

## MINUTES

### PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT

### BOARD OF SUPERVISORS' MEETING

January 23, 2014

A meeting of the Board of Supervisors of the Port LaBelle Community Development District was called to order at 6:08 P.M. on Thursday, January 23, 2014, by Chairman, Jason Martinez, who verified that a quorum was present.

Those present at the meeting were:

Jason Martinez – Chairman & Board Member  
Jeff Perry – Vice-Chairman & Board Member  
Nancy Imhoff- Board Member  
Mike Jordan – Board Member  
Lester Baird, Sr. - General Manager of the District  
Robert Pritt – Attorney for the District  
Jeff Tuscan – from audit firm of Tuscan & Co., P.A.  
Andy Higginbotham – Accountant for the District  
Jeff Daniels - Field Superintendent  
Debora Simicich - Corporate Secretary  
Other interested parties

Jeffrey McGirt – Treasurer & Board Member, arrived after the start of the meeting.

Mr. Pritt opened the meeting with prayer which was followed by the Pledge of Allegiance to the Flag.

Upon motion duly made by Mr. Perry, seconded by Ms. Imhoff and unanimously carried, it was

RESOLVED, that the minutes of the last Board of Supervisors meeting held on November 14, 2013, be approved as individually read.

Mr. Martinez asked if there was any public comment at this time. There was none.

Mr. Tuscan, with Tuscan & Company, P.A., presented the audited financial reports for fiscal year 2012/2013 to the Board for consideration. He stated that the report looks different than in previous years due to changes in audit standards and terminology used. He noted that the District's books were audited using Government Auditing Standards, which require a higher level of testing for internal control and compliance.

Mr. Baird raised an issue which is due to come before the state legislature, a realignment of the governmental chart of accounts. He explained that the Florida Association of Special Districts (FASD) is lobbying against the change and is of the opinion that it will have a significant impact on government organizations. He asked Mr. Tuscan his opinion of the proposed change.

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Mr. Tuscan replied that he also believed that the impact would be significant and that the cost of the change could also become a burden, depending on how many funds and organization has to deal with. He noted that currently we are required to submit summary information to the Auditor General once a year. This data is prepared by our auditors at the time of the audit, sent to our office for review and approval and then filed electronically by District staff with the Auditor General. If the change occurs, the submission of this data would be required on a monthly basis and would include more data than is currently submitted. For small Districts, like ours, who only have 3 or 4 funds to administer the change would not be as significant as it will be for larger organizations with hundreds of funds to administer.

Mr. Baird asked what benefit would the increased filing of data have for Districts and/or the State.

Mr. Tuscan replied that he believed it would fuel the organization of groups within the State government to analyze costs across the board, thus increasing the potential for meddling. Mr. Tuscan does not believe that a realignment of the chart of accounts and increased filing of data is necessary or beneficial.

Mr. Baird concurred.

Mr. Tuscan noted that the Board still has a couple of issues to deal with in regards to liabilities and budgeting. One is the fact that the capital assets of the District were added to the budget about 10 years ago and that the depreciation is most likely lagging behind actual replacement costs; most particularly the District's roads. A second issue is the Sick Leave Policy which does not account for the one District employee who, at the time the policy was implemented, had already accumulated more than the maximum number of days now permitted.

Mr. Tuscan's final statement from the audit report was that the District sustained a loss of \$13,000 (paid out of Reserves) which was actually good because a loss of \$38,000 had been budgeted.

Mr. Baird noted that since we were still talking about taxes he wanted to bring up the subject of the proposed sale of the Pt. LaBelle Inn. If the inn is sold to the Catholic Diocese, all or part of the property could become tax exempt. He stated that he has been in contact with the buyer's attorney and she confirmed that the current tax liability to the inn is a total of 15,000 with \$2,700 coming to the PLCDD.

Mr. Tuscan reminded the Board as they prepared to vote on accepting the audit, that their job was not yet done and that state law requires the District to budget all reserves into the next year's budget (carryover). At an upcoming meeting, the Board needs to pass an amendment to carry the Reserves amount over to the FY 2014 so that it is equal to the currently audited balance.

Mr. Martinez asked for any public comment before voting on the audit.

Ms. Oberlander stated that she had no comments regarding the budget or the audit. She thought the Board was doing a great job and noted that it is a lot of work. She also stated that she was pleased at the intimate yet formal setting and appreciative of the good conversation taking place among all attendees.

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Upon motion duly made by Mr. Jordan, seconded by Mr. McGirt and unanimously carried, it was

RESOLVED, that the final audited financial statements for fiscal year October 1, 2012 – September 30, 2013, be accepted, and approve the financial statements as presented by the Auditor and approved for electronic submission to the Auditor General.

Mr. Martinez asked for the General Manager's Report.

Mr. Baird asked the Board to consider the upcoming Big "O" Birding Festival. The festival coordinator, Margaret England, has asked that they again be given permission to bird watch on a greenbelt just north of the marina property, which is District property. The District will mow the grass on the greenbelt, no other action is required to fulfill the Festival's request. The Board has approved the request for the past two years and there has never been any problems arising from use of the property for this purpose.

Upon motion duly made by Ms. Imhoff, seconded by Mr. Perry and unanimously carried, it was

RESOLVED, that use of the common land in Port LaBelle north of the marina be allowed for the Big "O" Birding Festival from March 9 – 13, 2014, be approved.

Mr. Baird stated that he has gathered that data for the Sick Leave item. He plans to have a recommendation for the March Board meeting.

Mr. Baird noted that tax revenues are up this year; however, only 70% of the budget has been collected. He recommends that the Board hold off on bidding out the road paving until the March meeting when there will be a better picture with a greater amount of revenue collected.

Ms. Oberlander asked what roads the District would be repaving. Mr. Daniels, Field Supervisor, replied that specifically which roads had not yet been determined.

A discussion ensued regarding funding for repaving of District roads. The possibility of a special assessment was discussed. Mr. Pritt stated that further research would be needed to determine the procedure for such an assessment. Grant funding was mentioned also. Mr. Baird stated that he is not aware of any grants for Special Districts in regards to roads. The District could take on a low interest loan to fund the project, but of course that would have to be paid back.

Ms. Oberlander then asked about the status of a Volunteer Fire Department for the Pt. LaBelle area.

Mr. Baird explained that funding for a fire house is part of the \$2 million held in reserve by the District. It is capital money only; it would not be used for any operating expenses. He stated that it would be up to the City of LaBelle, Hendry County, and Glades County to determine who would pay what for operation costs.

Ms. Imhoff brought up the prospect of Mr. Baird's retirement. This, combined with the re-election of three supervisors, could mean some changes for the Board.

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Mr. Baird confirmed that he has plans to retire around November of this year. He noted that he is employed by the Barron District who would ultimately be responsible for hiring a replacement. He noted that when he applied for the job, he was interviewed by both District Boards. He would assume that the current Pt. LaBelle Board will be offered the same opportunity for the upcoming interviews. He believes that the Barron Board will begin the search for a replacement around June of this year. He will not leave until a replacement has been chosen.

Mr. Martinez asked if there was any further comment at this time. There was none.

There being no further business to come before the Board, the meeting was adjourned at 7:40 P.M.

ATTEST:

  
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Jason Martinez, Chairman

  
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Debora T. Simicich, Recording Secretary

