

**Minutes of the Final Budget Hearing
of the
CAPTIVA EROSION PREVENTION DISTRICT
Wednesday, September 17, 2008 @ 5:01 P.M.
Captive Community Center
11550 Chapin Lane, Captiva, FL 33924**

Commissioners Present: Rene Miville (Chairman), Mike Mullins (Commissioner),
Dave Jensen, (Treasurer), Doris Holzheimer (Secretary)

Also Present: Michelle Wesley (Interim Administrator)

1. CALL TO ORDER, ROLL CALL

Chairman, Rene Miville called the meeting to order.

Roll Call: Commissioner, Jensen
Commissioner, Holzheimer
Chairman, Miville
Commissioner, Mullins

2. BUDGET DISCUSSION

Chairman Miville referred the matter of budget discussion to Commissioner Mullins.

Commissioner Mullins discussed the percentage increase in millage over the rolled-back rate. The % increase at 54% over the rolled back rate on prior year of .1132 therefore depending on the owner's taxes and whether they show an increase or a decrease would determine that individual's proper % as the 54% is not an increase percentage of overall owners.

The millage rate to be levied is .1745 which results in an increase and prior to the adoption, the CEPD Board of Commissioners had to publicly announce the name of the taxing authority, the rolled-back rate, the percentage increase over the rolled-back rate, and the millage rate to be levied.

In accordance two sets of ads were run proposing the General Operating Budget of the CEPD with an additional ad summarizing the Capital Projects Fund for which we later determined and verified through the attorney was not a requirement.

Commissioner Mullins reasoned that historically the CEPD Parking Revenues from the lot at the North end of the island bring in \$95,000 – \$100,000 and these revenues are being transferred out of the General Budget. Stay tuned for a future move of the \$95,000 to the Capital Budget Summary.

Public comment was noted to the Board that Commissioner Mullins gave a good explanation as to the essential move of money from one account to another is a tax benefit.

The 2005 – Spring 2009 Beach Renourishment was brought forth for discussion at a cost of \$5.5 million actual cost commented, by Chairman Miville.

Public question on the floor was raised by Gordon Hullan that Blind Pass gets paid out of reserves and not assessments to which Commissioner Mullins answered yes, to the extent, yes within the budget.

Public question on the floor as far as the debt service and if the interest on the loan had been paid yet.

Commissioners explained the interest had not been paid and the loan is through Fifth Third Bank at 3.6% negotiated by Chairman Miville due to allocation of assessment

payments for 2007 & 2008 as we received a rush of monies and we will reduce the principal of \$6,100,000 by \$3,000,000 - \$4,000,000. After payment, CEPD is anticipating debt service of approximately \$2,772,000 on the principal with an estimated \$227,000 of interest for payoff.

Chairman Miville called for a motion to approve with Commissioner Mullins denying motion and requesting public comment. No additional public comment was made and Commissioner Mullins moved to adopt Millage Rate of .1745 seconded by Commissioner Holzheimer, motion carries in a 4-0 vote.

3. **RESOLUTION 2008-02 ADOPTING THE FINAL MILLAGE RATE**

Commissioner Mullins moved to accept the adoption of the millage resolution and the budget resolution will be by separate votes with the millage adopted first, the budget adopted second. Commissioner Mullins made a motion to approve Resolution 2008-02, seconded by Commissioner Jensen, No further discussion was had, and motion carries in a 4-0 vote.

The vote being unanimous, the signing took place of Resolution 2008-02.

4. **ADOPTION OF RESOLUTION 2008-03, ADOPTING FINAL BUDGET**

Chairman Miville asked for any discussion on the next Resolution.

Commissioner Mullins began an amendment discussion as Commissioner Holzheimer commented on debt service was in need of adjustment in the budget shown as an Exhibit "A" with the payoff difference of approximate \$3,000,000 – \$4,000,000. Commissioner Mullins added we can decide to pay down more this is our budgeted projection.

Chairman Miville asked for the acceptance of Resolution 2008-03 with Commissioner Mullins moving to accept, seconded by Commissioner Jensen. Chairman Miville called the vote and a question from the Public was raised if the voting was to include the budget.

Chairman Miville asked for a motion to include the Capital Budget of Resolution 2008-03 and Commissioner Mullins moved to adopt, seconded by Commissioner Holzheimer. No objections, motion passed in a 4-0 vote.

Commissioner Holzheimer made a statement that she liked the idea of keeping the difference at \$3,000,000 until we know what Blind Pass will cost.

The signing took place of Resolution 2008-03.

Commissioner Mullins stated unanimous approval to the budget adoption and of the resolutions will in turn require documentation sent to the Property Appraiser's office within 3 days and within 30 days another series of forms will be submitted to the state.

Commissioner Holzheimer thanked Commissioner Mullins for taking charge and working this through amongst the numerous interpretations.

Commissioner Miville also thanked Commissioner Holzheimer for her contributions.

Commissioner Mullins went into further detail as to his personal TRIM notice and commented how the Millage went up 54% but if property value went down the owner would see less than 54%. If property values went up, they would see more than 54% increases.

Commissioner Mullins concluded that reconciliation was undertaken with the tax appraiser for discounts and quarterly payments (for which the CEPD Economist said this had never been done before, but this would offer two completely different ways to flush out mistakes).

Chairman Miville made a motion to adjourn and meeting was adjourned at 5:45 P.M.