489	777,489	994,978	1,002,171
Other fees & charges					
Property appraiser	16,135	15,743	392	16,135	16,251
Tax collector	21,513	15,495	6,018	21,513	21,669
Total other fees & charges	37,648	31,238	6,410	37,648	37,920
Total expenditures	1,032,626	248,727	783,899	1,032,626	1,040,091
Fund balance:					
Net increase/(decrease) in fund balance	-	883,353	(562,956)	320,397	-
Beginning fund balance (unaudited)	986,828	926,480	1,809,833	926,480	1,246,877
Ending fund balance (projected)	\$ 986,828	\$ 1,809,833	\$ 1,246,877	\$ 1,246,877	1,246,877
Use of fund balance:					
Debt service reserve A account balance (required)					(533,500)
Debt service reserve B account balance (required)					(153,000)
Interest A expense - November 1, 2013					(143,056)
Interest B expense - November 1, 2013					(40,455)
Projected fund balance surplus/(deficit) as of September 30, 2013					<u>\$ 376,866</u>

The proposed budget does not reflect any changes that may occur as a result of the Developer's plan of bankruptcy, as it was not signed as of the distribution of the agenda packages.

Fiddler's Creek # 1

Community Development District

Series 1999 A

\$9,305,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2012	-	-	156,715.63	156,715.63
05/01/2013	465,000.00	5.875%	156,715.63	621,715.63
11/01/2013	-	-	143,056.25	143,056.25
05/01/2014	490,000.00	5.875%	143,056.25	633,056.25
11/01/2014	-	-	128,662.50	128,662.50
05/01/2015	520,000.00	5.875%	128,662.50	648,662.50
11/01/2015	-	-	113,387.50	113,387.50
05/01/2016	555,000.00	5.875%	113,387.50	668,387.50
11/01/2016	-	-	97,084.38	97,084.38
05/01/2017	585,000.00	5.875%	97,084.38	682,084.38
11/01/2017	-	-	79,900.00	79,900.00
05/01/2018	620,000.00	5.875%	79,900.00	699,900.00
11/01/2018	-	-	61,687.50	61,687.50
05/01/2019	660,000.00	5.875%	61,687.50	721,687.50
11/01/2019	-	-	42,300.00	42,300.00
05/01/2020	700,000.00	5.875%	42,300.00	742,300.00
11/01/2020	-	-	21,737.50	21,737.50
05/01/2021	740,000.00	5.875%	21,737.50	761,737.50
Total	\$5,335,000.00	-	\$1,689,062.52	\$7,024,062.52

Fiddler's Creek # 1

Community Development District

Series 1999 B

\$7,940,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2012	-	-	44,370.00	44,370.00
05/01/2013	135,000.00	5.800%	44,370.00	179,370.00
11/01/2013	-	-	40,455.00	40,455.00
05/01/2014	140,000.00	5.800%	40,455.00	180,455.00
11/01/2014	-	-	36,395.00	36,395.00
05/01/2015	150,000.00	5.800%	36,395.00	186,395.00
11/01/2015	-	-	32,045.00	32,045.00
05/01/2016	160,000.00	5.800%	32,045.00	192,045.00
11/01/2016	-	-	27,405.00	27,405.00
05/01/2017	165,000.00	5.800%	27,405.00	192,405.00
11/01/2017	-	-	22,620.00	22,620.00
05/01/2018	180,000.00	5.800%	22,620.00	202,620.00
11/01/2018	-	-	17,400.00	17,400.00
05/01/2019	190,000.00	5.800%	17,400.00	207,400.00
11/01/2019	-	-	11,890.00	11,890.00
05/01/2020	200,000.00	5.800%	11,890.00	211,890.00
11/01/2020	-	-	6,090.00	6,090.00
05/01/2021	210,000.00	5.800%	6,090.00	216,090.00
Total	\$1,530,000.00	-	\$477,340.00	\$2,007,340.00

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEBT SERVICE FUND BUDGET - SERIES 2002 A/B BONDS
FISCAL YEAR 2013**

	Fiscal Year 2012			Total Revenue & Expenditures	Proposed Budget FY 2013
	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12		
REVENUES					
Assessment levy: off-roll	\$ 1,215,512	\$ -	\$ -	\$ -	\$ 1,020,202
Interest	-	3	-	3	-
Total revenues	<u>1,215,512</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>1,020,202</u>
EXPENDITURES					
Debt service					
Principal A	180,000	-	-	-	262,468
Principal B	100,000	-	-	-	141,120
Interest A	621,156	-	-	-	410,450
Interest B	314,356	-	-	-	206,163
Total expenditures	<u>1,215,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,020,202</u>
Excess/(deficiency) of revenues over/(under) expenditures	-	3	-	3	-
OTHER FINANCING SOURCES/(USES)					
Transfers out	-	(9,880)	-	(9,880)	-
Total other financing sources/(uses)	<u>-</u>	<u>(9,880)</u>	<u>-</u>	<u>(9,880)</u>	<u>-</u>
Net change in fund balances	\$ -	(\$9,877)	-	(\$9,877)	\$ -
Beginning fund balance (unaudited)	274,067	(1,182,454)	(1,192,331)	(1,182,454)	(1,192,331)
Ending fund balance (projected)	<u>\$ 274,067</u>	<u>\$(1,192,331)</u>	<u>\$(1,192,331)</u>	<u>\$ (1,192,331)</u>	<u>(1,192,331)</u>
Use of fund balance:					
Debt service reserve A account balance (required)					(802,163)
Debt service reserve B account balance (required)					(412,749)
Interest A expense - November 1, 2013					(401,428)
Interest B expense - November 1, 2013					(201,489)
Projected fund balance surplus/(deficit) as of September 30, 2013					<u><u>\$ (3,010,160)</u></u>

Fiddler's Creek # 1

Community Development District

Series 2002 A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2012	-	-	-	-
05/01/2013	262,468.00	6.875%	410,450.43	672,918.43
11/01/2013	-	-	401,428.09	401,428.09
05/01/2014	281,155.00	6.875%	401,428.09	682,583.09
11/01/2014	-	-	391,763.38	391,763.38
05/01/2015	301,172.00	6.875%	391,763.38	692,935.38
11/01/2015	-	-	381,410.60	381,410.60
05/01/2016	322,615.00	6.875%	381,410.60	704,025.60
11/01/2016	-	-	370,320.71	370,320.71
05/01/2017	345,584.00	6.875%	370,320.71	715,904.71
11/01/2017	-	-	358,441.26	358,441.26
05/01/2018	370,189.00	6.875%	358,441.26	728,630.26
11/01/2018	-	-	345,716.01	345,716.01
05/01/2019	396,545.00	6.875%	345,716.01	742,261.01
11/01/2019	-	-	332,084.78	332,084.78
05/01/2020	424,779.00	6.875%	332,084.78	756,863.78
11/01/2020	-	-	317,483.00	317,483.00
05/01/2021	455,022.00	6.875%	317,483.00	772,505.00
11/01/2021	-	-	301,841.62	301,841.62
05/01/2022	487,418.00	6.875%	301,841.62	789,259.62
11/01/2022	-	-	285,086.62	285,086.62
05/01/2023	522,121.00	6.875%	285,086.62	807,207.62
11/01/2023	-	-	267,138.71	267,138.71
05/01/2024	559,295.00	6.875%	267,138.71	826,433.71
11/01/2024	-	-	247,912.95	247,912.95
05/01/2025	599,115.00	6.875%	247,912.95	847,027.95
11/01/2025	-	-	227,318.37	227,318.37
05/01/2026	641,770.00	6.875%	227,318.37	869,088.37
11/01/2026	-	-	205,257.53	205,257.53
05/01/2027	687,463.00	6.875%	205,257.53	892,720.53
11/01/2027	-	-	181,625.98	181,625.98
05/01/2028	736,408.00	6.875%	181,625.98	918,033.98
11/01/2028	-	-	156,311.96	156,311.96
05/01/2029	788,839.00	6.875%	156,311.96	945,150.96
11/01/2029	-	-	129,195.62	129,195.62
05/01/2030	845,002.00	6.875%	129,195.62	974,197.62
11/01/2030	-	-	100,148.68	100,148.68
05/01/2031	905,164.00	6.875%	100,148.68	1,005,312.68
11/01/2031	-	-	69,033.66	69,033.66
05/01/2032	969,609.00	6.875%	69,033.66	1,038,642.66
11/01/2032	-	-	35,703.35	35,703.35
05/01/2033	1,038,643.00	6.875%	35,703.35	1,074,346.35
Total	\$11,940,376.00	-	\$10,620,896.19	\$22,561,272.19

Fiddler's Creek # 1

Community Development District

Series 2002 B

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2012	-	-	-	-
05/01/2013	141,120.00	6.625%	206,163.38	347,283.38
11/01/2013	-	-	201,488.78	201,488.78
05/01/2014	150,789.00	6.625%	201,488.78	352,277.78
11/01/2014	-	-	196,493.89	196,493.89
05/01/2015	161,121.00	6.625%	196,493.89	357,614.89
11/01/2015	-	-	191,156.76	191,156.76
05/01/2016	172,161.00	6.625%	191,156.76	363,317.76
11/01/2016	-	-	185,453.92	185,453.92
05/01/2017	183,958.00	6.625%	185,453.92	369,411.92
11/01/2017	-	-	179,360.31	179,360.31
05/01/2018	196,563.00	6.625%	179,360.31	375,923.31
11/01/2018	-	-	172,849.17	172,849.17
05/01/2019	210,031.00	6.625%	172,849.17	382,880.17
11/01/2019	-	-	165,891.89	165,891.89
05/01/2020	224,422.00	6.625%	165,891.89	390,313.89
11/01/2020	-	-	158,457.91	158,457.91
05/01/2021	239,800.00	6.625%	158,457.91	398,257.91
11/01/2021	-	-	150,514.53	150,514.53
05/01/2022	256,231.00	6.625%	150,514.53	406,745.53
11/01/2022	-	-	142,026.88	142,026.88
05/01/2023	273,788.00	6.625%	142,026.88	415,814.88
11/01/2023	-	-	132,957.66	132,957.66
05/01/2024	292,547.00	6.625%	132,957.66	425,504.66
11/01/2024	-	-	123,267.04	123,267.04
05/01/2025	312,593.00	6.625%	123,267.04	435,860.04
11/01/2025	-	-	112,912.39	112,912.39
05/01/2026	334,011.00	6.625%	112,912.39	446,923.39
11/01/2026	-	-	101,848.28	101,848.28
05/01/2027	356,898.00	6.625%	101,848.28	458,746.28
11/01/2027	-	-	90,026.03	90,026.03
05/01/2028	381,352.00	6.625%	90,026.03	471,378.03
11/01/2028	-	-	77,393.75	77,393.75
05/01/2029	407,483.00	6.625%	77,393.75	484,876.75
11/01/2029	-	-	63,895.87	63,895.87
05/01/2030	435,403.00	6.625%	63,895.87	499,298.87
11/01/2030	-	-	49,473.15	49,473.15
05/01/2031	465,237.00	6.625%	49,473.15	514,710.15
11/01/2031	-	-	34,062.17	34,062.17
05/01/2032	497,115.00	6.625%	34,062.17	531,177.17
11/01/2032	-	-	17,595.24	17,595.24
05/01/2033	531,177.00	6.625%	17,595.24	548,772.24
Total	\$6,223,800.00	-	\$5,300,414.62	\$11,524,214.62

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEBT SERVICE FUND BUDGET - SERIES 2005 BONDS
FISCAL YEAR 2013**

	Fiscal Year 2012			Total Revenue & Expenditures	Proposed Budget FY 2013
	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12		
REVENUES					
Assessment levy: off-roll	\$ 911,600	\$ -	\$ -	\$ -	\$ 743,439
Total revenues	<u>911,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>743,439</u>
EXPENDITURES					
Debt service					
Principal	185,000	-	-	-	263,247
Interest	726,600	-	-	-	480,192
Total expenditures	<u>911,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>743,439</u>
Excess/(deficiency) of revenues over/(under) expenditures	-	-	-	-	-
OTHER FINANCING SOURCES/(USES)					
Transfers out	-	(39,454)	-	(39,454)	-
Total other financing sources/(uses)	<u>-</u>	<u>(39,454)</u>	<u>-</u>	<u>(39,454)</u>	<u>-</u>
Net change in fund balances	-	(39,454)	-	(39,454)	-
Beginning fund balance (unaudited)	(16,099)	(240,978)	(280,432)	(240,978)	(280,432)
Ending fund balance (projected)	<u>\$ (16,099)</u>	<u>\$ (280,432)</u>	<u>\$ (280,432)</u>	<u>\$ (280,432)</u>	<u>(280,432)</u>
Use of fund balance:					
Debt service reserve account balance (required)					(660,078)
Interest expense - November 1, 2013					(472,295)
Projected fund balance surplus/(deficit) as of September 30, 2013					<u>\$ (1,412,805)</u>

Fiddler's Creek # 1

Community Development District

Series 2005

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2012	-	-	-	-
05/01/2013	263,247.00	6.000%	480,192.00	743,439.00
11/01/2013	-	-	472,294.59	472,294.59
05/01/2014	279,531.00	6.000%	472,294.59	751,825.59
11/01/2014	-	-	463,908.66	463,908.66
05/01/2015	296,821.00	6.000%	463,908.66	760,729.66
11/01/2015	-	-	455,004.03	455,004.03
05/01/2016	315,181.00	6.000%	455,004.03	770,185.03
11/01/2016	-	-	445,548.60	445,548.60
05/01/2017	334,677.00	6.000%	445,548.60	780,225.60
11/01/2017	-	-	435,508.29	435,508.29
05/01/2018	355,379.00	6.000%	435,508.29	790,887.29
11/01/2018	-	-	424,846.92	424,846.92
05/01/2019	377,361.00	6.000%	424,846.92	802,207.92
11/01/2019	-	-	413,526.09	413,526.09
05/01/2020	400,703.00	6.000%	413,526.09	814,229.09
11/01/2020	-	-	401,505.00	401,505.00
05/01/2021	425,489.00	6.000%	401,505.00	826,994.00
11/01/2021	-	-	388,740.33	388,740.33
05/01/2022	451,808.00	6.000%	388,740.33	840,548.33
11/01/2022	-	-	375,186.09	375,186.09
05/01/2023	479,754.00	6.000%	375,186.09	854,940.09
11/01/2023	-	-	360,793.47	360,793.47
05/01/2024	509,430.00	6.000%	360,793.47	870,223.47
11/01/2024	-	-	345,510.57	345,510.57
05/01/2025	540,941.00	6.000%	345,510.57	886,451.57
11/01/2025	-	-	329,282.34	329,282.34
05/01/2026	574,401.00	6.000%	329,282.34	903,683.34
11/01/2026	-	-	312,050.31	312,050.31
05/01/2027	609,931.00	6.000%	312,050.31	921,981.31
11/01/2027	-	-	293,752.38	293,752.38
05/01/2028	647,659.00	6.000%	293,752.38	941,411.38
11/01/2028	-	-	274,322.61	274,322.61
05/01/2029	687,720.00	6.000%	274,322.61	962,042.61
11/01/2029	-	-	253,691.01	253,691.01
05/01/2030	730,260.00	6.000%	253,691.01	983,951.01
11/01/2030	-	-	231,783.21	231,783.21
05/01/2031	775,431.00	6.000%	231,783.21	1,007,214.21
11/01/2031	-	-	208,520.28	208,520.28
05/01/2032	823,395.00	6.000%	208,520.28	1,031,915.28
11/01/2032	-	-	183,818.43	183,818.43
05/01/2033	874,327.00	6.000%	183,818.43	1,058,145.43
11/01/2033	-	-	157,588.62	157,588.62
05/01/2034	928,409.00	6.000%	157,588.62	1,085,997.62

Fiddler's Creek # 1

Community Development District

Series 2005

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2034	-	-	129,736.35	129,736.35
05/01/2035	985,837.00	6.000%	129,736.35	1,115,573.35
11/01/2035	-	-	100,161.24	100,161.24
05/01/2036	1,046,816.00	6.000%	100,161.24	1,146,977.24
11/01/2036	-	-	68,756.76	68,756.76
05/01/2037	1,111,568.00	6.000%	68,756.76	1,180,324.76
11/01/2037	-	-	35,409.72	35,409.72
05/01/2038	1,180,324.00	6.000%	35,409.72	1,215,733.72
Total	\$16,006,400.00	-	\$15,602,683.80	\$31,609,083.80

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
DEBT SERVICE FUND BUDGET - SERIES 2006 BONDS
FISCAL YEAR 2013**

	Fiscal Year 2012			Total Revenue & Expenditures	Proposed Budget FY 2013
	Adopted Budget FY 2012	Actual through 3/31/12	Projected through 9/30/12		
REVENUES					
Assessment levy: on-roll - gross	\$ 720,903				\$ 719,265
Allowable discounts (4%)	(28,836)				(28,771)
Assessment levy: on-roll - net	692,067	\$ 535,208	\$ 156,859	\$ 692,067	690,494
Assessment levy: off-roll	-	150,385	-	150,385	-
Assessment prepayments	-	5,977	-	5,977	-
Interest	-	4	-	4	-
Total revenues	692,067	691,574	156,859	848,433	690,494
EXPENDITURES					
Debt service					
Principal	500,000	-	500,000	500,000	520,000
Principal prepayment	-	-	5,000	5,000	-
Interest	166,835	83,949	83,037	166,986	145,320
Total debt service	666,835	83,949	588,037	671,986	665,320
Other fees & charges					
Property appraiser	10,814	10,551	263	10,814	10,789
Tax collector	14,418	10,398	4,020	14,418	14,385
Total other fees & charges	25,232	20,949	4,283	25,232	25,174
Total expenditures	692,067	104,898	592,320	697,218	690,494
Excess/(deficiency) of revenues over/(under) expenditures	-	586,676	(435,461)	151,215	-
Fund balance - beginning (unaudited)	668,289	623,026	1,209,702	623,026	774,241
Fund balance - ending (projected)	\$ 668,289	\$ 1,209,702	\$ 774,241	\$ 774,241	774,241
Use of fund balance:					
Debt service reserve account balance (required)					(352,536)
Interest expense - November 1, 2013					(62,247)
Projected fund balance surplus/(deficit) as of September 30, 2013					<u>\$ 359,457</u>

The proposed budget does not reflect any changes that may occur as a result of the Developer's plan of bankruptcy, as it was not signed as of the distribution of the agenda packages.

Fiddler's Creek # 1

Community Development District

Series 2006

\$6,570,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2012	-	-	73,257.21	73,257.21
05/01/2013	520,000.00	4.200%	72,062.79	592,062.79
11/01/2013	-	-	62,247.45	62,247.45
05/01/2014	540,000.00	4.200%	61,232.55	601,232.55
11/01/2014	-	-	50,814.25	50,814.25
05/01/2015	565,000.00	4.200%	49,985.75	614,985.75
11/01/2015	-	-	38,851.73	38,851.73
05/01/2016	585,000.00	4.200%	38,429.42	623,429.42
11/01/2016	-	-	26,465.75	26,465.75
05/01/2017	610,000.00	4.200%	26,034.25	636,034.25
11/01/2017	-	-	13,550.47	13,550.47
05/01/2018	640,000.00	4.200%	13,329.53	653,329.53
Total	\$3,460,000.00	-	\$526,261.15	\$3,986,261.15

Fiddler's Creek
Community Development District
2012 - 2013 Final Assessments

PRELIMINARY

Collier County
5 years remaining

2006 Series Bond Issue						
Residential Neighborhoods (per unit)	Original Assessment	Bond Designation	Debt Service Assessment	General Fund#1 O & M Assessment	Total Assessment	Outstanding Principal after 2012-2013 tax payment
Isla Del Sol I	25,486.23	ESTATE SF	\$ 2,031.79	\$ 1,305.61	\$ 3,337.40	\$ 8,335.14
Isla Del Sol II	42,723.98	ESTATE SF 2	\$ 4,988.85	\$ 1,305.61	\$ 6,294.47	\$ 20,466.12
Mulberry Row I	12,233.39	SF	\$ 975.26	\$ 1,305.61	\$ 2,280.87	\$ 4,000.85
Mulberry Row II	15,291.74	SF 1	\$ 1,219.07	\$ 1,305.61	\$ 2,524.69	\$ 5,001.09
Mallard Landing	9,939.63	SF 2	\$ 792.39	\$ 1,305.61	\$ 2,098.01	\$ 3,250.69
Bellagio I	12,233.39	PATIO 2	\$ 975.26	\$ 1,305.61	\$ 2,280.87	\$ 4,000.85
Bellagio II	29,224.55	PATIO 3	\$ 3,412.53	\$ 1,305.61	\$ 4,718.14	\$ 13,999.47
Pepper Tree	8,665.32	PATIO	\$ 690.81	\$ 1,305.61	\$ 1,996.42	\$ 2,833.95
Cotton Green I	8,665.32	PATIO	\$ 690.81	\$ 1,305.61	\$ 1,996.42	\$ 2,833.95
Cotton Green II	13,294.14	PATIO 4	\$ 1,551.04	\$ 1,305.61	\$ 2,856.65	\$ 6,374.74
Cascada	10,194.49	VILLA 2	\$ 812.72	\$ 1,305.61	\$ 2,118.33	\$ 3,334.04
Bent Creek	7,645.87	VILLA	\$ 609.54	\$ 1,305.61	\$ 1,915.15	\$ 2,500.54
Cardinal Cove	7,645.87	VILLA	\$ 609.54	\$ 1,305.61	\$ 1,915.15	\$ 2,500.54
Deer Crossing II	8,155.59	MF 2	\$ 646.83	\$ 1,305.61	\$ 1,952.45	\$ 2,704.51
Deer Crossing I	6,626.42	MF	\$ 528.26	\$ 1,305.61	\$ 1,833.87	\$ 2,167.15
Whisper Trace	6,626.42	MF	\$ 528.26	\$ 1,305.61	\$ 1,833.87	\$ 2,167.15
Hawks Nest	6,626.42	MF	\$ 528.26	\$ 1,305.61	\$ 1,833.87	\$ 2,167.15

Fiscal year 2011 - 2012 Assessments:	ESTATE SF	\$ 2,032.29	\$ 1,294.05	\$ 3,326.34	\$ 9,808.96
	ESTATE SF 2	\$ 4,990.10	\$ 1,294.05	\$ 6,284.15	\$ 24,084.94
	SF	\$ 975.50	\$ 1,294.05	\$ 2,269.55	\$ 4,708.28
	SF 1	\$ 1,219.38	\$ 1,294.05	\$ 2,513.43	\$ 5,885.38
	SF 2	\$ 792.59	\$ 1,294.05	\$ 2,086.64	\$ 3,825.48
	PATIO 4	\$ 1,552.74	\$ 1,294.05	\$ 2,846.79	\$ 7,494.29
	PATIO 3	\$ 3,413.38	\$ 1,294.05	\$ 4,707.43	\$ 16,474.86
	PATIO 2	\$ 975.50	\$ 1,294.05	\$ 2,269.55	\$ 4,708.28
	PATIO	\$ 690.98	\$ 1,294.05	\$ 1,985.03	\$ 3,335.05
	VILLA 2	\$ 812.92	\$ 1,294.05	\$ 2,106.97	\$ 3,923.57
	VILLA	\$ 609.69	\$ 1,294.05	\$ 1,903.74	\$ 2,942.69
	MF 2	\$ 650.05	\$ 1,294.05	\$ 1,944.10	\$ 3,157.12
	MF	\$ 528.39	\$ 1,294.05	\$ 1,822.44	\$ 2,550.34

Fiddler's Creek
Community Development District
2012 - 2013 Final Assessments

PRELIMINARY

Collier County
8 years remaining

1999 Series Bond Issue \$ 17,236,000				General Fund#1		Outstanding
Residential Neighborhoods (per unit)	Original Assessment	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Principal after 2012-2013 tax payment
Sauvignon III	\$ 54,251.12	SF VII	\$ 4,876.29	\$ 1,305.61	\$ 6,181.90	\$ 28,686.59
Sauvignon II	\$ 49,887.50	SF VI	\$ 4,600.00	\$ 1,305.61	\$ 5,905.61	\$ 26,783.75
Sauvignon	\$ 32,535.36	SF III	\$ 2,924.39	\$ 1,305.61	\$ 4,230.01	\$ 17,069.11
Mahogany Bend	\$ 21,690.24	SF II	\$ 1,949.59	\$ 1,305.61	\$ 3,255.21	\$ 10,766.48
Mahogany Bend II	\$ 49,887.50	SF V	\$ 4,600.00	\$ 1,305.61	\$ 5,905.61	\$ 26,783.75
Cranberry Crossing	\$ 19,521.26	SF I	\$ 1,754.64	\$ 1,305.61	\$ 3,060.25	\$ 9,518.59
Cranberry Crossing II	\$ 48,803.00	SF IV	\$ 4,500.00	\$ 1,305.61	\$ 5,805.61	\$ 26,201.50
Cranberry Crossing III	\$ 54,251.12	SF VII	\$ 4,876.29	\$ 1,305.61	\$ 6,181.90	\$ 28,686.59
Majorca	\$ 19,521.26	PATIO I	\$ 1,754.64	\$ 1,305.61	\$ 3,060.25	\$ 10,275.23
Montreux	\$ 16,267.62	QUAD I	\$ 1,462.19	\$ 1,305.61	\$ 2,767.81	\$ 8,562.64
Cherry Oaks	\$ 19,521.26	QUAD II	\$ 1,754.64	\$ 1,305.61	\$ 3,060.25	\$ 10,275.23

Fiscal year 2011 - 2012 Assessments:		SF VII	\$ 4,834.76	\$ 1,294.05	\$ 6,128.81	\$ 31,387.06
		SF VI	\$ 4,600.00	\$ 1,294.05	\$ 5,894.05	\$ 29,359.94
		SF V	\$ 4,600.00	\$ 1,294.05	\$ 5,894.05	\$ 29,359.94
		SF IV	\$ 4,500.00	\$ 1,294.05	\$ 5,794.05	\$ 28,721.69
		SF III	\$ 2,899.49	\$ 1,294.05	\$ 4,193.54	\$ 18,688.63
		SF II	\$ 1,932.99	\$ 1,294.05	\$ 3,227.04	\$ 11,846.16
		SF I	\$ 1,739.70	\$ 1,294.05	\$ 3,033.75	\$ 10,490.31
		PATIO I	\$ 1,739.70	\$ 1,294.05	\$ 3,033.75	\$ 11,246.95
		QUAD I	\$ 1,449.74	\$ 1,294.05	\$ 2,743.79	\$ 9,372.40
		QUAD II	\$ 1,739.70	\$ 1,294.05	\$ 3,033.75	\$ 11,246.95

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

3
4 A Regular Meeting of the Board of Supervisors of the Fiddler's Creek Community
5 Development District #1 was held on **Wednesday, May 23, 2012, at 8:00 a.m.**, at the **Fiddler's**
6 **Creek Club and Spa, 3470 Club Center Boulevard, Naples, Florida 34114.**

7
8 **Present at the meeting were:**

9
10 Phil Brougham Chair
11 James Curland (via telephone) Vice Chair
12 Gerald Bergmoser Assistant Secretary
13 Jim Schutt Assistant Secretary
14 Robert Slater Assistant Secretary

15
16 **Also present were:**

17
18 Chuck Adams District Manager
19 Cleo Crismond Assistant Regional Manager
20 Tony Pires District Counsel
21 Terry Cole District Engineer
22 Aleida Martinez Molina (via telephone) Weiss Serota, Special Counsel CDD #1
23 Ron Albeit Fiddlers Creek Foundation
24 Eileen Robertson Resident
25 Jesse Fritz Resident
26 Victoria DiNardo CDD #2 Board Member

27
28
29 **FIRST ORDER OF BUSINESS**

Call to Order/Roll Call

30
31 Mr. Adams called the meeting to order at 8:00 a.m., and noted, for the record, that
32 Supervisors Brougham, Schutt, Slater and Bergmoser were present, in person. Supervisor
33 Curland was attending via telephone.

34
35 **On MOTION by Mr. Brougham and seconded by Mr.**
36 **Bergmoser, with all in favor, authorizing Mr. Curland's**
37 **attendance and full participation, via telephone, due to special**
38 **circumstances, was approved.**

39
40
41 **SECOND ORDER OF BUSINESS**

Special Counsel Update: Bankruptcy
Proceedings [Aleida Martinez Molina]

43 Ms. Martinez Molina reported that the order on the appeal was signed April 25, 2012; the
44 decision was rendered a few months ago. U.S. Bank has 30 days to appeal further to the
45 Eleventh Circuit; however, she does not expect them to do so. If an appeal is not filed by
46 tomorrow, the appellant matter is officially over.

47 Mr. Brougham asked the status of the records search activities. Ms. Martinez Molina
48 indicated that it is proceeding and should be completed this week; her firm is ensuring that all
49 responsive documents are turned over.

50 Mr. Brougham asked if there is anything for the District to do, other than wait, and asked
51 if the District can force something to happen to rid itself of the public records request and being
52 forced to incur additional legal fees. Ms. Martinez Molina stated that the District must wait, at
53 this point; U.S. Bank's counsel indicated that the appeal had nothing to do with the public
54 records request. Mr. Brougham asked if all records were turned over. Ms. Martinez Molina's
55 understanding is that Mr. Pires and Mr. Adams' offices have provided the necessary documents;
56 her office is still verifying the information and has not turned them over, yet. Mr. Pires
57 confirmed that his office provided the requested documents.

58 Mr. Brougham questioned if there is a position that the District can take indicating that it
59 has no intention of suing. Mr. Pires felt that the District could not make that statement that, as it
60 does not know what facts or issues may arise in the future. Mr. Pires reminded the Board that
61 anyone can make public records requests and cannot be precluded from doing so. Mr. Adams
62 suggested that the Board could take the position that, based on actions and activities, to date, the
63 District has no intention of suing but reserves the right in the future, should something
64 materialize.

65 Regarding legal expenses, Mr. Slater pointed out that Ms. Martinez Molina is strictly "on
66 call" right now, so the continuing cost is minimal. Mr. Brougham disagreed, stating that the
67 legal fees continue to appear on the monthly financials. Mr. Adams explained that nominal
68 monthly fees will continue to be incurred, as she is on call and monitoring the matter; however,
69 the fees are nominal in comparison to when the case was in full swing. Mr. Brougham recalled
70 that the Board previously approved Ms. Martinez Molina's continued monitoring of the case;
71 however, he feels the District should discontinue monitoring and no longer retain Ms. Martinez
72 Molina.

73

74 Ms. Martinez Molina explained that the expenses of the last few months relate to
75 addressing and following up on the appellate process, final orders and the public records request.
76 She expects that the public records request process will be finished this week and the appellate
77 process will be over tomorrow. Ms. Martinez Molina advised that the monitoring, going
78 forward, involves her receiving notifications from the bankruptcy court; unless someone else is
79 registered with the bankruptcy court system to receive the notifications, the District would not
80 receive them. The District would only receive notification of a lawsuit. Mr. Pires voiced his
81 feeling that it is important for the District to retain Ms. Martinez Molina as counsel and have her
82 on record as the District’s bankruptcy counsel, in case something arises in the future. Mr.
83 Brougham stated that he is tired of paying legal fees for “no good reason”.

84 *****Ms. Martinez Molina left the meeting.*****

85

86 **THIRD ORDER OF BUSINESS** **Developer’s Report/Update**

87

88 There being no developer’s report or update, the next item followed.

89

90 **FOURTH ORDER OF BUSINESS** **Engineer’s Report**

91

92 Mr. Cole indicated that he has no draws to present this month. He is working with the
93 developer and his attorneys on the South Florida Water Management District (SFWMD)
94 certification updates. Mr. Pires and Mr. Cole will meet to continue discussion of the lake
95 conveyance documents. Regarding lake bank erosion repairs the contractor is completing Lake
96 #4 and, Lake #4, along with all punch list items, should be completed within the next few weeks.
97 Mr. Cole recalled reporting at the last meeting that Lake #7-A was substantially completed and
98 sod was installed; however, there was significant rain with a lot of washouts. The contractor will
99 repair areas, as needed. Mr. Cole referred to Lake #7-A, noting that it had the highest depth of
100 erosion, requiring the bags to 12 to 15 inches thick, rather than the previously anticipated nine
101 (9) inches. He discussed the lake bank appearance and feels that water levels will rise during the
102 rainy season so the bags will not be as visible.

103 Mr. Schutt recalled that the black bag was previously thought to be the most aesthetically
104 pleasing; however, after seeing them, he finds them worse than the erosion. Mr. Schutt asked for
105 suggestions to enhance the appearance of the bags. Mr. Cole advised that fading will occur, over

106 time, along with natural adhering. Mr. Cole recommended planting littorals; however, the lack
107 of a shelf might make that option unrealistic.

108 Discussion ensued regarding future lake bank erosion repairs, options and appearance.
109 Mr. Slater questioned if rocks could be placed in areas with high exposure, so the bags are
110 hidden.

111 Mr. Cole indicated that a bulkhead, at the corner of the lake, was damaged. He is
112 obtaining quotes to repair the bulkhead.

113 Mr. Cole stated that he is working with Ms. Crismond on a utility deviation to show
114 landscaping around the pump station on Mahogany Bend. Mr. Cole noted that the repairs were
115 repaved where there was an irrigation break on Mahogany Bend.

116

117 **FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2012-6,
Approving the District’s Proposed Budget
for Fiscal Year 2013 and Setting a Public
Hearing Thereon Pursuant to Florida
Law**

118

119

120

121

122

123 Mr. Brougham presented Resolution 2012-6 for the Board’s consideration.

124 Mr. Pires explained that the Board must approve a proposed budget for the basis of
125 holding a public hearing. Mr. Adams indicated that, in accordance with the Florida Statutes, the
126 District is required to approve a draft budget prior to June 15 of each year for the purpose of
127 setting the public hearing, distribution to local municipalities and posting on the District’s
128 website. Mr. Adams recommended holding the public hearing on August 22, 2012 at 8:00 a.m.,
129 at this location.

130 Mr. Adams advised that the proposed budget is preliminary and the Board has
131 traditionally reviewed it in more detail at subsequent meetings.

132 Mr. Brougham voiced his desire to discuss the proposed budget today.

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**On MOTION by Mr. Slater and seconded by Mr. Schutt, with
all in favor, Resolution 2012-6, Approving the District’s
Proposed Budget for Fiscal Year 2013 and Setting a Public
Hearing for August 22, 2012 at 8:00 a.m., at this location, was
adopted.**

139

140

141 Mr. Brougham referred to sales of platted lots to developers, and asked for an explanation
142 of how those assessments are collected. Mr. Adams indicated that the assessments generally
143 remain off-roll billings, to the extent that those properties are held by the original developer, or
144 subsequent entities; however, in accordance with the trust indenture, assessments are on roll,
145 once the properties transition to other owners. Mr. Brougham questioned if the three (3) new
146 builders' assessments are on roll. Mr. Adams replied affirmatively, explaining that, at the time
147 of sale, any past due property taxes and/or assessments must be satisfied, with them being billed
148 on roll, going forward. In response to Mr. Brougham's question, Mr. Adams confirmed that the
149 number of on and off-roll units should adjust accordingly, on next month's draft budget. Mr.
150 Adams further explained on and off-roll assessment billing and collections.

151 Mr. Brougham questioned the forecasted off-roll collections. Mr. Adams confirmed that
152 the collections will need to be adjusted, based on the financials; however, the projection is
153 conservative, as sales are difficult to predict.

154 Mr. Brougham noted that CDD #2's ERUs have not changed in the preliminary budget
155 and asked if they will. Mr. Adams clarified that they have not changed for either District but
156 they will, based on Ms. Alice Carlson's true up in June.

157 Regarding insurance, Mr. Brougham asked Mr. Adams to explain why the premium
158 increased so much during this fiscal year and if the District will rebid it. Mr. Adams indicated
159 that insurance will be shopped; however, the District is viewed as high risk. Mr. Adams was
160 hopeful that some of the risk will be abated with the approval of the reorganization plans and
161 with most of the bankruptcy issue completed. Mr. Adams noted that the District's upcoming
162 audit contains findings, which will not help their position. Mr. Adams confirmed that
163 Management is working with the auditor regarding the wording in the findings.

164 Mr. Brougham recalled that the Board previously directed Ms. Crismond to power wash
165 all District sidewalks; however, the proposed budget projected the same amount. He felt that
166 estimates are needed and the figures should be updated.

167 Mr. Slater noted a line item with a double asterisk, with the definition being several pages
168 after, and recommended including the notation on the same page. In response to Mr. Slater's
169 request, Mr. Adams explained the other financing sources section of the proposed budget and
170 how and/or where the amounts are derived.

171 Mr. Jesse Fritz, a resident, asked what was discussed regarding power washing. Ms.
172 Crismond indicated that the Board discussed engaging the current contractor to power wash all

173 of the sidewalks. The current contractor submitted the lowest rate; however, the District is now
174 considering a chemical cleaning process.

175

176 **SIXTH ORDER OF BUSINESS**

Approval of April 25, 2012 Regular Meeting Minutes

177

178

179 Mr. Brougham presented the April 25, 2012 Regular Meeting Minutes and asked for any
180 additions, deletions or corrections. The following changes were made:

181 Line 63: Change “subsequent” to “subject”

182 Lines 227 and 229: Change “pallet” to “palette”

183 Line 231: Change “Liberty” to “Rookery”

184 Line 245: Change “of” to “on”

185 Line 283: Insert “the” before “whole”

186 Mr. Brougham referred to the proposed budget and recommended including a line item
187 for vehicle replacement.

188

On MOTION by Mr. Slater and seconded by Mr. Bergmoser, with all in favor, the April 25, 2012 Regular Meeting Minutes, as amended, were approved.

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194 **SEVENTH ORDER OF BUSINESS**

Other Business

195

196 Mr. Adams advised that, as reflected in the financials, the District has significant cash
197 balances in its general operating account. He asked the Board to consider authorizing Staff and
198 the Chair to take steps to open accounts with the banks identified on the handout provided. Mr.
199 Adams stated that yields will not be significant; however, the funds should be invested to ensure
200 they are FDIC protected. Mr. Adams confirmed that each institution is a qualified public
201 depository, meet all the legal requirements to hold public funds and are all 4-star or better
202 institutions. Mr. Brougham directed Mr. Adams to ask each institution whether they will open a
203 line of credit for the District. Mr. Adams indicated he will ask; however, he does not think it is a
204 possibility, as CDDs currently have a stigma. Additionally, the audit, with its findings and being
205 a qualified opinion, will not work in the District’s favor. Mr. Adams felt the District will not be
206 in a good line of credit position for a number of years.

207

208

On MOTION by Mr. Slater and seconded by Mr. Brougham, with all in favor, authorizing Staff and the Chair to execute all required documents to open money market accounts with institutions in descending order of positive net yield, per the May 22, 2012 analysis, was approved.

EIGHTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Pires indicated he is still trying to contact Rookery Bay. The lake conveyance work continues and Mr. Pires asked that it be included as a standing item on the agendas. Mr. Pires recalled a 2010 accident where a truck entered the lake. Mr. Brougham directed Mr. Pires to follow up with the sheriff's department regarding the accident and then contact the insurance company to determine if a claim can be made for damage to the bulkheads.

Mr. Curland recalled discussion of a document for future builders guaranteeing that the District's roadways would be left in the same condition, after work is completed. Mr. Curland asked if this document was completed and whether the new builders signed it. Mr. Pires advised that, according to Mr. DiNardo, the Foundation is handling this matter. Mr. Albeit stated that a deposit is required for new construction.

b. Manager

i. Unaudited Financial Statements as of April 30, 2012

Mr. Brougham presented the Unaudited Financial Statements as of April 30, 2012. He noted that assessment collections are at 99%. Tax certificate sales will be in June and the funds should be received in July. Expenses are at 48%; however, there are seasonal projects to be considered.

ii. 776 Registered Voters in District as of April 15, 2012

Mr. Brougham indicated that, as of April 15, 2012, there were 776 registered voters residing within the boundaries of the District.

iii. NEXT MEETING DATE: June 27, 2012 at 8:00 A.M.

The next meeting is scheduled for June 27, 2012.

c. Operations Manager

Ms. Crismond presented the Monthly Field Operations Status Report. She reported that Hole #14 will be replanted. The lake contractor installed plants but sprayed it out again, due to bulrush. She explained that this process takes many months. Mr. Bergmoser questioned the

244 timing of the project and his opinion that it caused a large portion of the golf course to be ugly
245 during peak season. Mr. Bergmoser recommended coordinating work so the golf course looks its
246 best during the peak season. Ms. Crismond acknowledged that the area is unsightly but it is a
247 difficult project. Ms. Crismond advised that additional bulrush removal will take place around
248 the golf course. In response to a question, Ms. Crismond confirmed that the primary reason for
249 removing the bulrush is to eliminate snakes. Mr. Bergmoser suggested rethinking that.

250 Mr. Brougham questioned who requested removal of the bulrush and whether they
251 participated in funding the project. Ms. Crismond indicated that Mr. Jim Vajen requested it and
252 that they did not contribute to the funding. Mr. Brougham stated that the District might
253 reconsider removing it. Mr. Brougham asked that any future spending on items related to the
254 golf course lakes be brought to the Board for consideration. Ms. Crismond reminded Mr.
255 Brougham that the bulrush removal at Hole #7 was approved by the Board and bulrush removal
256 at Hole #17 has cost nothing. Ms. Crismond noted that the work has not yet been completed. Mr.
257 Brougham reiterated his request that, on a go-forward basis, bulrush removal or any other
258 significant maintenance to the lakes, to be funded by the District, must be discussed with the
259 Board, prior to proceeding.

260 Ms. Crismond indicated that she met with the tree trimmer and a proposal is pending to
261 trim all ornamentals. A large number of ficus were identified on Mahogany Bend that require
262 trimming. She will meet with Mr. Vajen to review older sections of the property for aged plant
263 materials. Mr. Brougham recalled discussing this at the last meeting and noted that additional
264 details are needed. A Board Member felt the landscaper is doing a better job.

265 Ms. Crismond reported that she received a request for the thick hedge just, before the
266 clubhouse, to be cut, on the Rookery side. Discussion ensued regarding trimming and having a
267 plan for the area.

268 Ms. Crismond presented the patrol statistics and recalled discussion at the last meeting
269 regarding why more citations are not being issued. She spoke with the sheriff's department and
270 was advised that for speeding, the first five (5) miles over are forgiven, per Florida Statute, and
271 speeding tickets are not issued until a higher threshold is met.

272 Mr. Schutt referred to the Department of Safety Monthly Status Report and questioned
273 why the information is tracked, if the District does nothing with the data. Mr. Adams noted that
274 this information is used by the Foundation; however, the Board can consider shortening the list
275 of items tracked. Mr. Fritz felt the report is important. Mr. Albeit assured the Board that

276 residents are contacted for things such as open garage doors and, if the problem is unresolved,
277 the sheriff’s department is contacted to visit the home. Mr. Albeit spoke of other instances
278 where the security company took action. Ms. DiNardo, a CDD #2 Board Member, indicated that
279 she received a call regarding her open garage door.

280 Mr. Brougham voiced his opinion that the Board does not need to receive the monthly
281 safety statistics. Mr. Brougham directed Mr. Charbonneau to discontinue providing the monthly
282 safety statistics report. Mr. Adams asked that the data continue to be gathered, for informational
283 purposes, as needed. Mr. Slater voiced his disagreement with Mr. Brougham’s position, he feels
284 it is good information to have and, if Mr. Brougham does not want it, he can discard it at his
285 leisure. Mr. Brougham and Mr. Schutt do not want the report. The consensus was to continue
286 providing the monthly data and the Board Members can do what they want with it.

287 Mr. Curland asked Ms. Crismond about the status of the stop indicators at the end of
288 Championship and Cranberry Crossing. Ms. Crismond indicated that she received a quote and is
289 waiting to see if any funds remain in the budget to complete the work. In response to Mr.
290 Brougham’s question, Ms. Crismond explained that this item relates to reflectors that need to be
291 replaced with the decorative posts already in place in other parts of the community.

292 Mr. Fritz noted that a sign on Championship Boulevard was knocked down. Ms.
293 Crismond indicated the sign has not been replaced but it is in progress; Doria’s Landscaping,
294 Inc., knocked it down and is paying for the replacement.

295

296	NINTH ORDER OF BUSINESS	Audience	Comments/Supervisors’
297		Requests	

298
299 There being no audience comments or Supervisors’ requests, the next item followed.

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301	TENTH ORDER OF BUSINESS	Adjournment
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303 There being nothing additional to discuss, the meeting adjourned at 9:30 a.m.

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316 _____
Secretary/Assistant Secretary

_____ Chair/Vice Chair

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
FINANCIAL STATEMENTS
UNAUDITED
MAY 31, 2012**

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
BALANCE SHEET
GOVERNMENTAL FUNDS
MAY 31, 2012**

	General 001	General 002	Debt Service Series 1999	Debt Service Series 2002	Debt Service Series 2005	Debt Service Series 2006	Capital Projects Series 2005	Total Governmental Funds
ASSETS								
Operating account								
SunTrust	\$ 807,880	\$ 1,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 809,305
Federated	499,521	38,108	-	-	-	-	-	537,629
Community Bank of Broward	39	-	-	-	-	-	-	39
BB& T - Savings	672	-	-	-	-	-	-	672
Investments								
Revenue	-	-	571,003	-	-	413,562	-	984,565
Reserve - series A	-	-	513,417	1,884	71	352,536	-	867,908
Reserve - series B	-	-	160,521	9,404	-	-	-	169,925
Prepayment - series A	-	-	10,685	-	-	5,067	-	15,752
Prepayment - series B	-	-	284	39	-	-	-	323
Rebate	-	-	-	-	-	782	-	782
Debt service	-	-	-	13	-	-	-	13
Remedial expenditure	-	-	-	18,621	5,191	-	-	23,812
Optional redemption	-	-	2,582	-	-	1,492	-	4,074
Construction	-	-	-	-	-	-	12,193	12,193
Due from other funds	354,835	-	22,422	-	-	15,037	-	392,294
Due from Developer	53,266	-	-	1,958,676	2,066,816	-	-	4,078,758
Unsold certificates receivable	6,899	-	4,019	-	-	2,697	-	13,615
Deposits	5,125	-	-	-	-	-	-	5,125
Total Assets	<u>\$ 1,728,237</u>	<u>\$ 39,533</u>	<u>\$ 1,284,933</u>	<u>\$ 1,988,637</u>	<u>\$ 2,072,078</u>	<u>\$ 791,173</u>	<u>\$ 12,193</u>	<u>\$ 7,916,784</u>
LIABILITIES & FUND BALANCES								
Liabilities:								
Accounts payable	\$ 11,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,918	\$ 23,018
Retainage payable	14,290	-	-	-	-	-	-	14,290
Debt service payable	-	-	-	1,214,794	-	-	-	1,214,794
Due to other funds								
General fund 001	-	1,939	-	7,500	289,115	-	56,281	354,835
Debt service fund series 1999	22,407	15	-	-	-	-	-	22,422
Debt service fund series 2006	15,037	-	-	-	-	-	-	15,037
Deferred Revenue	60,165	-	4,019	1,958,676	2,066,816	2,697	-	4,092,373
Total liabilities	<u>122,999</u>	<u>1,954</u>	<u>4,019</u>	<u>3,180,970</u>	<u>2,355,931</u>	<u>2,697</u>	<u>68,199</u>	<u>5,736,769</u>
Fund balances:								
Reserved for:								
Debt service	-	-	1,280,914	(1,192,333)	(283,853)	788,476	-	593,204
Capital projects	-	-	-	-	-	-	(56,006)	(56,006)
Unreserved, undesignated	1,605,238	37,579	-	-	-	-	-	1,642,817
Total fund balances	<u>1,605,238</u>	<u>37,579</u>	<u>1,280,914</u>	<u>(1,192,333)</u>	<u>(283,853)</u>	<u>788,476</u>	<u>(56,006)</u>	<u>2,180,015</u>
Total liabilities and fund balance	<u>\$ 1,728,237</u>	<u>\$ 39,533</u>	<u>\$ 1,284,933</u>	<u>\$ 1,988,637</u>	<u>\$ 2,072,078</u>	<u>\$ 791,173</u>	<u>\$ 12,193</u>	<u>\$ 7,916,784</u>

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED MAY 31, 2012**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ 39,246	\$ 1,788,576	\$ 1,770,262	101%
Developer assessment	-	373,065	639,197	58%
Prior year assessments	-	260,485	-	N/A
Interest	84	724	2,000	36%
Miscellaneous	-	14,632	7,000	209%
Total revenues	<u>39,330</u>	<u>2,437,482</u>	<u>2,418,459</u>	101%
EXPENDITURES				
Administrative				
Supervisors	1,077	10,980	12,918	85%
Management	4,847	38,783	58,175	67%
Assessment roll preparation	-	24,500	25,000	98%
Accounting services	1,583	12,665	18,997	67%
Audit	4,100	17,600	15,100	117%
Legal	1,197	24,043	110,000	22%
Legal - bankruptcy	5,277	45,312	-	N/A
Engineering	-	16,654	15,000	111%
Telephone	47	383	574	67%
Postage	130	965	3,000	32%
Insurance	-	28,106	16,193	174%
Printing and binding	47	383	574	67%
Legal advertising	-	3,398	2,000	170%
Office supplies and expenses	30	476	750	63%
Annual district filing fee	-	175	175	100%
Trustee	-	13,524	15,500	87%
Arbitrage rebate calculation	-	-	4,000	0%
Contingencies	199	1,769	1,500	118%
Dissemination agent	911	7,285	10,928	67%
Total administrative	<u>19,445</u>	<u>247,001</u>	<u>310,384</u>	80%
Field management				
Field management services	2,102	16,812	25,218	67%
Total field management	<u>2,102</u>	<u>16,812</u>	<u>25,218</u>	67%
Water management maintenance				
Other contractual	87,275	247,733	401,789	62%
Fountains	6,272	30,267	47,500	64%
Total water management maintenance	<u>93,547</u>	<u>278,000</u>	<u>449,289</u>	62%
Street lighting				
Contractual services	150	3,017	18,000	17%
Electricity	2,835	22,408	34,000	66%
Holiday lighting program	-	11,000	12,000	92%
Miscellaneous	-	-	1,500	0%
Total street lighting	<u>2,985</u>	<u>36,425</u>	<u>65,500</u>	56%

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED MAY 31, 2012**

	Current Month	Year To Date	Budget	% of Budget
Landscaping				
Other contractual - landscape maintenance	116,277	441,729	880,000	50%
Improvements and renovations	4,125	10,185	75,000	14%
Contingencies	-	-	25,000	0%
Total landscaping	<u>120,402</u>	<u>451,914</u>	<u>980,000</u>	46%
Access control				
Contractual services	25,597	197,500	291,850	68%
Rentals and leases	54	14,267	17,090	83%
Fuel	2,539	8,206	10,358	79%
Repairs and maintenance - parts	797	5,875	5,179	113%
Repairs and maintenance - gatehouse	1,782	10,229	17,263	59%
Insurance	-	231	4,696	5%
Operating supplies	2,038	27,621	27,621	100%
Total access control	<u>32,807</u>	<u>263,929</u>	<u>374,057</u>	71%
Roadway				
Contractual services	399	2,793	6,500	43%
Roadway maintenance	16,734	20,199	40,000	50%
Total roadway	<u>17,133</u>	<u>22,992</u>	<u>46,500</u>	49%
Irrigation supply				
Electricity	22	156	750	21%
Repairs and maintenance	105	820	1,500	55%
Supply system	15,097	85,062	93,221	91%
Total irrigation supply	<u>15,224</u>	<u>86,038</u>	<u>95,471</u>	90%
Parks & recreation				
Repairs and maintenance	-	-	7,500	0%
Total parks & recreation	<u>-</u>	<u>-</u>	<u>7,500</u>	0%
Other fees & charges				
Property appraiser	-	26,987	27,660	98%
Tax collector	784	35,302	36,880	96%
Total other fees & charges	<u>784</u>	<u>62,289</u>	<u>64,540</u>	97%
Total expenditures	<u>304,429</u>	<u>1,465,400</u>	<u>2,418,459</u>	61%
Excess/(deficiency) of revenues over/(under) expenditures	(265,099)	972,082	-	
OTHER FINANCING SOURCES/(USES)				
Transfers in	2,691	52,756	-	N/A
Total other financing sources/(uses)	<u>2,691</u>	<u>52,756</u>	<u>-</u>	N/A
Net change in fund balances	(262,408)	1,024,838	-	
Fund balances - beginning	1,867,646	580,400	547,492	
Fund balances - ending	<u>\$ 1,605,238</u>	<u>\$ 1,605,238</u>	<u>\$ 547,492</u>	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 002
FOR THE PERIOD ENDED MAY 31, 2012**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Budget</u>	<u>% of Budget</u>
REVENUES				
Developer assessment	-	55,399	-	N/A
Interest	-	4	-	N/A
Total revenues	<u>-</u>	<u>55,403</u>	<u>-</u>	<u>N/A</u>
EXPENDITURES				
Debt service				
Bank charges	62	498		N/A
Total debt service	<u>62</u>	<u>498</u>	<u>-</u>	<u>N/A</u>
Excess/(deficiency) of revenues over/(under) expenditures	(62)	54,905	-	
Fund balances - beginning	37,641	(17,326)		
Fund balances - ending	<u>\$ 37,579</u>	<u>\$ 37,579</u>	<u>\$ -</u>	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 1999
FOR THE PERIOD ENDED MAY 31, 2012**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Budget</u>	% of Budget
REVENUES				
Assessment levy	\$ 22,865	\$ 1,065,284	\$ 1,032,626	103%
Prior year assessments	-	320,393	-	N/A
Interest income	18	45	-	N/A
Total revenues	<u>22,883</u>	<u>1,385,722</u>	<u>1,032,626</u>	134%
EXPENDITURES				
Debt service				
Principal A	435,000	435,000	435,000	100%
Principal B	125,000	125,000	125,000	100%
Interest A	169,494	338,988	338,988	100%
Interest B	47,995	95,990	95,990	100%
Total debt service	<u>777,489</u>	<u>994,978</u>	<u>994,978</u>	100%
Other fees & charges				
Property appraiser	-	15,743	16,135	98%
Tax collector	457	20,567	21,513	96%
Total other fees & charges	<u>457</u>	<u>36,310</u>	<u>37,648</u>	96%
Total expenditures	<u>777,946</u>	<u>1,031,288</u>	<u>1,032,626</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	(755,063)	354,434	-	
Fund balances - beginning	<u>2,035,977</u>	<u>926,480</u>	<u>986,828</u>	
Fund balances - ending	<u>\$ 1,280,914</u>	<u>\$ 1,280,914</u>	<u>\$ 986,828</u>	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2002
FOR THE PERIOD ENDED MAY 31, 2012**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Developer assessment	\$ -	\$ -	\$ 1,215,512	0%
Interest	-	1	-	N/A
Total revenues	<u>-</u>	<u>1</u>	<u>1,215,512</u>	0%
EXPENDITURES				
Debt service				
Principal A	-	-	180,000	0%
Principal B	-	-	100,000	0%
Interest A	-	-	621,156	0%
Interest B	-	-	314,356	0%
Total debt service	<u>-</u>	<u>-</u>	<u>1,215,512</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	-	1	-	
OTHER FINANCING SOURCES/(USES)				
Transfer out	-	(9,880)	-	N/A
Total other financing sources/(uses)	<u>-</u>	<u>(9,880)</u>	<u>-</u>	N/A
Net change in fund balances	-	(9,879)	-	
Fund balances - beginning	(1,192,333)	(1,182,454)	274,067	
Fund balances - ending	<u>\$ (1,192,333)</u>	<u>\$ (1,192,333)</u>	<u>\$ 274,067</u>	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2005
FOR THE PERIOD ENDED MAY 31, 2012**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Special assessment: off-roll	\$ -	\$ -	\$ 911,600	0%
Interest	1	1	-	N/A
Total revenues	<u>1</u>	<u>1</u>	<u>911,600</u>	0%
EXPENDITURES				
Debt service				
Principal	-	-	185,000	0%
Interest	-	-	726,600	0%
Total debt service	<u>-</u>	<u>-</u>	<u>911,600</u>	0%
Total expenditures	<u>-</u>	<u>-</u>	<u>911,600</u>	0%
Excess/(deficiency) of revenues over/(under) expenditures	1	1	-	
OTHER FINANCING SOURCES/(USES)				
Transfer out	<u>(2,691)</u>	<u>(42,876)</u>	<u>-</u>	N/A
Total other financing sources/(uses)	<u>(2,691)</u>	<u>(42,876)</u>	<u>-</u>	N/A
Net change in fund balances	<u>(2,690)</u>	<u>(42,875)</u>	<u>-</u>	
Fund balances - beginning	<u>(281,163)</u>	<u>(240,978)</u>	<u>(16,099)</u>	
Fund balances - ending	<u><u>\$ (283,853)</u></u>	<u><u>\$ (283,853)</u></u>	<u><u>\$ (16,099)</u></u>	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2006
FOR THE PERIOD ENDED MAY 31, 2012**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ 15,344	\$ 705,392	\$ 692,067	102%
Prior year assessments	-	150,386	-	N/A
Assessment prepayments	-	5,977	-	N/A
Interest income	15	32	-	N/A
Total revenues	<u>15,359</u>	<u>861,787</u>	<u>692,067</u>	125%
EXPENDITURES				
Debt service				
Principal	500,000	500,000	500,000	100%
Interest	83,037	166,986	166,835	100%
Principal prepayment	5,000	5,000	-	N/A
Total debt service	<u>588,037</u>	<u>671,986</u>	<u>666,835</u>	101%
Other fees & charges				
Property appraiser	-	10,551	10,814	98%
Tax collector	309	13,800	14,418	96%
Total other fees & charges	<u>309</u>	<u>24,351</u>	<u>25,232</u>	97%
Total expenditures	<u>588,346</u>	<u>696,337</u>	<u>692,067</u>	101%
Excess/(deficiency) of revenues over/(under) expenditures	(572,987)	165,450	-	
Fund balances - beginning	1,361,463	623,026	668,289	
Fund balances - ending	<u>\$ 788,476</u>	<u>\$ 788,476</u>	<u>\$ 668,289</u>	

**FIDDLER'S CREEK
COMMUNITY DEVELOPMENT DISTRICT #1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2005
FOR THE PERIOD ENDED MAY 31, 2012**

	Current Month	Year To Date
REVENUES		
Interest	\$ -	\$ 1
Total revenues	-	1
EXPENDITURES		
Capital outlay	10,269	22,733
Total expenditures	10,269	22,733
Excess/(deficiency) of revenues over/(under) expenditures	(10,269)	(22,732)
Net change in fund balances	(10,269)	(22,732)
Fund balances - beginning	(45,737)	(33,274)
Fund balances - ending	\$ (56,006)	\$ (56,006)

Fiddler's Creek

Community Development District #1

Series 1999 A

\$9,305,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
11/01/2011	\$ -	-	\$ 169,493.75	\$ 169,493.75
05/01/2012	435,000.00	5.875%	169,493.75	604,493.75
11/01/2012	-	-	156,715.63	156,715.63
05/01/2013	465,000.00	5.875%	156,715.63	621,715.63
11/01/2013	-	-	143,056.25	143,056.25
05/01/2014	490,000.00	5.875%	143,056.25	633,056.25
11/01/2014	-	-	128,662.50	128,662.50
05/01/2015	520,000.00	5.875%	128,662.50	648,662.50
11/01/2015	-	-	113,387.50	113,387.50
05/01/2016	555,000.00	5.875%	113,387.50	668,387.50
11/01/2016	-	-	97,084.38	97,084.38
05/01/2017	585,000.00	5.875%	97,084.38	682,084.38
11/01/2017	-	-	79,900.00	79,900.00
05/01/2018	620,000.00	5.875%	79,900.00	699,900.00
11/01/2018	-	-	61,687.50	61,687.50
05/01/2019	660,000.00	5.875%	61,687.50	721,687.50
11/01/2019	-	-	42,300.00	42,300.00
05/01/2020	700,000.00	5.875%	42,300.00	742,300.00
11/01/2020	-	-	21,737.50	21,737.50
05/01/2021	740,000.00	5.875%	21,737.50	761,737.50
Total	\$ 5,770,000.00	-	\$ 2,028,050.02	\$ 7,798,050.02

Fiddler's Creek

Community Development District #1

Series 1999 B

\$7,940,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
11/01/2011	\$ -	-	\$ 47,995.00	\$ 47,995.00
05/01/2012	125,000.00	5.800%	47,995.00	172,995.00
11/01/2012	-	-	44,370.00	44,370.00
05/01/2013	135,000.00	5.800%	44,370.00	179,370.00
11/01/2013	-	-	40,455.00	40,455.00
05/01/2014	140,000.00	5.800%	40,455.00	180,455.00
11/01/2014	-	-	36,395.00	36,395.00
05/01/2015	150,000.00	5.800%	36,395.00	186,395.00
11/01/2015	-	-	32,045.00	32,045.00
05/01/2016	160,000.00	5.800%	32,045.00	192,045.00
11/01/2016	-	-	27,405.00	27,405.00
05/01/2017	165,000.00	5.800%	27,405.00	192,405.00
11/01/2017	-	-	22,620.00	22,620.00
05/01/2018	180,000.00	5.800%	22,620.00	202,620.00
11/01/2018	-	-	17,400.00	17,400.00
05/01/2019	190,000.00	5.800%	17,400.00	207,400.00
11/01/2019	-	-	11,890.00	11,890.00
05/01/2020	200,000.00	5.800%	11,890.00	211,890.00
11/01/2020	-	-	6,090.00	6,090.00
05/01/2021	210,000.00	5.800%	6,090.00	216,090.00
Total	\$ 1,655,000.00	-	\$ 573,330.00	\$ 2,228,330.00

Fiddler's Creek

Community Development District #1

Series 2002 A

\$10,120,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
05/01/2010	\$ 160,000.00	6.875%	\$ 321,921.88	\$ 481,921.88
11/01/2010	-	-	316,421.88	316,421.88
05/01/2011	170,000.00	6.875%	316,421.88	486,421.88
11/01/2011	-	-	310,578.13	310,578.13
05/01/2012	180,000.00	6.875%	310,578.13	490,578.13
11/01/2012	-	-	304,390.63	304,390.63
05/01/2013	195,000.00	6.875%	304,390.63	499,390.63
11/01/2013	-	-	297,687.50	297,687.50
05/01/2014	210,000.00	6.875%	297,687.50	507,687.50
11/01/2014	-	-	290,468.75	290,468.75
05/01/2015	225,000.00	6.875%	290,468.75	515,468.75
11/01/2015	-	-	282,734.38	282,734.38
05/01/2016	240,000.00	6.875%	282,734.38	522,734.38
11/01/2016	-	-	274,484.38	274,484.38
05/01/2017	255,000.00	6.875%	274,484.38	529,484.38
11/01/2017	-	-	265,718.75	265,718.75
05/01/2018	275,000.00	6.875%	265,718.75	540,718.75
11/01/2018	-	-	256,265.63	256,265.63
05/01/2019	295,000.00	6.875%	256,265.63	551,265.63
11/01/2019	-	-	246,125.00	246,125.00
05/01/2020	315,000.00	6.875%	246,125.00	561,125.00
11/01/2020	-	-	235,296.88	235,296.88
05/01/2021	340,000.00	6.875%	235,296.88	575,296.88
11/01/2021	-	-	223,609.38	223,609.38
05/01/2022	360,000.00	6.875%	223,609.38	583,609.38
11/01/2022	-	-	211,234.38	211,234.38
05/01/2023	385,000.00	6.875%	211,234.38	596,234.38
11/01/2023	-	-	198,000.00	198,000.00
05/01/2024	415,000.00	6.875%	198,000.00	613,000.00
11/01/2024	-	-	183,734.38	183,734.38
05/01/2025	445,000.00	6.875%	183,734.38	628,734.38
11/01/2025	-	-	168,437.50	168,437.50
05/01/2026	475,000.00	6.875%	168,437.50	643,437.50
11/01/2026	-	-	152,109.38	152,109.38
05/01/2027	510,000.00	6.875%	152,109.38	662,109.38
11/01/2027	-	-	134,578.13	134,578.13
05/01/2028	545,000.00	6.875%	134,578.13	679,578.13
11/01/2028	-	-	115,843.75	115,843.75
05/01/2029	585,000.00	6.875%	115,843.75	700,843.75

Fiddler's Creek

Community Development District #1

Series 2002 A

\$10,120,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
11/01/2029	-	-	95,734.38	95,734.38
05/01/2030	625,000.00	6.875%	95,734.38	720,734.38
11/01/2030	-	-	74,250.00	74,250.00
05/01/2031	670,000.00	6.875%	74,250.00	744,250.00
11/01/2031	-	-	51,218.75	51,218.75
05/01/2032	720,000.00	6.875%	51,218.75	771,218.75
11/01/2032	-	-	26,468.75	26,468.75
05/01/2033	770,000.00	6.875%	26,468.75	796,468.75
Total	\$ 9,365,000.00	-	\$ 9,752,703.26	\$ 19,117,703.26

Fiddler's Creek

Community Development District #1

Series 2002 B

\$5,330,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
05/01/2010	\$ 85,000.00	6.625%	\$ 162,975.00	\$ 247,975.00
11/01/2010	-	-	160,159.38	160,159.38
05/01/2011	90,000.00	6.625%	160,159.38	250,159.38
11/01/2011	-	-	157,178.13	157,178.13
05/01/2012	100,000.00	6.625%	157,178.13	257,178.13
11/01/2012	-	-	153,865.63	153,865.63
05/01/2013	105,000.00	6.625%	153,865.63	258,865.63
11/01/2013	-	-	150,387.50	150,387.50
05/01/2014	115,000.00	6.625%	150,387.50	265,387.50
11/01/2014	-	-	146,578.13	146,578.13
05/01/2015	120,000.00	6.625%	146,578.13	266,578.13
11/01/2015	-	-	142,603.13	142,603.13
05/01/2016	130,000.00	6.625%	142,603.13	272,603.13
11/01/2016	-	-	138,296.88	138,296.88
05/01/2017	135,000.00	6.625%	138,296.88	273,296.88
11/01/2017	-	-	133,825.00	133,825.00
05/01/2018	145,000.00	6.625%	133,825.00	278,825.00
11/01/2018	-	-	129,021.88	129,021.88
05/01/2019	155,000.00	6.625%	129,021.88	284,021.88
11/01/2019	-	-	123,887.50	123,887.50
05/01/2020	170,000.00	6.625%	123,887.50	293,887.50
11/01/2020	-	-	118,256.25	118,256.25
05/01/2021	180,000.00	6.625%	118,256.25	298,256.25
11/01/2021	-	-	112,293.75	112,293.75
05/01/2022	190,000.00	6.625%	112,293.75	302,293.75
11/01/2022	-	-	106,000.00	106,000.00
05/01/2023	205,000.00	6.625%	106,000.00	311,000.00
11/01/2023	-	-	99,209.38	99,209.38
05/01/2024	220,000.00	6.625%	99,209.38	319,209.38
11/01/2024	-	-	91,921.88	91,921.88
05/01/2025	235,000.00	6.625%	91,921.88	326,921.88
11/01/2025	-	-	84,137.50	84,137.50
05/01/2026	250,000.00	6.625%	84,137.50	334,137.50
11/01/2026	-	-	75,856.25	75,856.25
05/01/2027	265,000.00	6.625%	75,856.25	340,856.25
11/01/2027	-	-	67,078.13	67,078.13
05/01/2028	285,000.00	6.625%	67,078.13	352,078.13
11/01/2028	-	-	57,637.50	57,637.50
05/01/2029	305,000.00	6.625%	57,637.50	362,637.50

Fiddler's Creek

Community Development District #1

Series 2002 B

\$5,330,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
11/01/2029	-	-	47,534.38	47,534.38
05/01/2030	325,000.00	6.625%	47,534.38	372,534.38
11/01/2030	-	-	36,768.75	36,768.75
05/01/2031	345,000.00	6.625%	36,768.75	381,768.75
11/01/2031	-	-	25,340.63	25,340.63
05/01/2032	370,000.00	6.625%	25,340.63	395,340.63
11/01/2032	-	-	13,084.38	13,084.38
05/01/2033	395,000.00	6.625%	13,084.38	408,084.38
Total	\$ 4,920,000.00	-	\$ 4,904,818.88	\$ 9,824,818.88

Fiddler's Creek

Community Development District #1

Series 2005

\$18,095,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
05/01/2011	\$ 255,000.00	6.000%	\$ 370,950.00	\$ 625,950.00
11/01/2011	-	-	363,300.00	363,300.00
05/01/2012	185,000.00	6.000%	363,300.00	548,300.00
11/01/2012	-	-	357,750.00	357,750.00
05/01/2013	195,000.00	6.000%	357,750.00	552,750.00
11/01/2013	-	-	351,900.00	351,900.00
05/01/2014	210,000.00	6.000%	351,900.00	561,900.00
11/01/2014	-	-	345,600.00	345,600.00
05/01/2015	220,000.00	6.000%	345,600.00	565,600.00
11/01/2015	-	-	339,000.00	339,000.00
05/01/2016	235,000.00	6.000%	339,000.00	574,000.00
11/01/2016	-	-	331,950.00	331,950.00
05/01/2017	250,000.00	6.000%	331,950.00	581,950.00
11/01/2017	-	-	324,450.00	324,450.00
05/01/2018	265,000.00	6.000%	324,450.00	589,450.00
11/01/2018	-	-	316,500.00	316,500.00
05/01/2019	280,000.00	6.000%	316,500.00	596,500.00
11/01/2019	-	-	308,100.00	308,100.00
05/01/2020	300,000.00	6.000%	308,100.00	608,100.00
11/01/2020	-	-	299,100.00	299,100.00
05/01/2021	315,000.00	6.000%	299,100.00	614,100.00
11/01/2021	-	-	289,650.00	289,650.00
05/01/2022	335,000.00	6.000%	289,650.00	624,650.00
11/01/2022	-	-	279,600.00	279,600.00
05/01/2023	355,000.00	6.000%	279,600.00	634,600.00
11/01/2023	-	-	268,950.00	268,950.00
05/01/2024	380,000.00	6.000%	268,950.00	648,950.00
11/01/2024	-	-	257,550.00	257,550.00
05/01/2025	405,000.00	6.000%	257,550.00	662,550.00
11/01/2025	-	-	245,400.00	245,400.00
05/01/2026	430,000.00	6.000%	245,400.00	675,400.00
11/01/2026	-	-	232,500.00	232,500.00
05/01/2027	455,000.00	6.000%	232,500.00	687,500.00
11/01/2027	-	-	218,850.00	218,850.00
05/01/2028	480,000.00	6.000%	218,850.00	698,850.00
11/01/2028	-	-	204,450.00	204,450.00
05/01/2029	510,000.00	6.000%	204,450.00	714,450.00

Fiddler's Creek

Community Development District #1

Series 2005

\$18,095,000

Amortization Schedule

Date	Principal	Rate	Interest	Total P+I
11/01/2029	-	-	189,150.00	189,150.00
05/01/2030	545,000.00	6.000%	189,150.00	734,150.00
11/01/2030	-	-	172,800.00	172,800.00
05/01/2031	580,000.00	6.000%	172,800.00	752,800.00
11/01/2031	-	-	155,400.00	155,400.00
05/01/2032	615,000.00	6.000%	155,400.00	770,400.00
11/01/2032	-	-	136,950.00	136,950.00
05/01/2033	650,000.00	6.000%	136,950.00	786,950.00
11/01/2033	-	-	117,450.00	117,450.00
05/01/2034	690,000.00	6.000%	117,450.00	807,450.00
11/01/2034	-	-	96,750.00	96,750.00
05/01/2035	735,000.00	6.000%	96,750.00	831,750.00
11/01/2035	-	-	74,700.00	74,700.00
05/01/2036	780,000.00	6.000%	74,700.00	854,700.00
11/01/2036	-	-	51,300.00	51,300.00
05/01/2037	830,000.00	6.000%	51,300.00	881,300.00
11/01/2037	-	-	26,400.00	26,400.00
05/01/2038	880,000.00	6.000%	26,400.00	906,400.00
Total	\$ 12,365,000.00	-	\$ 13,081,950.00	\$ 25,446,950.00

Fiddler's Creek

Community Development District #1

Series 2006

\$6,570,000

Amortization Schedule

Date		Principal	Rate		Interest		Total P+I
11/01/2011	\$	-	-	\$	83,949.37	\$	83,949.37
05/01/2012		500,000.00	4.200%		82,886.04		582,886.04
11/01/2012		-	-		73,162.62		73,162.62
05/01/2013		520,000.00	4.200%		72,100.48		592,100.48
11/01/2013		-	-		62,353.32		62,353.32
05/01/2014		545,000.00	4.200%		61,336.68		606,336.68
11/01/2014		-	-		50,814.25		50,814.25
05/01/2015		565,000.00	4.200%		49,985.75		614,985.75
11/01/2015		-	-		38,851.73		38,851.73
05/01/2016		590,000.00	4.200%		38,359.62		628,359.62
11/01/2016		-	-		26,287.87		26,287.87
05/01/2017		615,000.00	4.200%		25,906.23		640,906.23
11/01/2017		-	-		13,338.74		13,338.74
05/01/2018		630,000.00	4.200%		13,121.26		643,121.26
Total	\$	3,965,000.00	-	\$	692,453.96	\$	4,657,453.96