

**MINUTES OF MEETING  
LEXINGTON OAKS  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lexington Oaks Community Development District was held on Thursday, March 22, 2007 at 8:30 a.m. at the Lexington Oaks Clubhouse, 26304 Lexington Oaks Boulevard, Wesley Chapel, Florida.

Present and constituting a quorum were:

Don Peters	Chairman
Maxine Carlson	Vice Chairperson
Peter Hanzel	Assistant Secretary
Ray Dolente	Assistant Secretary
Terry Bechtel	Assistant Secretary

Also present were:

Andy Mendenhall	Severn Trent Services
Shawn Millard	Site/Community Center Manager
Several Residents	

*The following is a summary of the minutes and actions taken at the March 22, 2007 Lexington Oaks Board of Supervisors meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Pledge of Allegiance**

The Pledge of Allegiance was recited.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of February 22, 2007 Meeting**

Mr. Peters stated each Board member received a copy of the minutes of the February 22, 2007 meeting and requested any additions, corrections or deletions.

Mr. Dolente presented the following correction:

Page 15 – Bottom of the page, “Ms. Sheryl Dolente” should be “Mr. Dolente”.

Ms. Carlson presented the following correction:

Page 14 – Last bullet, “She inquired when the pool pump” should be “She inquired when the other pool pump”.

Page 16 – Top of the page, “\$12,000 was budgeted and already spent \$1,000 a month” should be “\$12,000 was budgeted and spent”.

Mr. Peters presented the following corrections:

Page 1 – Top of the page, Mr. Peter Hanzel should be identified as Chairman.

Page 9 – Last bullet, “Ms. Susan Skienmek” should be “Ms. Susan Steinmatz”.

Page 11 – Fifth bullet, “Ad valorem” should be “Non-ad valorem”.

Page 11 – Fifth bullet, “The District pays \$7,000 per month for the lights” should be “The District pays \$4,000 per month for the lights. The total bill is \$7,000.”

Ms. Carlson inquired whether the public hearing was scheduled for May 24, 2007 at 7:00 P.M. Mr. Peters confirmed the date and the time as 6:30 P.M. and inquired whether the public hearing was advertised.

Mr. Mendenhall reported the public hearing had not been advertised as the Board will discuss the rates, fees and charges at this meeting, which will be incorporated in the advertisement.

On MOTION by Mr. Bechtel seconded by Ms. Carlson with all in favor the minutes of the February 22, 2007 meeting were approved as amended.
---

**FOURTH ORDER OF BUSINESS                      Discussion items**

**A.    Reclaimed Water Billing & Report by Engineer**

- Mr. Bechtel reported the billing was a mess and had not been resolved. He will continue to investigate. Churchill receives a separate bill for reclaimed water and irrigation from Pasco County. The drawings show Fairmont, Del Mar, Churchill, Arlington, portions of Saratoga, Preakness and Remington have piping for reclaimed water.
- Mr. Hanzel requested meter and account numbers.
- Mr. Peters verified only Remington and Churchhill are piped for reclaimed water and the others use city water for irrigation. He spoke to Ms. Pam Wright with Pasco County Utilities on March 1<sup>st</sup> who was going to send out an engineer to investigate. According to a report showing water usage by the golf course from July 2005 to June 2006, 75% of the water was used by the golf course while Remington and Churchhill

only use 5% and the CDD uses 20%. Furthermore, 65% of the water used by the community comes from wells with 35% being reclaimed water.

**B. Street Light Billing CDD or County**

- Mr. Peters reported 557 homes were billed \$71.55 on their tax bill by Pasco County as a Street Light District. The CDD bills the remaining homes through assessments for 238 decorative street lights at \$4,000 per month or \$48,000 per year, spread over 1,509 homes. Some residents pay \$30 to the CDD while the residents in the Street Light District pay \$100.
- According to the Street Light Coordinator and Withlacoochee, Pulte petitioned the county to establish the Street Light District.
- The District can add 952 homes to the CDD billing by having 480 homeowners sign a petition or the CDD can request Withlacoochee remove 557 homes from their billing and bill through the CDD in January.
- Mr. Hanzel inquired how much more money each resident will be billed. Mr. Peters verified they will be billed \$50 more per month as the District’s expenses will increase due to the additional residents. He felt this was the best option for the entire District.
- Mr. Hanzel requested this item be added to the budget and the county dissolve the Street Lighting District.

On MOTION by Mr. Hanzel seconded by Ms. Carlson with all in favor a letter will be sent to Pasco County requesting the Special Lighting District be dissolved.

- Mr. Hanzel directed staff to write the letter and send to the Pasco County Commissioners.

**C. Discussion of 2008 Fiscal Year Budget**

**i. Reserves**

**ii. September 30, 2006 Financials**

- Mr. Mendenhall submitted the draft audit report and highlighted the following:
  - The audit will not change between the draft and the official version.
  - As of September 30<sup>th</sup>, the total Fund Balance for the General Fund was \$113.917, which will be carried over to the 2007 budget.

- This was a positive audit
- A road reserve will be established in the amount of \$55 per home per year for Hawthorne and \$45 per home per year in Preakness.
- Mr. Peters requested the reserve payment for Fiscal Year 2004/2005 be included.
- The difference in the amount Preakness and Hawthorne pays is based on the amount of roads and homes.
- The gate cost in Preakness and Hawthorne should be paid for with the reserve.
- Mr. Mendenhall will obtain billing data on the gates and bring to the next meeting for budgeting purposes.
- Mr. Bechtel addressed the following:
  - Inquired why the CDD was required to maintain the roads in Preakness and Hawthorne and not the remaining villages. Mr. Peters reported the CDD owns the roads in Preakness and Hawthorne behind the gates and Pulte, Pasco County and some unknown entity were responsible for the maintenance of Lexington Oaks Boulevard beyond the circle.
  - Requested a separate line item in the budget for the gates.
  - Mr. Hanzel verified the reserve is an amount set aside for the roads only and the gate fee is an ongoing maintenance expense.
  - Requested a separate line item for maintenance.
  - Mr. Peters reported funds were budgeted in separate accounts for Hawthorne and Preakness to pay gate maintenance bills.
- Ms. Carlson inquired whether there were any insurance reimbursements for gate repairs. Mr. Mendenhall verified any insurance reimbursements go into the reserves and any remaining reserve will be divided between Preakness and Hawthorne.
- Mr. Peters provided the following calculation:
  - \$170 times 113 homes in Preakness is \$19,210
  - \$170 times 54 homes in Hawthorne is \$9,160
  - \$19,210 plus \$9,160 is \$28,370
  - \$28,370 with the early payment discount is \$27,254
  - Gate maintenance for Preakness & Hawthorne for 2004/2005 is \$4,158
  - Gate maintenance for Preakness & Hawthorne for 2005/2006 is \$8,125

- Gate maintenance year to date is \$551
- \$4,158 plus \$8,135 plus \$551 is \$12,844
- \$27,254 minus \$12,844 is \$14,410, which is the reserve
- Telephone charges for both Preakness & Hawthorne is \$1,800 or \$5,400 for three years.
- \$14,410 minus \$5,400 is \$9,000 for reserves to be split between Preakness & Hawthorne based on the number of homes.
- Mr. Ted Walen inquired whether gated communities are handled differently.
- Mr. Peters verified Churchhill and Pimlico have their own HOA and are responsible for their roads.
- Mr. John Pienkowski inquired why Hawthorne is paying more than Preakness. Mr. Peters verified the square footage of roadway in Preakness is 76,000 versus 44,000 square feet in Hawthorne.
- Mr. Ron Treneman suggested the new road reserves earn interest and requested copies of the gate bills.
- Ms. Carlson directed staff to look at putting the reserve into an interest bearing account.
- Mr. Hanzel suggested having separate line items in the budget for Hawthorne and Preakness.
- Mr. Peters requested a report from Mr. Valentine on the District assets. Mr. Mendenhall will contact Mr. Valentine and have him provide an addendum at the workshop.
- A general reserve line item will be added for assets.
- Mr. Hanzel requested the Tax Collector and Property Appraiser create a third line item in the tax bill for Preakness and Hawthorne CDD and gate fees. He stated these items can be deducted from the residents Federal Income Tax.

**D. Ratification of Items Discussed at March 14, 2007 Workshop**

**Aquatic Systems Increase**

- Aquatic Systems requested an increase from \$1,700 to \$1,770 a month. The District budgeted \$1,700 per month for lake maintenance. They spray 44 ponds for algae control.
- Mr. Peters requested the increase take effect in October of 2007.
- Mr. Hanzel suggested the District go out for bids. He thought Aquatic Systems sprays all the ponds at once but actually spray some of the ponds one month and another group of ponds the next month. Mr. Millard reported Aquatic Systems sprays 11 ponds per week.
- Mr. Hanzel agreed to remain with Aquatic Systems so long as they spray every pond once a month.
- Mr. Peters directed Mr. Millard to inform Aquatic Systems the increase will take effect on October 1<sup>st</sup> and to go out for bids.

**OneSource Proposal**

- Mr. Millard submitted a proposal from OneSource to repair the entrances to each village by replacing the dead mulch and Liriope grass with sod in the amount of \$25,758.60.
- Mr. Hanzel requested the five entry center islands be deleted from the proposal. He disagreed paying \$13 per plant for a three gallon ornamental plant or \$12,506 for 962 plants. Mr. Millard verified these are the plants for the monuments.
- Mr. Peters advised the Board decided at the workshop to hold off on the ornamentals but remove the dead mulch and Liriope and install sod until OneSource can approach the Board. He requested the following items be completed:
  - Removal, disposal and bed prep. - \$1,625.00
  - 26 cubic yards topsoil - \$1,040.00
  - 9,080 square feet of St. Augustine sod - \$6,537.60
- Ms. Ester Larkin feels it is wise to complete all the work now.

On MOTION by Mr. Peters seconded by Mr. Bechtel with Mr. Hanzel, Mr. Dolente, Mr. Bechtel and Mr. Peters voting aye and Ms. Carlson abstaining, the OneSource proposal for entry

monument enhancement was approved in the amount of \$9,202.60, with removal of the dead mulch and Liriope only.

- Mr. Millard submitted a proposal from OneSource for roundabout landscape enhancement in the amount of \$11,320.
- Mr. Hanzel addressed the following:
  - Inquired why this work was being done and who requested it. Mr. Millard verified OLM suggested this work for the center islands.
  - Feels there is decent grass and money is being wasted. It should have been taken care of by Luke Brothers or OneSource needs to be more aggressive in their treatment of the weeds and fertilizing.

The proposal will be placed on hold to be discussed at the next workshop.

- Mr. Peters addressed the following:
  - Inquired whether the price from OneSource for mulch/Pine Bark at the Clubhouse entry was changed from \$4,500 to \$3,800. Mr. Millard verified the change in the amount.
  - Inquired about the proposal for the Remington berm. Mr. Millard verified the amount was re-configured and under \$300.
  - Inquired about the dead sod. Mr. Millard verified the Board wanted to hold off until the Boulevard construction was completed.
- Mr. Hanzel took pictures of the plantings in the North Hampton area and suggested one or two plantings be removed from Remington and re-planted in North Hampton.
- Ms. Carlson agreed the area was bare and complaints were received from residents in Pocono. She inquired whether there will be plantings in this area. Mr. Millard verified plantings were not removed but the berm was trimmed as well as the berms in Fairmont and Churchhill. Mr. Peters feels there is not enough money in the budget to replace every berm.

#### **E. CDD Fees**

- Mr. Peters discussed the following fee options as presented at the workshop:
  - *Summer Fees for Outside Swim Instructor:* Ms. Brenda will be charged \$500 per month and two to three lifeguards will be hired at \$9.00 per hour from April to October.

- *Copier Fees:* Increased to 15¢ per copy.
- *Rental Fees for Community Center for Private Events Excluding Swimming Pool:* The fee for resident birthday parties for children 10 years or under is \$50 for six hours. The fee for resident adult non-alcoholic events is \$90 for six hours. The fee for resident adult alcoholic events is \$120 for six hours and for Non-Resident events is \$150.
- *Rental Fee for Outside Park:* The fee for a private event is \$20 and must be scheduled.
- *Pool Rental:* There is no charge but the pool party must be in an assigned area. No glass is allowed and no swimming after dark. There will be a \$50 fee for resident parties held after dusk to midnight. Mr. Millard advised the Clubhouse was open until 11:00 P.M. Non-residents were not permitted use of the pool.
- *Rental of Tennis Courts:* The resident rental fee for private/profit purposes is \$25 per hour and \$50 per hour for non-residents and must be scheduled.
- All deposits remain the same.
- These fee options will be considered at the May public hearing.
- Mr. Bechtel inquired whether there needs to be a fee for groups meeting at the Clubhouse. Ms. Carlson confirmed the groups using the facility during the day are exempt from paying so long as the community is allowed to participate.

**F. Reserves for Hawthorne and Preakness Charged for Fiscal Year Ending September 30, 2005 but No Separate Accounts Established**

This item was discussed earlier in the agenda.

**G. Establishing Policy for Fishing, Boating and Swimming**

- Mr. Peters suggested posting signage prohibiting swimming, fishing and boating on CDD ponds.
- Ms. Pat Corba addressed the following:
  - Inquired whether all ponds in the District were owned by the District. Mr. Peters verified most ponds were owned by the District or the golf course but some were on the record as being owned by the HOA. However, this is incorrect as the HOA cannot own any assets and currently being straightened out.
  - Inquired why this issue was brought up. Ms. Carlson advised children are swimming in the ponds. Mr. Peters advised the Board did not want to be

responsible for people eating poisoned fish and residents complaining about trespassing by fisherman going onto their property to fish. Ms. Corba was not against fishing in the ponds as her husband and son fish in their pond.

- Mr. Ted Walen and Mr. John Pienkowski were against the pond restrictions in regards to fishing.
- Ms. Cass Peters inquired whether SWFWMD had issues with boating in the ponds.
- Ms. Larkin requested a pond be designated as a “catch and release” pond.
- Mr. Hanzel advised the posting of a no boating/swimming/fishing sign protecting the District from legalities if the District is sued. The residents against the no fishing policy live on ponds and fish themselves. The issue is people from outside the community parking their cars and fishing behind residents’ homes. The Game and Fish Department does not require a fishing license and provides public notice in regards to the accessibility of fishing in Lexington Oaks ponds.
- A resident suggested posting a sign for fishing and boating at own risk.

After further discussion, there was consensus from the Board to enact a policy to ban swimming, fishing for “catch and release” only and fishing and boating at own risk, to be reviewed by District Counsel. The placement of signage will be discussed at the workshop.

**FIFTH ORDER OF BUSINESS**

**Manager’s Report**

Mr. Mendenhall reported the following:

**Ecological Consultants**

- Ecological Consultants was advised to stop monitoring the pond released by SFWMD and check in with the office when they arrive on-site. They offered to take Board members out with them as they performed their monitoring. Mr. Mendenhall requested maps of the monitored ponds and service contracts from Ecological Consultants and Florida Native Nurseries. They will be provided to the Board upon receipt.

**Architect for Fitness Center**

- The RFP for the Architect was advertised, however, there were no responses. Any proposals received will be provided to the Board. Mr. Mendenhall will provide a

copy of the advertisement to Mr. Valentine to provide to Architectural Firms he works with.

- Mr. Robin and Mr. Valentine will attend the April workshop.
- Ms. Carlson inquired whether there was an advertisement placed for security companies to provide proposals for security cameras around the Clubhouse. Mr. Mendenhall advised if the price will not be above \$150,000, it does not need to be advertised.
- Mr. Hanzel suggested taking the best proposal from the two companies who submitted proposals and using as a specification. Ms. Carlson expressed concern over using a proposal from another company and suggested calling both companies to update them on the status. Mr. Mendenhall will contact the companies once the RFP is prepared and Mr. Millard will bring the proposals to the workshop. Mr. Hanzel offered to work with Mr. Millard to develop the specifications.
- At the workshop, there was a question on how the assessment for the golf course and day care center relate to the bond indebtiveness. Mr. Mendenhall advised he did not know the formula but will do some research. The original Assessment Methodology was prepared by Rizzetta & Company. Mr. Peters feels the golf course should pay more assessments as they currently pay the same amount as the day care center. Mr. Mendenhall suggested the Board discuss this matter with District Counsel.
- Mr. Peters requested the Board provide Mr. Mendenhall with any items for the engineer and attorney to follow-up on before the next meeting.
- Mr. Dolente requested training information for the new Board members. Mr. Mendenhall advised the individual who prepares the welcome packages tendered her resignation a week after the last meeting but his Secretary will provide this information. He advised the new Board members to contact him with any questions.

**SIXTH ORDER OF BUSINESS**

**Attorney’s Report – Update on Ownership of Pumps and Ponds**

This item will be tabled until the next meeting as the attorney was not in attendance.

**SEVENTH ORDER OF BUSINESS**

**Engineer’s Report**

- A. Reserve Study**
- B. Update on Capital Projects**

The above items will be tabled until the next meeting as the engineer was not in attendance.

- Mr. Dolente requested a list of capital projects. He expressed concern about the limited amount of money to be used for these projects.
- Mr. Hanzel requested the company doing the kitchen work be selected at the workshop and directed Mr. Millard to provide proposals at the workshop and remind the bidders they need to obtain permits.
- Mr. Peters addressed the following:
  - Requested a status report on the playground. Mr. Millard contacted Mr. Valentine who reported the permit was picked up two weeks ago.
  - Inquired about the solar heating. Mr. Millard provided a proposal and specification sheet to the Board. Mr. Hanzel advised he went on the internet and found a state contractor for this type of work in Coral Springs. Mr. Peters requested a price for operating the heater.
  - Inquired whether the moisture sensors were installed. Ms. Carlson confirmed they were in place.
  - Inquired whether the fountain was working. Mr. Millard advised he had not received a call from the company installing the fountain and will follow-up.
  - Inquired about the repair of the ponds. Mr. Mendenhall will contact Mr. Valentine to follow-up.
- Mr. Mendenhall inquired whether the Board wanted to consider reserves for the ponds. Ms. Carlson suggested the ponds be covered under operations and maintenance. Mr. Mendenhall verified the operations and maintenance funds can only handle small fixes and maintenance items.
- Mr. Peters advised the ponds are identified in the Reserve Study.

**EIGHTH ORDER OF BUSINESS**  
**Site/Clubhouse Manager**

**Staff Report**

There not being any, the next item followed.

**NINTH ORDER OF BUSINESS**

**Supervisor Requests**

- Ms. Carlson addressed the following:

- Requested the Board not use Brandon Lock and Key. Mr. Millard advised they only have to use them for another month.
- Advised the roads were being repaired but the irrigation will be shut off in order to make repairs to the underdrain. Mr. Millard confirmed the water will be turned back on by Tuesday. In the meantime, tanker trucks will be brought in to irrigate the sod and Pulte will be responsible for the bills since it was their underdrain work.
- Inquired about the ponds being transferred to the golf course. Mr. Mendenhall verified Mr. Robin meant to say the transfer of ponds was applied for. SWFWMD confirmed nothing was transferred from Pulte to the golf course.
- Submitted solicitation received from Ms. Corinne Norton representing Wrathel, Hart, Hunt & Associates. Mr. Mendenhall advised brochures and emails were sent to Board members in all his Pasco County Districts.
- Inquired how many Districts Mr. Mendenhall handles and if they were the size of this CDD. Mr. Mendenhall verified he managed 11 Districts with Meadow Pointe II, Rivercrest and Oakstead being of similar size.
- Inquired about the status of Mr. Bob Fernandez. Mr. Mendenhall confirmed Mr. Fernandez is the Regional Manager at Severn Trent Services. Since Mr. Mendenhall lives in the area, he now handles all the Pasco and Hillsborough County Districts.
- Requested Mr. Valentine be authorized to prepare the Traffic Enforcement Study for Preakness and Hawthorne and provide at the April workshop or regular meeting. Mr. Bechtel inquired about the purpose of the Traffic Study. Ms. Carlson advised the roads in Preakness and Hawthorne are private roads and this study needs to be performed in order for the police to have access.

On MOTION by Mr. Hanzel seconded by Mr. Peters with all in favor the District Engineer was authorized to perform the Traffic Enforcement Study for Preakness and Hawthorne in an amount not to exceed \$2,800, to be paid for out of the reserves for Preakness and Hawthorne and forwarded to Pasco County.

- Reported on Tuesday, two boys were caught setting fires to trees cut down by vandals in the woods behind the playground. The Sheriff's Department and Fire

Department responded and along with Crime Watch, Mr. Peters and Mr. Hanzel; the boys were apprehended. There was extensive damage. The boys admitted to the Sherriff they started the fires. Since this was their first offense, the boys were enrolled in the Youth Offenders Program, requiring the boys and their parents to attend. If at any point in time the program was stopped by either of the boys or their parents do not attend, they will be charged with a felony. Part of the program requires restitution or community service. The officer in charge of the program will notify the CDD to determine if restitution or community service will be performed. The restitution is \$500 per tree plus the cost for the Fire Department to respond. Ms. Carlson thanked those involved in apprehending the boys.

- Mr. Peters directed staff to follow through with the restitution and suggested banning the boys as well as the boys who set fire to the newspaper box from CDD property. Mr. Mendenhall advised the Board can revoke certain membership privileges as a CDD.
- Mr. Hanzel directed Mr. Robin to send letters to the boys parents banning them from using CDD facilities for a certain period of time. He felt the CDD should get restitution for damages caused to District property and have the Fire Department obtain their own restitution. Ms. Carlson agreed with obtaining restitution as SWFWMD can hold the District liable for the damaged trees. Mr. Peters requested Ms. Carlson work with Mr. Robin to obtain restitution and banning the boys from using District facilities.
- Mr. Hanzel addressed the following:
  - Requested Mr. Millard research the cost for an electronic sign to be controlled from within the Clubhouse and be at least 8 x 12 to advertise meetings.
  - Inquired whether the time clocks are functioning.
  - Inquired whether a letter was sent to the newspaper regarding removal of their boxes due to one box taking over a parking spot and the others becoming a hazard. Mr. Millard confirmed one was removed and the other two will be removed shortly.
  - Inquired how much annual leave Mr. Millard has taken and requested the staff schedule be expanded past 4:00 P.M. from April through October.

- Mr. Peters discussed the following workshop items:
  - *Allocation of \$50 per month for Mr. Millard to cover his gas expenses.*

On MOTION by Mr. Hanzel seconded by Mr. Peters with all in favor the Site Manager will be allocated \$50 per month to cover transportation expenses.

- *Authorizing Mr. Peters the ability to spend up to \$1,500 per month without Board approval.* Mr. Mendenhall suggested the Chairman be authorized to expend the funds.

On MOTION by Ms. Carlson seconded by Mr. Hanzel with all in favor the Chairman was authorized to spend up to \$1,500 per month without Board approval.

- *Approval of Plantings at Entry to Villages:* This item was discussed earlier in the meeting and will be discussed at the workshop.
- *Approval of Vibertium by Remington:* This item was discussed earlier in the meeting.
- Mr. Peters addressed the following:
  - Sent a letter to Pulte regarding the maintenance guarantee but has not heard from Mr. Tim Murray. Mr. Mendenhall advised he received a copy of a letter sent from Mr. Murray to Mr. Fernandez, which he forwarded to Mr. Valentine to bring up at the workshop. He apologized for not providing the letter to the Board sooner.
  - Inquired who Mr. Bob Hubble was as referenced in the letter from Mr. Robin regarding the ponds and the agreement with the golf course. Mr. Hanzel confirmed Mr. Hubble is employed by the golf course and attended the meeting where Ms. Pam Wright discussed reclaimed water.
  - Mr. Hanzel and Mr. Valentine met with representatives of the golf course in regards to the Reclaimed Water Agreement and developing a working relationship with the golf course in the sharing of the water and offsetting the cost for operation of the pumps. Mr. Hanzel requested the District Attorney discuss this matter further at the workshop.

- Requested the funds for replacement of the dishwasher and refrigerator in the kitchen come from the O&M Fund. He feels some items were not justified such as the new sink. Ms. Jolee Fallis feels a new kitchen was needed. Mr. Peters requested a breakdown of all items from Mr. Millard to show what the money was going to be legally used for. Ms. Carlson directed Mr. Millard to prepare a report for the next workshop on what was going into the kitchen and what the Fire Marshall required.

**TENTH ORDER OF BUSINESS**

**Audience Comments**

- Mr. Charles Daysh addressed the following:
  - Inquired whether Pulte will replace the pavers at the front entrance.
  - Inquired whether the Oak Trees were replaced in Churchhill as the trunk and roots were still exposed.
- Mr. Hanzel submitted a letter received from JC Mulé requesting a “No Soliciting” sign for the gate. Mr. Mendenhall will obtain prices.

**ELEVENTH ORDER OF BUSINESS**

**Approval of the Financial Statements, Check Registers and Invoices**

- Mr. Bechtel addressed the following:
  - According to the Balance Sheet, there was \$665,000 in the bank. He requested cash on hand of \$200,000 and the remaining funds be placed in the State Board Account to draw interest.

On MOTION by Mr. Bechtel seconded by Mr. Peters with all in favor two months worth of expenses will be transferred into the State Board Account.

- Inquired whether the \$13,000 budgeted for Preakness and Hawthorne can be transferred to another account. Mr. Peters advised there was no account to transfer the money to. Mr. Mendenhall reported expenses will be drawn from the line item rather than money going in as a reserve deposit.
- Requested the accountant contact Verizon to consolidate their five bills into one bill. Mr. Millard confirmed he received a phone call from Verizon on Tuesday and they will be lowering their rates. The five bills are for different phone lines.

- Mr. Hanzel inquired whether the Gatetime bill for swing equipment was for the swing set. Mr. Millard confirmed this was the case and reported the equipment will be installed shortly.
- Mr. Peters addressed the following:
  - Requested “Collection Fees” and “Early Payment Discount” be removed from the budget and current year actuals.
  - Reported 54.7% of the budget was spent under administrative in 2% of the year. Legal fees were overspent. The total spent excluding “Collection Fees” and “Early Payment Discount” was 32.8%.

On MOTION by Ms. Carlson seconded by Mr. Bechtel with all in favor the financial statements, check registers and invoices in the amount of \$95,788.56 for the period ending February 28, 2007 were approved.

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Ms. Carlson seconded by Mr. Bechtel with all in favor the meeting was adjourned.

---

Andrew P. Mendenhall  
Assistant Secretary

---

Don Peters  
Chairman