

**Budget Workshop  
of the  
Captiva Erosion Prevention District**  
11513 Andy Rosse Lane, Unit 4, Captiva, Florida 33924  
July 9, 2013 @ 1:00 PM

**Commissioners Present:** Jim Boyle (Chair); Harry Kaiser (Secretary); Dave Jensen (Treasurer); Doris Holzheimer (Vice Chair).

**Absent:** Mike Mullins (Commissioner).

**Staff Present:** Kathleen Rooker, CEPD Administrator; John Bralove, CEPD Assistant to the Administrator; Robin Mixon, CFO, Hans Wilson and Associates.

**1. Call to Order**

Chairman Boyle called the meeting to order at 1:00 P.M

**2. Roll Call**

The roll was called and the results are outlined above.

**3. Budget**

**a) Proposed 2013/2014 Budget**

Ms. Rooker presented the General Budget saying that it was essentially the same as Commissioners had seen at the first Budget Workshop in June. She explained the six column headings and the purpose of and the abbreviations in the notes column. She asked if there were questions. Mr. Jensen noted that the consulting fees budget for 2013/14 was down \$10,000 from this years' budget and Ms. Rooker explained that the fees proposed by Hans Wilson and Associates were lower than what Partners in Progress had proposed. Ms. Holzheimer asked about the note about ½ of the accounting fees charged to the General Account and Ms. Rooker explained that ½ of the accounting fees are charged to the Capital Project Account.

Ms. Rooker commented that CEPD will meet its reserve goal for the current fiscal year. Chairman Boyle commented that the budgeted expenses for 2013/14 are \$18,000 less than the current fiscal year's budget.

**b) 2013 Taxable Property Value**

Ms. Rooker pointed out that the official taxable value of property on Captiva as determined by the Lee County Tax Assessor was \$1,211,393,201, a slight decrease from the previous year.

**c) Millage Rate**

Ms. Rooker explained that keeping the current millage rate of .3064 would mean collection of ad valorem taxes of \$352,612 for 2013/14 based on the 95% rule. Based on the rolled back rate of .3124, the amount of ad valorem taxes collected in 2013/14 using the 95% rule is \$359, 517. She said since the proposed budgeted expenses are \$338,861, either the current millage rate or the rolled back rate will cover the new fiscal year's budgeted expenses for the General Budget. Chairman Boyle recommended the rolled back rate because of the ongoing easement issue that the ACOE has

brought up. He said the rate can be reduced at the September budget hearings depending on what CEPD hears from the Corps.

After a question from Mr. Kaiser, Mr. Boyle explained what the easement issues were, particularly regarding the ACOE wanting written public use easements in certain areas. He added that the cost share, if the ACOE does not change its position, drops from 27% to 0.6%. He said he and Mr. Rooker will be traveling to Washington, D.C. next week to meet with the Deputy to the Assistant Secretary of the Army at the Pentagon. A senior staff member from Senator Nelson's office and CEPD's lobbyist will also attend. Mr. Kaiser asked what this might mean in additional costs for the project if this is not settled in CEPD's favor and Mr. Boyle estimated that it would mean Captiva property owners would have to pay an additional \$1 million. He added that CEPD has already spent money for engineering and design that it would not get back. Ms. Rooker said CEPD is moving forward while this issue is still being debated so CEPD will not lose its place in the queue and the schedule now calls for the ACOE to open bids this Friday. Ms. Holzheimer asked whether there were anything Chairman Boyle wanted the Commissioners to do and Mr. Boyle answered not at this time.

Mr. Jensen commented on the \$20,656 difference between the revenue generated by the rolled back rate of \$359, 517 and the General Budget expenses being proposed of \$338,861. Ms. Rooker suggested that this amount be added to the General Budget, splitting it between Professional/ Consulting and Legal Fees to cover costs for legal fees in reference to easement issues and anticipated higher fees for a new accountant. Mr. Boyle agreed. Mr. Jensen moved and Mr. Kaiser seconded a motion to adopt the rolled back rate and add \$20,656 to the General Budget to be split evenly between Professional/Consulting and Legal Fees. The motion passed unanimously. Ms. Rooker mentioned this motion will come up again tomorrow at the Regular Board Meeting when the DR-420 is discussed. She added the Agenda Materials for tomorrow will have the new budget in them reflecting the decision just now made

Chairman Boyle moved the discussion to the Capital Budget. Ms. Rooker reminded Commissioners that the Capital Budget was not part of the ad valorem process. She said this budget had been reviewed at the June workshop. She said it was based on current project cost estimates, which are still not determined, when CEPD is billed for the work, and cost-sharing, which also could change. There may be adjustments before the final budget hearing as more information becomes available. Mr. Boyle explained that CEPD is allowed to increase the budget without the same constraints as the ad valorem process. There was additional discussion on the easement issue, its impact on other projects in Florida, and the consequences of increased dredging costs. Mr. Jensen moved and Mr. Kaiser seconded a motion to approve the Capital Budget as proposed. The motion passed unanimously

#### **4. Commissioner Comments**

There were none.

#### **Adjourn**

There being no further business, Chairman Boyle adjourned the meeting at 1:38 P. M.