

**BOARD OF SUPERVISORS MONTHLY MEETING
OF THE SAN CARLOS ESTATES WATER CONTROL DISTRICT
MONDAY, MARCH 20, 2023 6:00 P.M.**

BONITA SPRINGS CHAMBER OF COMMERCE, 25071 CHAMBER OF COMMERCE DR, BONITA SPRINGS FL 34135

- 1. Call Meeting to Order:** Jim Bradford called the meeting to Order at 6:00 PM.
- 2. Roll Call of the Board of Officers:** Present are Supervisors Jim Bradford (Jim), Chair; Jennifer Finazzo (Jennifer), Vice-Chair; Supervisor John Cellucci (John), Attorney Richard Pringle (Richard); Engineer Ron Edenfield (Ron) and Secretary/Treasurer Chris Lawson (Chris) and 17 guests.
- 3. Receive Engineer's Report on District Works:**

13 open permit applications under review; 3 new permits; 3 closed permits; inspections on 32 different lots

Ron recently noticed a plugged culvert and Jim stated that he thought Morris Depew had installed the plugs. Ron will speak with Morris Depew to determine the purpose. Ron spoke with Mark Howell is finalizing the MS4 report. Ron will distribute the final report to everyone.

With respect to FEMA projects, Ron has begun the inspections of the roadways and the failures experienced. Partially through with the inspections so not complete.
- 4. Chairs Report:** FEMA meetings continuing. FEMA has extended timeframe for three (3) months for the cleaning of the canals and culverts. As a reminder, at the Emergency meeting post-Hurricane Ian, the Chair was authorized to enter contracts and activities related to Ian only. These projects will be sent out to bid. The extension was since all the work un unknown since the due to the water levels in the District works. FEMA is scheduling site inspections with FEMA site inspectors. Richard clarified that when we had the Emergency meeting with the Board the Chair was authorized to act and enter into agreement to complete, repair, and restoration of the Districts works – canals, roadway, all. The authority was broader than what FEMA may authorize and reimburse. Even if FEMA will not reimburse the work, the Chair has the authority to get the work done to protect, repair and restore the District's improvements in the ROWs.
- 5. Treasurer's Report:** Bills were presented for payment. The current income and expense, check detail, and income and expense year-to-date comparison reports were presented for the month of March 2023. The variances year-to-date were addressed.
- 6. Attorney's Report:** Richard stated that he continues to work on items for the District.
- 7. Amendments to the Meeting Agenda – None**
- 8. Public Input on Business Agenda Items (3-minute limit) – None**
- 9. Business Agenda Items (Agenda Items Requiring Action)**
 - a. Meeting Minutes Approval – 02/20/2023 –** The February 20, 2023 meeting minutes was approved.

- b. **Financial Report Approval – 02/20/2023 and 03/31/2023 as of 03/20/2023** – The financial reports and bank statements for February 20, 2023 were approved. The March 20, 2023 financial reports were approved.
- c. **Tuscan & Company – Presentation of FYE 09/2022 audit results** – Jeff Tuscan made a presentation of the audit results to the Board. He provided a copy of his report along with charts to the Board. Copy attached. He pointed out some differences because the standard and format of the audit changed, along with some additional disclosures. In addition to providing his report, he reviewed the prior year comments and stated that they were two that remained outstanding: assignment of funds balances and fixed asset policy. He further stated that the Board should address those items so that they are not a comment in the report for a third year. The Board approved a resolution of the assignment of funds balances at the last meeting which was provided to Lisa McKenzie as was a copy of the approved Policy and Procedures Manual which includes an asset policy. The Board approved the audit report for the fiscal year-end 09/30/2022. The audit report will be mailed to the Attorney General as required by law.
- d. **Contracts – Canal and perimeter road cleaning; roadway trimming; culvert cleaning** – There are requests for proposals that have been worked and Ron has been working on scopes of work related to these contracts. The scopes of work might be affected in part by the work being is being done for the repair and restoration of the District’s canals and roadways because of Hurricane Ian impact. This item will need to be continued because of we are still working on the completion of the request for proposals and the modified scope of work especially for this year that is related to the action that is going to be done through the Hurricane Ian repair and restoration work. This item is continued to the next meeting.
- e. **Hurricane Ian – Damage issues/resolution/repairs/FEMA/Payments for repairs** - Item continued to the next meeting.
- f. **Manager - Job description/Selection** – Jennifer requested that the Board have a Special Meeting before the next regular meeting so that she may present her presentation to the other Board Members so that a decision can be made to move forward with the new managerial position based on the Florida Statutes 298.14, 298.17, and 298.19. Richard said a Special Meeting would be appropriate. The District has not had a Manager’s position in the past. Having a meeting dedicated just to that job description and how it inter-relates with the Treasurer’s job description and Secretary’s of the Board and the District job description. All three of those positions inter-relate: who does what; how the relationships not only with each other but also will be with the Board, Engineer, and Legal Counsel; how it will work monthly; and what the expectations are of those positions. John also suggested that Ron be included to participate so that he may discuss any questions as they may relate to the scope of the duties and abilities of the potential manager. This position will include pre-engineering work not just administrative work. Ron said he would be available in person or by phone. A Special Meeting will be scheduled on April 3, 2023 at 10 AM.
- g. **Secretary/Treasurer - Job description/Selection** – This will be discussed at the Special Meeting scheduled for April 3, 2023 at 10 AM.
- h. **Annual Meeting: Set date and time for annual meeting** – Florida Statute 298 requires that an annual land-owners meeting is held. At that meeting, several activities occur. One of which is the election of a Supervisor for a three-year term and the other primary item that occurs is that the Engineer (or someone on behalf of the District) makes a presentation of the work that has been performed on behalf of the District this past year and may also include a description of the work that may occur in the upcoming year. An annual land-owners letter will be mailed to all the landowners that may include but not be limited to the explanation of the limited power proxy (power of attorney); other topics relate to manual for permitting and rules of the District. The annual land-owners meeting must be held in the same month as the first original land-owners meeting. From what we can determine is that the first annual landowners meeting for San Carlos Estates Water Control District occurred in September. The meeting is

tentatively scheduled for 09/23/2023 at 10 AM. This item will be continued for final decision at the April meeting.

- i. **Website: Streamline hosting platform** – John discussed that the benefits of the Streamline hosting platform. Streamline is a company that specializes in website creation, hosting, and .org email for special districts. The costs are a one-time set up fee \$250, monthly fee of \$180 based revenue, and an additional small fee for email services. Richard said that he thought it was a good idea to work with a company that understands the statutory requirements of special districts overseeing the placement of content on the District’s website. Richard said that for the Florida Association of Special Districts (FASD) which is the state-wide association of all kinds of special districts in the State of Florida to be affiliated with the organization and to be recommended or suggested is a good thing. He has found that several districts try to do their own and have compliance problems. To have an independent contractor do the work so that the compliance requirement is satisfied is a very good benefit, in his opinion, that you receive from this effort.

John asked if the District was a member of FASD. Richard said the fee was based on revenue. Without more information, the decision to join cannot be made.

- j. **DEP Grant – Is there a project that meets the grant guidelines and should District apply?** Jim said that every grant that has opportunities should be reviewed. Ron said he wanted to talk to the FEMA coordinator who also is our connection to the State of Florida group and mitigation dollars that the State of Florida offers. We will be meeting this week and the question are these two programs in conflict or in competition or are they both open and available to us. The deadline is 03/31/2023 to apply. Ron said we would not want to go after one and then lose the opportunity to the other. If they are not in conflict, then we might want to consider making the application. Jim said that he and Ron will investigate it. Richard said that no motion is needed to act because the Chair already has the authority to act on any decision that falls under the authority granted for decisions related to Hurricane Ian repairs.

- k. **Gate Report and Recommendation(s) – Supervisor John Cellucci**

John made a presentation of the inspection of the gates within the District that he and Michael Peale conducted. He explained the actions he and Mike took to get a detailed inspection. There are some gates that are consistent, and others are ad hoc. He would like to see eventually a better consistency and standardization with the gates going forward. There is no decision to be made at this point with all the already installed gates as he was only attempting to do the research and get a baseline on the topic. John recommended that a fixed barrier gate at the end of Amarillo and Rocky Road and possibly a chain with a lock versus the swinging gate. Jim stated that he would like to see costs the associated his recommendation and that emergency vehicles would need to be able to travel the roadways.

Motions approved by Board noted Business Agenda Items (Agenda Items Requiring Action):

- **Approve the February Monthly Meeting Minutes:** Jennifer made the motion to approve the February 20, 2022 monthly meeting minutes. John seconded the motion. Motion passed 3-0.
- **Approve the February 2023 Bank Statements and February 2023 Financial Reports; 2023 March Bills and March 2023 Financial Reports:** Jennifer made the motion to approve the February 2023 bank statements and financial reports. John seconded the motion. Motion passed 3-0.

Jennifer made the motion to approve the February 2023 bank statements. John seconded the motion. Motion passed 3-0.

John made the motion to approve the March 2023 bills and financial reports. Jennifer seconded the motion. Motion passed 3-0.

- John made the motion to continue Item 9d - Contracts – Canal and perimeter road cleaning; roadway trimming; culvert cleaning to the April meeting. Jennifer seconded the motion. Motion passed 3-0.
- John made the motion to continue Item 9e - Hurricane Ian – Damage issues / resolution / repairs / FEMA / Payments for repairs – Item continued to the April meeting. Jennifer seconded the motion. Motion passed 3-0.
- Jennifer made the motion to have a Special Meeting on April 3, 2023 at 10 AM regarding the Manager, Secretarial, and Treasurer positions. John seconded the Motion. Motion passed 3-0.
- Jim made the motion to continue Item 9h - Annual Meeting: Set date and time for annual meeting to the April meeting for final decision for the date and time. Jennifer seconded the motion. Motion passed 3-0.
- John made the motion to consider adopting this website project and would like to see some participation from landowners in designing and content. Jennifer seconded the motion. Motion passed 3-0.
- Jim made the motion for John to continue his investigation and provide the Board with his recommendation(s) on the gate report in the District at the next regular meeting. John seconded the motion. Motion passed 3-0.
- John made the motion to approve the audit report for the fiscal year-end 09/30/2022 as presented. Jennifer seconded the motion. Motion passed 3-0.

10. Public Input (3-minute limit) - None

11. Supervisor Comments - None

12. Adjournment: Jim Bradford made the motion to adjourn the monthly meeting. John seconded the motion. Motion passed 3-0. Meeting adjourned at 8:05 pm.



Affiliations

Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

Chris Lawson
San Carlos Estates Water Control District
P.O. Box 367807
Bonita Springs, Florida 34136

We have audited the financial statements as described in our engagement letter of San Carlos Estates Water Control District for the year ended September 30, 2022. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards (and if applicable, *Governmental Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note A to the financial statements. We noted no transactions during the year for which there was a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the depreciation is based on the straight line depreciation method. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

INTEGRITY SERVICE EXPERIENCE

12621 World Plaza Lane, Building 55 • Fort Myers, FL 33907 • Phone: (239) 333-2090 • Fax: (239) 333-2097

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We have included copies of any proposed adjustments and waive differences with the representation letter and the financial statements sign off memorandum.

Disagreements with Management

For the purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter and the financial statements sign off memorandum.

Other Audit Findings or Issues or Matters

Any such items were formally noted in our report to management, if any.

Restriction on Use

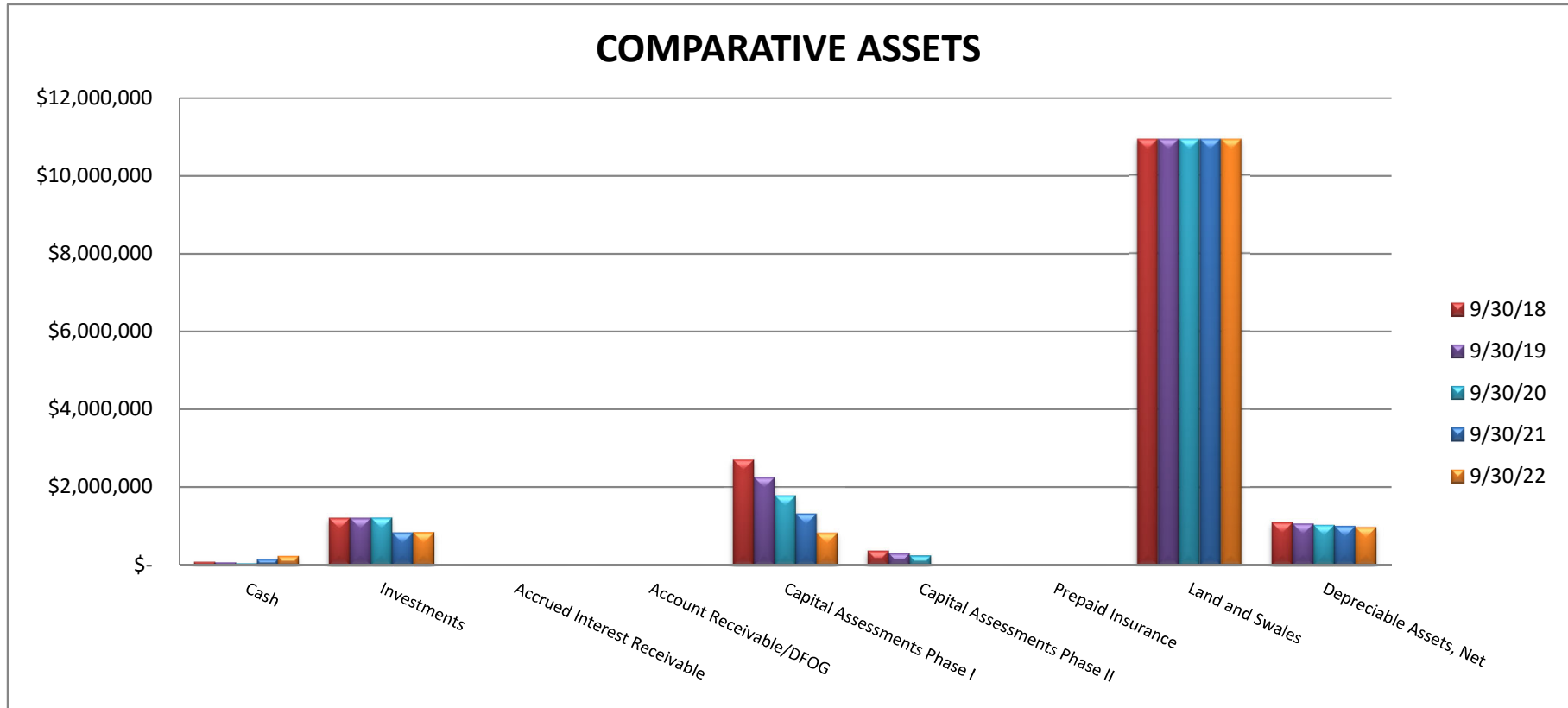
This information is intended solely for the information and use of management and the governing board and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Tuscán & Company, P.A." in a cursive script.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 23, 2023

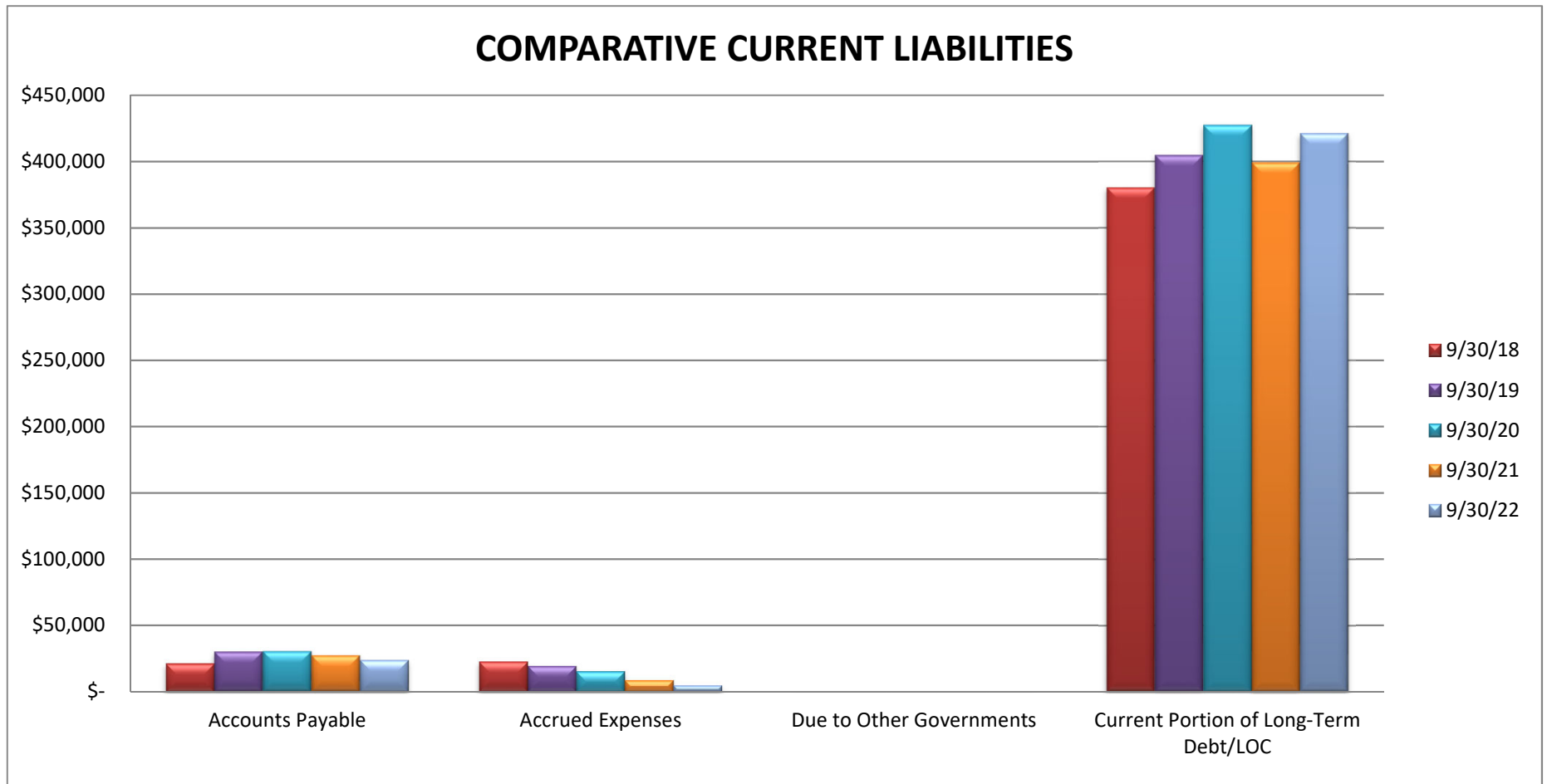
SAN CARLOS ESTATES WATER CONTROL DISTRICT
GRAPH - COMPARATIVE ASSETS (GOVERNMENT-WIDE STATEMENTS)
September 30, 2018, 2019, 2020, 2021 & 2022



ASSETS	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	Increase (Decrease)	% Inc (Dec)
Current Cash	\$ 74,862	\$ 68,003	\$ 40,407	\$ 148,157	\$ 219,309	\$ 71,152	48%
Investments	1,200,076	1,202,796	1,209,364	830,288	837,357	7,069	1%
Accrued Interest Receivable	-	-	4,090	-	-	-	N/A
Account Receivable/DFOG	2,651	2,793	2,552	1,824	1,549	(275)	(15%)
Capital Assessments Phase I	2,703,897	2,259,458	1,791,362	1,324,022	830,768	(493,254)	(37%)
Capital Assessments Phase II	353,360	296,333	235,329	-	-	-	N/A
Prepaid Insurance	2,608	7,678	2,763	2,934	3,108	174	6%
Capital Land and Swales	10,930,320	10,930,320	10,930,320	10,930,320	10,930,320	-	0%
Depreciable Assets, Net	1,085,058	1,055,230	1,025,402	995,574	965,746	(29,828)	(3%)
Total Current & Capital Assets	\$ 16,352,832	\$ 15,822,611	\$ 15,241,589	\$ 14,233,119	\$ 13,788,157	\$ (444,962)	(3%)

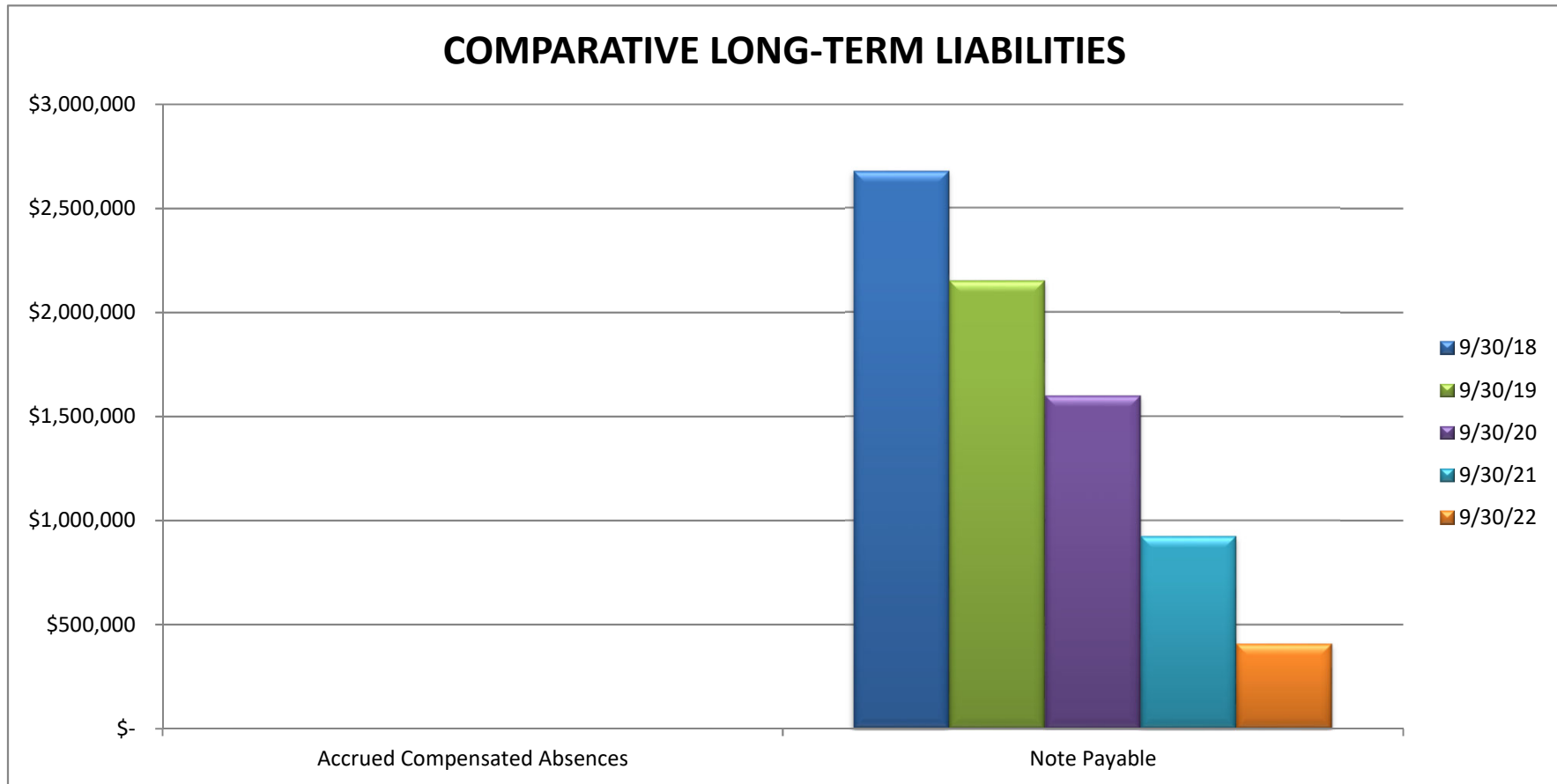
GRAPH - COMPARATIVE CURRENT LIABILITIES (GOVERNMENT-WIDE STATEMENTS)

September 30, 2018, 2019, 2020, 2021 & 2022



CURRENT LIABILITIES	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	Increase (Decrease)	% Inc (Dec)
Accounts Payable	\$ 21,030	\$ 29,910	\$ 30,166	\$ 27,185	\$ 23,644	\$ (3,541)	(13%)
Accrued Expenses	22,415	19,052	15,108	8,719	4,973	(3,746)	(43%)
Due to Other Governments	-	-	-	-	-	-	N/A
Current Portion of Long-Term Debt/LOC	380,466	404,979	427,588	399,254	421,350	22,096	6%
Total Current Liabilities	\$ 423,911	\$ 453,941	\$ 472,862	\$ 435,158	\$ 449,967	\$ 14,809	3%

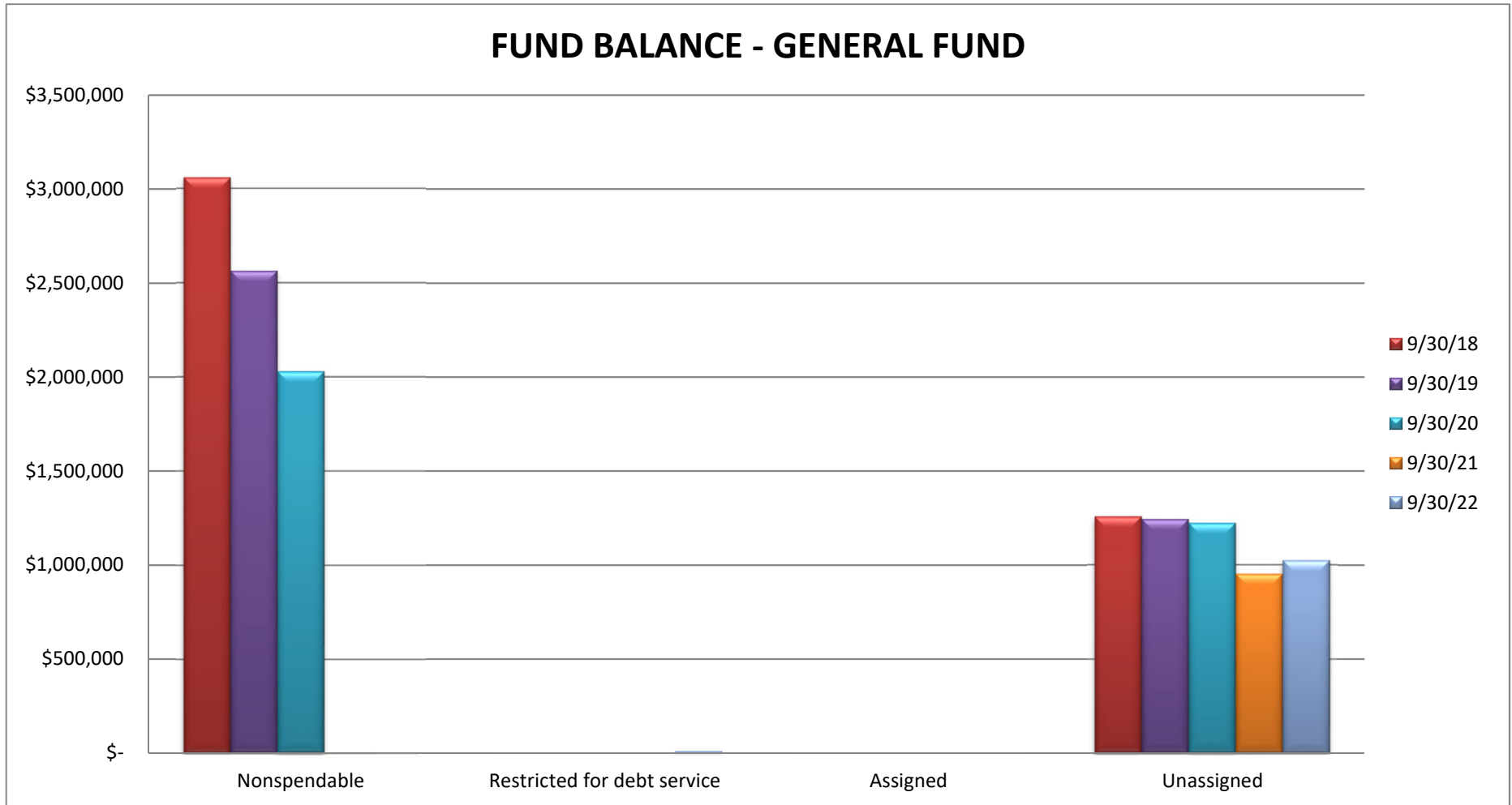
SAN CARLOS ESTATES WATER CONTROL DISTRICT
GRAPH - COMPARATIVE LONG-TERM LIABILITIES (GOVERNMENT-WIDE STATEMENTS)
September 30, 2018, 2019, 2020, 2021 & 2022



LONG-TERM LIABILITIES	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	Increase (Decrease)	% Inc (Dec)
	Accrued Compensated Absences	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Note Payable	<u>2,676,791</u>	<u>2,150,812</u>	<u>1,599,103</u>	<u>924,768</u>	<u>409,418</u>	<u>(515,350)</u>	<u>(56%)</u>
Total Long-term Liabilities	<u>\$ 2,676,791</u>	<u>\$ 2,150,812</u>	<u>\$ 1,599,103</u>	<u>\$ 924,768</u>	<u>\$ 409,418</u>	<u>\$ (515,350)</u>	<u>(56%)</u>

GRAPH - COMPARATIVE SUMMARY OF FUND BALANCE - GENERAL FUND

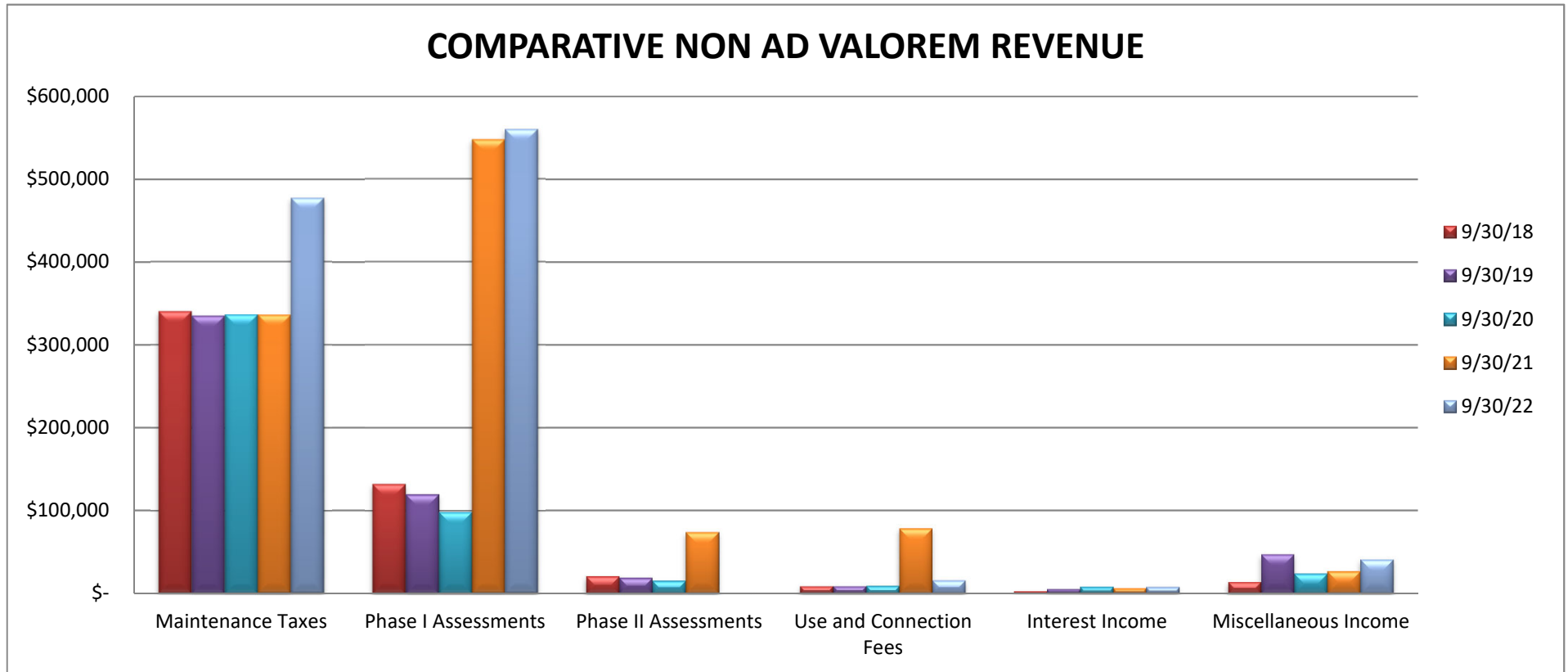
September 30, 2018, 2019, 2020, 2021 & 2022



FUND BALANCE - GENERAL FUND	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	Increase (Decrease)	% Inc (Dec)
Nonspendable	\$ 3,059,865	\$ 2,563,469	\$ 2,029,454	\$ 2,934	\$ 3,108	\$ 174	6%
Restricted for debt service	1,060	2,345	685	914	11,041	10,127	1108%
Assigned	-	-	-	-	-	-	N/A
Unassigned	1,255,499	1,241,337	1,221,472	952,170	1,023,530	71,360	7%
Total Fund Balance - General Fund	\$ 4,316,424	\$ 3,807,151	\$ 3,251,611	\$ 956,018	\$ 1,037,679	\$ 81,661	9%

**SAN CARLOS ESTATES WATER CONTROL DISTRICT
 GRAPH - COMPARATIVE SUMMARY OF REVENUE
 (FUND-BASIS STATEMENTS)**

Fiscal Years Ended September 30, 2018, 2019, 2020, 2021 AND 2022

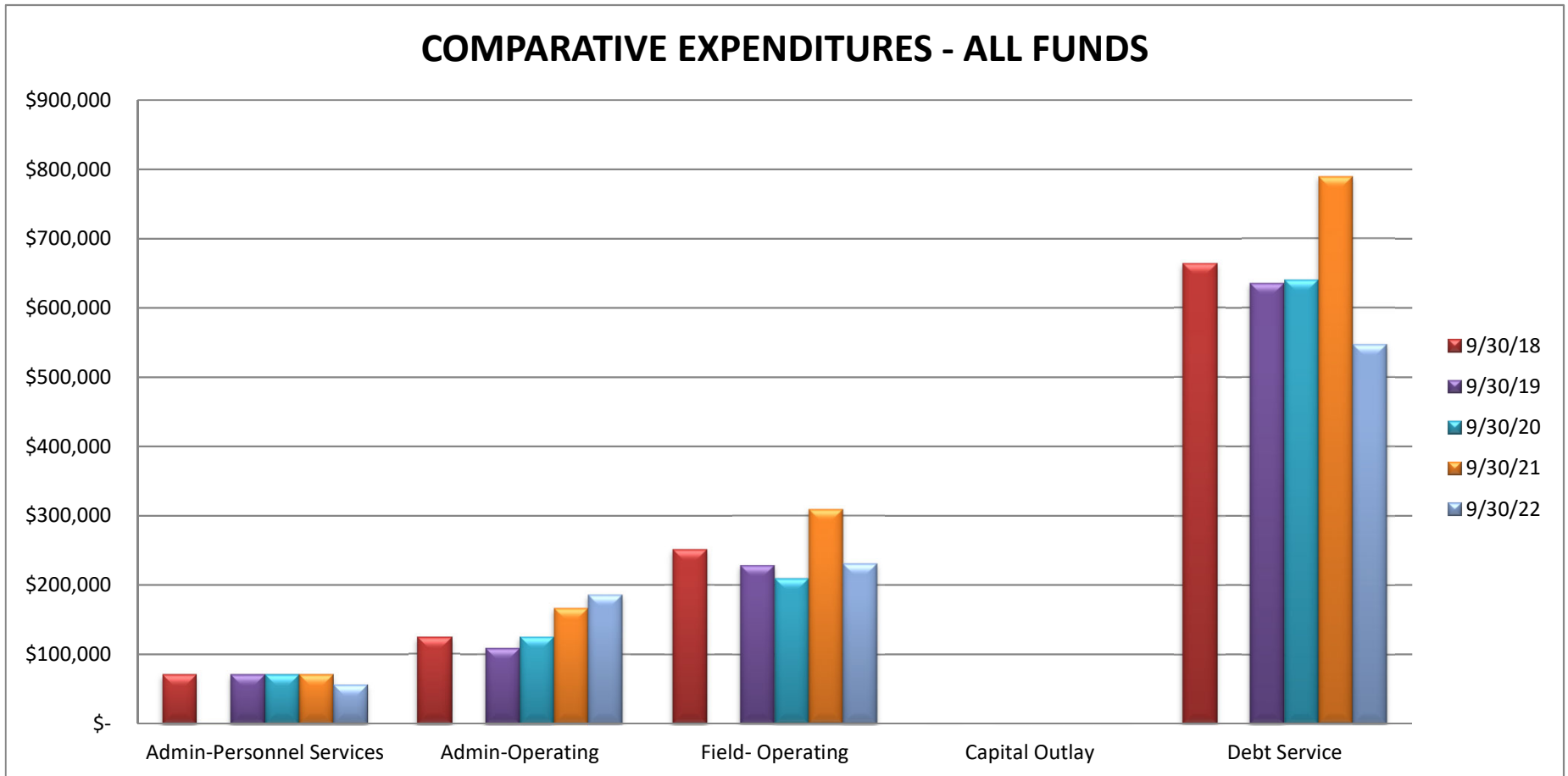


	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	Increase (Decrease)	% Inc (Dec)
Maintenance Taxes	\$ 340,142	\$ 334,907	\$ 336,348	\$ 335,994	\$ 477,071	\$ 141,077	42%
Phase I Assessments	131,870	119,704	98,442	547,500	559,828	12,328	2%
Phase II Assessments	20,688	18,784	15,086	72,669	395	(72,274)	(99%)
Use and Connection Fees	8,950	9,000	9,200	77,688	15,900	(61,788)	(80%)
Interest Income	2,521	4,895	7,497	5,939	7,355	1,416	24%
Miscellaneous Income	13,987	46,795	23,894	26,474	40,610	14,136	53%
Total Non Ad Valorem Revenue	\$ 518,158	\$ 534,085	\$ 490,467	\$ 1,066,264	\$ 1,101,159	\$ 34,895	3%

Maintenance tax per acre \$ 320.81 \$ 455.67

**SAN CARLOS ESTATES WATER CONTROL DISTRICT
 GRAPH - COMPARATIVE SUMMARY OF EXPENDITURES
 (FUND-BASIS STATEMENTS)**

Fiscal Years Ended September 30, 2018, 2019, 2020, 2021 AND 2022



	<u>9/30/18</u>	<u>9/30/19</u>	<u>9/30/20</u>	<u>9/30/21</u>	<u>9/30/22</u>	Increase (Decrease)	% Inc (Dec)
Admin-Personnel Services	\$ 70,350	\$ 70,350	\$ 70,400	\$ 70,268	\$ 55,675	\$ (14,593)	(21%)
Admin-Operating	123,817	108,952	125,399	166,307	185,306	18,999	11%
Field- Operating	251,293	228,542	209,694	309,079	230,933	(78,146)	(25%)
Capital Outlay	-	-	-	-	-	-	N/A
Debt Service	664,056	635,514	640,514	789,512	547,584	(241,928)	(31%)
Total Expenditures	\$ 1,109,516	\$ 1,043,358	\$ 1,046,007	\$ 1,335,166	\$ 1,019,498	\$ (315,668)	(24%)