

Commissioner Burke called to order the Budget Workshop of the Lee County Mosquito/Hyacinth Control Districts (LCMHCD) on 08/24/2023 at 8:30 a.m. in the William Opp Training Center at the Districts' headquarters, 15191 Homestead Road, Lehigh Acres, Florida 33971.

PRESENT:

Seat 1- Commissioner Ed Brantley
Seat 2- Commissioner Brian Farrar
Seat 3- Commissioner Mike Ellis
Seat 4- Commissioner Steve Bowen, Secretary/Treasurer
Seat 5- Commissioner William Burke, Chairman
Seat 6- Commissioner Thomas B. Hart, Vice Chairman
Seat 7- Commissioner Bruce Scott
Legal Counsel- John Agnew

STAFF:

Executive Director- Dr. David Hoel, not present
Assistant Director- Aaron Lloyd
Deputy Director, Public Information and Education- Eric Jackson
Deputy Director, Lee County Hyacinth Control District- Kevin Watts
Chief Financial Officer- Sean O'Neill
Human Resources Director- Jackie Small
IT Director- Keith Lowe
Senior Program Analyst- Thais Pineda Alfonso
Community Engagement Coordinator- Jamie Fowler
Executive Administrative Assistant - Sabina Vilarchao

VISITORS:

None

PUBLIC COMMENTS:

The following citizens addressed the Board:

None

LCHCD BUDGET DISCUSSION: Assistant Director Aaron Lloyd discussed the upcoming fiscal year budget for Lee County Hyacinth Control District.

Items discussed:

1. Current millage rate 0.0225
2. Proposed Rollback millage rate 0.0217
3. Benefits
4. Operating Expenses
5. Insurance

6. Repairs & Maintenance
7. Chemicals
8. Capital Outlay
9. Suggested COLA increase

COMMISSIONERS COMMENTS ON LCHCD BUDGET:

Commissioner Burke asked “In last month’s meeting, is it correct the staff was recommending millage rate of .023?” Aaron responded, “Last month was the tentative max set by the district. This is required to allow flexibility for the district to really elaborate on the budget and determine which millage rate to go with moving forward.”

Commissioner Farrar asked “You mentioned some of the line items are changing accounting-wise. When the auditor from the State of Florida comes, is there any particular key items we should be concerned about?” Sean responded, “Typically whenever the district buys capital equipment it would be categorized under other charges.”

Commissioner Burke asked “In regard to the IT Services going up \$171K, is that a new thing or is that going to be permanent from now on? Can you please elaborate more?” Sean responded, “That probably will become permanent from now on. What the district is trying to do is outsource a 3rd party to assist with more of the technical aspects.”

Commissioner Bowen asked “In regards to the category other charges, the terminology triggers a kind of catch-all. Exactly how many sub-categories go under other charges?” Sean responded, “Literally in the Florida State guidelines they define what all different charges are such as office expenses, personnel service, and others. The 4900 series just say other, and usually that’s where you put items that you know don’t fit in any other category.”

Commissioner Brantley asked “Has the taxable value for Lee County increased after the hurricane? How is this going to affect the district?” Aaron responded, “It looks like the district is going to have around \$150K less total in ad valorem, but we’re also carrying forward a fund balance \$1.7 million, which is around \$500K or so more than last year.”

Commissioner Ellis asked, “Does the 45% of the total budget for personnel services remain fairly constant over the years?” Sean responded, “It’s fluctuated between 41% and 49%.”

Commissioner Brantley asked “Why is the monthly insurance rate significantly different between LCMHCD and the county? Are there significant changes in their plans or differences?” Aaron responded, “The biggest difference is LCMHCD plan has a deductible covered by the district through an HSA account.”

Commissioner Ellis asked, “Is there a way to filter any of the money from the HSA that may help with reducing their monthly premium?” Sean responded, “Not that I’m aware of.”

Commissioner Burke asked “In regard to the Rollback 0.0217, ending estimated reserves are \$965K; the required reserves of 25% is \$848K. Are you confident that LCHCD will be okay with that if it’s close to the reserve minimum?” Aaron responded, “Yes, we do because the 25% reserve the district has by policy is meant for a catastrophe or an emergency.”

LCMCD BUDGET DISCUSSION: Assistant Director Aaron Lloyd discussed the upcoming fiscal year budget for Lee County Mosquito Control District.

Items discussed:

1. Current millage rate 0.230
2. Proposed millage rate 0.230
3. Benefits
4. Operating expenses
5. Insurance
6. Repairs & Maintenance
7. Other Charges

8. Gasoline/Oil/Lube
9. Chemicals
10. Misc. Supplies
11. Publications & Dues
12. Training
13. Capital Outlay
14. Suggested COLA increase

COMMISSIONERS COMMENTS ON LCMCD BUDGET:

Commissioner Ellis asked "Didn't LCMCD give a large COLA last year?" Aaron responded, "Yes, the district's COLA last year was 10%. The inflation rate peaked at over 10%. We gave 4% earlier in the year and later, we added 6% COLA in the upcoming fiscal year."

Commissioner Ellis asked "Did the other Mosquito Control Organizations provide a large COLA too? I'm looking at maybe a 2-year average, rather than this one specific year. Has the district looked into this?" Aaron responded, "No we haven't yet."

Commissioner Farrar commented "I noticed the LCMCD didn't show the board members the rollback rate on this particular budget." Aaron responded, "Yes, that is correct. The rollback rate wouldn't be able to give us what the district needs for 2024."

Commissioner Brantley asked "In regards to the training expenses, is any of it related to safety training? Do we have a safety program that's included in the 2024 budget?" Aaron responded, "Yes, LCMHCD has a Risk Manager who manages it. Our safety program includes fire extinguisher training, working around and properly loading helicopters, forklift training, among other safety training. All of our pilot training is safety related and when it comes to our pilots, their training is more expensive because we go above and beyond what's required."

Commissioner Hart asked "Under Disposition of Capital Assets, is the potential sale of Pine Island Center included?" Sean responded, "We didn't include it as the realtor isn't sure how fast we're going to sell it. Also, unsure how much we would gain."

Commissioner Hart asked "Under Personnel Services, does that number include the potential increase that the district would pay for employee health insurance?" Aaron responded, "Yes, it's including the 85% if voted on for health coverage".

Commissioner Hart asked "What does the insurance deductibles cost listed mean?" Sean responded, "That is if we had a complete loss of everything. That would be the maximum amount that would have to pay out of pocket before the insurance steps in."

Commissioner Burke asked "In the LCMCD travel budget there's a big difference. Do we anticipate what the district spent this year to stay the same?" Aaron responded, "Yes, it will remain the same; we reduced our state travel and placed the money into national travels."

Commissioner Brantley asked "If LCMCD were to receive \$1.5 million for the Pine Island Heliport, could we make the budget work on rollback?" Aaron responded, "I would have to rerun the numbers again, and advise the board members in the September meeting."

Commissioner Hart commented "In the next meeting please share what the actuals look like at a rollback rate for LCMCD."

Aaron Lloyd, Assistant Director, recommended to stay at the current millage rate of 0.230. This can work for the district and would be fair for the taxpayers." Suggested COLA increases from 3.5% up to 5%.

Commissioner Burke commented "This is my preference; I'd be open to even above 85% for the health insurance and the 5% COLA."

Commissioner Brantly commented "I'm in favor of keeping the budget as lean as possible, to make it work and help the taxpayers, and 3.5% COLA."

Commissioner Hart commented "I'm in favor of the employee increase at 5% COLA and 85% on the health insurance."

Commissioner Scott commented "I'm in favor of the 5% COLA and 85% on the health insurance."

Commissioner Bowen commented "I'm in favor of keeping the current millage rate and I'm considering between 3.5% to 5% COLA. Also, agree with 85% on the health insurance."

Commissioner Ellis commented "I'm in favor of the 85% health insurance paid by the district, and a 4% COLA."

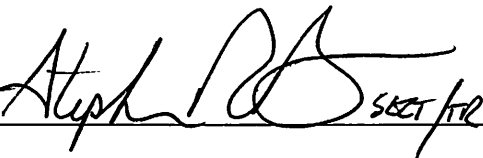
Commissioner Farrar commented "I'm in favor of keeping the current millage rate and I'm considering between 3.5% to 4.5% COLA. Also, agree with 85% on the health insurance. Please note I would like to see the rollback numbers in the September meeting."

No further business, Chairman Burke made a motion to adjourn. The meeting adjourned at 9:53 a.m.



Commissioner William Burke, Chairman

Term: November 2020 – November 2024



Commissioner Stephen Bowen, Secretary/Treasurer

Term: November 2022 – November 2026