



CEPD November 2022 Board Meeting

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Please follow page numbers on top right corner



November Board Meeting Agenda

Date: Monday, November 7th, 2022

Time: 1:00 P.M.

Location: Via Zoom - <https://us02web.zoom.us/j/81842185580>

Telephone: 1 (301) 715-8592

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Minutes**
 - A. October 10th, 2022 Board Meeting
 - B. October 24th, 2022 Emergency Meeting
- 4. General Public Comments – Limit 3 minutes per person**
- 5. Changes to the Agenda**
- 6. Financial Reports**
 - A. October Financial Report
- 7. Old Business**
 - A. Aptim Update
 - B. Becker Update
- 8. New Business**
 - A. 2023 Interlocal Agreement
 - B. Audit Engagement
 - C. 2023 Board Meeting Dates
 - D. Vacant Commissioners Seats
- 9. Administrative Update**
- 10. Commissioner Comments**
- 11. Adjournment**

In accordance with the Americans with Disability Act and F.S. 286.26; any person with a disability requiring any additional reasonable accommodation to participate in this meeting should call the CEPD office at phone 239.472.2472 or email a written request to mycepd@mycepd.com. One or more elected or appointed local government officials, including but not limited to the Captiva Erosion Prevention District, may be in attendance at this meeting. Any person who decides to appeal any decision of the Board of Commissioners with respect to any matter considered at this meeting will need a record of the proceedings and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The law does not require the CEPD to transcribe verbatim minutes; therefore, the applicant must make the necessary arrangements with a private reporter or private reporting firm and bear the resulting expense.



October Board Meeting

Monday, October 10th, 2022

<https://www.mycepd.com/2022-10-10-board-meeting>

Call to Order

- Chairman Silvia called to order the regular board meeting of the Captiva Erosion Prevention District (CEPD) at approximately 1:00 pm on October 10th, 2022.

Roll Call (See Video 0:00:12)

- Commissioners
 - o Seat 1, Linda Laird, Commissioner (Present via Zoom)
 - o Seat 2, Rene Miville, Vice Chairman (Present via Zoom)
 - o Seat 3, Bob Walter, Commissioner (Present via Zoom)
 - o Seat 4, John Silvia, Chairman (Present via Zoom)
 - o Seat 5, Richard Pyle, Treasurer (Present via Zoom)
- CEPD Staff
 - o Daniel Munt, Executive Director (Present)
 - o Ralf Brookes, CEPD Attorney (Present)

Approval of Minutes (See Video 0:00:37)

- Commissioner Laird made the motion to approve the minutes as written from the August board meeting, the September board meeting, the Tentative Budget Hearing, and the Final Budget Hearing. The motion was seconded by Treasurer Pyle. Vice Chairman Miville was not present at the time of this vote. The motion passed 4-0.

Changes to the Agenda (see video 0:01:27)

- There were no changes to the agenda

Public Comments (See Video 00:01:40)

- No Public comments were received.

Financial Reports (See Video 00:03:41)

- Jason Smith (WWRE) provided a financial report update that the CEPD is performing as expected. Discussion ensued regarding the potential hardship that will be created by the lack of parking revenue. Direction was given for Treasurer Pyle and Jason Smith to create a financial plan going forward with no parking revenue for up to six months. Jason forecasted the need to amend the budget to reduce the amount of parking revenue as well as forecasting a smaller percentage of property owners that pay their full assessment up front. Nicole Sharp and Nicholas Matthews provided an update on potential funding sources regarding hurricane recovery.

Old Business (See Video 0:31:34)

Aptim Update Vulnerability Assessment (See Video 0:31:34)

- Nicole Sharp provided an update on the status of the vulnerability assessment.

She stated that they would like to include more recent data and ground truths from Hurricane Ian.

Becker Update (See Video 0:41:23)

- Nicholas Matthews had to leave the call prior to this agenda item, therefore it was skipped.

Public Comment (See Video 0:41:23)

- Public Comment was offered, but none was provided.

New Business (See Video 0:41:48)

Hurricane Ian Emergency Operations (See Video 0:41:48)

- Daniel Munt provided an overview of the operations of the CEPD post storm. A brief recount of the visual assessment was provided.

Aptim Visual Assessment Findings (See Video 0:47:36)

- Nicole Sharp presented the memorandum of findings to the board. Board members discussed very rough estimates of sand volume lost. Nicole stated that the next step in the process would be to conduct a survey of the beach and that the proposal is forthcoming.

CEPD Staffing (See Video 1:07:46)

- A contract proposal was presented to the board to hire John Riegert as the Deputy Director of the CEPD. The board members discussed the contract proposal and vetted John Riegert through a series of questions. A motion was made by Vice Chairman Miville to approve the contract, but with an amended clause for a 90-day probation period. Commissioner Laird seconded the motion. The motion passed unanimously.

Public Comment (See Video 1:30:21)

- Public Comment was offered, but none was provided.

Administrative Update (See Video 1:30:40)

- The Executive Director updated the board on the status of the office data and the parking lot staff.

Commissioner Comments (See Video 1:32:28)

- Vice Chairman Miville expressed a desire to provide review of documents regarding CEPD public outreach.

Adjournment (See Video 1:41:00)



**October Emergency Board Meeting
Monday, October 24th, 2022**

<https://www.mycepd.com/2022-10-24-special-state-of-emergency-board-meeting>

Call to Order

- Chairman Silvia called to order the Emergency Board Meeting of the Captiva Erosion Prevention District (CEPD) at approximately 1:00 P.M. on Monday, October 24th, 2022

Roll Call (00:00:20)

- Commissioners:
 - Seat 1, Linda Laird, Commissioner (Present via Zoom)
 - Seat 2, René Miville, Vice Chairman (Present via Zoom)
 - Seat 3, Bob Walter, Commissioner (Present via Zoom)
 - Seat 4, John Silvia, Chairman (Present via Zoom)
 - Seat 5, Richard Pyle, Treasurer (Present via Zoom)
- CEPD Staff:
 - Daniel Munt, Executive Director (Present via Zoom)
 - John Riegert, Deputy Director (Present via Zoom)
 - Ralf Brookes, CEPD Attorney (Present via Zoom)

General Public Comments (00:00:40)

- Public Comment was offered by Chairman Silvia. Jojo Yodock offered a solicitation to the Board of Commissioners.

New Business (00:02:25)

- Sand over-wash
 - Executive Director Munt briefed the Board of Commissioners on the issue of over-wash sand and provided a cost benefit analysis on the ability to reclaim the sand. Over-wash sand is often contaminated with not just construction but septic materials as well. Recommendation was to treat the material as contaminated storm debris to be removed from county roads under their existing emergency contracts.
 - Commissioner Laird motioned to have the over-wash sand treated as contaminated storm debris to be removed from county roads under their existing emergency contracts. Treasurer Pyle seconded the motion. Discussion was held and public comment was invited. David Mintz informed the Board that he was contacted by a resident on Wightman Lane concerning operations pushing over-wash sand towards the beach. A vote was held, and the motion was passed unanimously.

Commissioner Comments (00:23:35)

- Chairman Silvia voiced concerns about how long the utilities will take to get turned back on. Commissioner Walter explained that he has been in communication with the county and shares a weekly update with the Captiva Community Panel and Civic Association. Residents are reminded not to turn the water on to their homes without contacting Island Water Association.

Adjournment (00:32:30)

- Chairman Silvia adjourned the meeting.

Captiva Erosion Prevention District
 General Fund - Budget Performance Summary
 For the Month Ended October 31, 2022

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Actual - October '22	Budget - October '22	Actual - October '21	Budget - October '21	Actual YTD	YTD Budget	YTD Variance	Annual Budget	Residual Budget
Ordinary Income/Expense									
Income									
Ad Valorem Tax	\$ 64.30	\$ 54,245.83	\$ 73.25	\$ 54,245.75	\$ 64.30	\$ 54,245.83	\$ (54,181.53)	\$ 650,950.00	\$ 650,885.70
Interest Income	4.71	12.50	0.00	12.50	4.71	12.50	(7.79)	150.00	145.29
Other Income	103.78	416.67	5,633.36	416.67	103.78	416.67	(312.89)	5,000.00	4,896.22
Total Income	172.79	54,675.00	5,706.61	54,674.92	172.79	54,675.00	(54,502.21)	656,100.00	655,927.21
Expense									
Administrative Expenses	18,468.57	7,916.67	16,615.53	7,312.49	18,468.57	7,916.67	(10,551.90)	95,000.00	76,531.43
Cost of Collecting Ad Valorem	0.00	1,708.33	4,485.82	1,625.00	0.00	1,708.33	1,708.33	20,500.00	20,500.00
Wages	4,668.35	12,500.00	5,659.92	14,666.67	4,668.35	12,500.00	7,831.65	150,000.00	145,331.65
Professional Fees	2,800.00	2,916.67	2,771.25	3,416.67	2,800.00	2,916.67	116.67	35,000.00	32,200.00
Reserves Transfer	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	0.00	84,450.00	77,412.50
Total Expense	32,974.42	32,079.17	36,570.02	34,058.33	32,974.42	32,079.17	(895.25)	384,950.00	351,975.58
Net Income	<u>\$ (32,801.63)</u>	<u>\$ 22,595.83</u>	<u>\$ (30,863.41)</u>	<u>\$ 20,616.59</u>	<u>\$ (32,801.63)</u>	<u>\$ 22,595.83</u>	<u>\$ (55,397.46)</u>	<u>\$ 271,150.00</u>	<u>\$ 303,951.63</u>

Cash basis- omitted all note disclosures
 No assurance is provided on these financial statements.

Captiva Erosion Prevention District
General Fund - Budget Performance Detail
For the Month Ended October 31, 2022

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Actual - October '22	Budget - October '22	Actual - October '21	Budget - October '21	Actual YTD	YTD Budget	YTD Variance	Annual Budget	Residual Budget
Ordinary Income/Expense									
Income									
Ad Valorem Tax	64.30	54,245.83	73.25	54,245.75	64.30	54,245.83	(54,181.53)	650,950.00	650,885.70
Interest Income	4.71	12.50	0.00	12.50	4.71	12.50	(7.79)	150.00	145.29
Other Income	103.78	416.67	5,633.36	416.67	103.78	416.67	(312.89)	5,000.00	4,896.22
Total Income	172.79	54,675.00	5,706.61	54,674.92	172.79	54,675.00	(54,502.21)	656,100.00	655,927.21
Expense									
Administrative Expenses									
Advertising	3,506.28	1,250.00	1,023.87	1,333.33	3,506.28	1,250.00	(2,256.28)	15,000.00	11,493.72
Bank Service Charges	206.08	250.00	334.28	83.33	206.08	250.00	43.92	3,000.00	2,793.92
Board Meeting Expenses	0.00	83.33	0.00	83.33	0.00	83.33	83.33	1,000.00	1,000.00
Dues and Subscriptions	240.00	625.00	669.00	416.67	240.00	625.00	385.00	7,500.00	7,260.00
Insurance	14,155.00	1,416.67	9,736.00	583.33	14,155.00	1,416.67	(12,738.33)	17,000.00	2,845.00
Office Expense	57.90	833.33	1,264.09	1,729.17	57.90	833.33	775.43	10,000.00	9,942.10
Postage	0.00	41.67	0.00	41.67	0.00	41.67	41.67	500.00	500.00
Rent Expense	0.00	1,250.00	1,509.96	1,250.00	0.00	1,250.00	1,250.00	15,000.00	15,000.00
Repairs	0.00	83.33	0.00	83.33	0.00	83.33	83.33	1,000.00	1,000.00
Travel and Per Diem	0.00	833.33	766.64	625.00	0.00	833.33	833.33	10,000.00	10,000.00
Telephone	0.00	250.00	283.96	208.33	0.00	250.00	250.00	3,000.00	3,000.00
Utilities	303.31	333.33	268.01	208.33	303.31	333.33	30.02	4,000.00	3,696.69
Website & Computer Maintenance	0.00	666.67	759.72	666.67	0.00	666.67	666.67	8,000.00	8,000.00
Total Administrative expenses	18,468.57	7,916.67	16,615.53	7,312.49	18,468.57	7,916.67	(10,551.90)	95,000.00	76,531.43
Wages and Professional Fees									
Wages	4,668.35	12,500.00	5,659.92	14,666.67	4,668.35	12,500.00	7,831.65	150,000.00	145,331.65
Professional Fees	2,800.00	2,916.67	2,771.25	3,416.67	2,800.00	2,916.67	116.67	35,000.00	32,200.00
Total Legal and Professional Fees	7,468.35	15,416.67	8,431.17	18,083.34	7,468.35	15,416.67	7,948.32	185,000.00	177,531.65
Cost of Collecting Ad Valorem									
Property Tax Appraiser Fees	0.00	416.67	4,485.82	458.33	0.00	416.67	416.67	5,000.00	5,000.00
Tax Collector Commissions	0.00	1,291.67	0.00	1,166.67	0.00	1,291.67	1,291.67	15,500.00	15,500.00
Total Cost of Collecting Ad Valorem	0.00	1,708.33	4,485.82	1,625.00	0.00	1,708.33	1,708.33	20,500.00	20,500.00
Reserves									
Operating Reserves Transfers	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	0.00	84,450.00	77,412.50
Total Expense	32,974.42	32,079.17	36,570.02	34,058.33	32,974.42	32,079.17	(895.25)	384,950.00	351,975.58
Net Income	<u>\$ (32,801.63)</u>	<u>\$ 22,595.83</u>	<u>\$ (30,863.41)</u>	<u>\$ 20,616.59</u>	<u>\$ (32,801.63)</u>	<u>\$ 22,595.83</u>	<u>\$ (55,397.46)</u>	<u>\$ 271,150.00</u>	<u>\$ 303,951.63</u>

3:00 PM
11/2/2022
Prepared: JS

Captiva Erosion Prevention District
Capital Projects Fund - Budget Performance Summary
For the Month Ended October 31, 2022

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Actual - October '22	Budget - October '22	Actual - October '21	Budget - October '21	YTD Actual	YTD Budget	YTD Variance	Tentative Budget	Residual Budget
Ordinary Income/Expense									
Income									
Grant Income	\$ -	\$ 15,000.00	\$ -	\$ 932,250.00	\$ -	\$ 15,000.00	\$ (15,000.00)	\$ 180,000.00	\$ 180,000.00
Interest Income	12.59	83.33	400.67	2,250.00	12.59	83.33	(70.74)	1,000.00	987.41
Other Miscellaneous Income	0.00	83.33	0.00	83.33	0.00	83.33	(83.33)	1,000.00	1,000.00
Parking Lot Revenue	0.00	60,000.00	360.00	70,833.33	0.00	60,000.00	(60,000.00)	720,000.00	720,000.00
Reserves - General	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	0.00	84,450.00	77,412.50
Special Assessments	0.00	191,666.67	0.00	0.00	0.00	191,666.67	(191,666.67)	2,300,000.00	2,300,000.00
Total Income	7,050.09	273,870.83	7,798.17	1,012,454.16	7,050.09	273,870.83	(266,820.74)	3,286,450.00	3,279,399.91
Expense									
General Expenses	4,295.00	3,458.33	1,190.31	4,916.66	4,295.00	3,458.33	(836.67)	41,500.00	37,205.00
Parking Lot	5,576.80	18,833.33	5,507.64	17,062.51	5,576.80	18,833.33	13,256.53	226,000.00	220,423.20
Wages	5,329.00	16,666.67	12,397.60	23,512.50	5,329.00	16,666.67	11,337.67	200,000.00	194,671.00
Professional Fees	14,800.00	9,166.67	4,271.25	15,416.67	14,800.00	9,166.67	(5,633.33)	110,000.00	95,200.00
Capital Projects	25,861.47	59,583.33	5,820,310.00	1,168,790.42	25,861.47	59,583.33	33,721.86	715,000.00	689,138.53
Debt Service	0.00	232,979.08	0.00	0.00	0.00	232,979.08	232,979.08	2,795,749.00	2,795,749.00
Total Expense	55,862.27	340,687.42	5,843,676.80	1,229,698.76	55,862.27	340,687.42	284,825.15	4,088,249.00	4,032,386.73
Net Income	<u>\$ (48,812.18)</u>	<u>\$ (66,816.58)</u>	<u>\$ (5,835,878.63)</u>	<u>\$ (217,244.60)</u>	<u>\$ (48,812.18)</u>	<u>\$ (66,816.58)</u>	<u>\$ 18,004.40</u>	<u>\$ (801,799.00)</u>	<u>\$ (752,986.82)</u>

Cash basis - omitted all note disclosures
No assurance is provided on these financial statements.

11/2/2022
3:02 PM
Prepared: JS

Captiva Erosion Prevention District
Capital Projects Fund - Budget Performance Detail
For the Month Ended October 31, 2022

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Actual - October '22	Budget - October '22	Actual - October '21	Budget - October '21	YTD Actual	YTD Budget	YTD Variance	Annual Budget	Residual Budget
Ordinary Income/Expense									
Income									
Grant Income - Local	\$ -	\$ 15,000.00	\$ -	\$ 488,083.33	\$ -	\$ 15,000.00	\$ (15,000.00)	\$ 180,000.00	\$ 180,000.00
Grant Income - State	0.00	0.00	0.00	344,166.67	0.00	0.00	0.00	0.00	0.00
Grant Income - Federal (FEMA)	0.00	0.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00
Interest Income	12.59	83.33	400.67	2,250.00	12.59	83.33	(70.74)	1,000.00	987.41
Other Miscellaneous Revenues	0.00	83.33	0.00	83.33	0.00	83.33	(83.33)	1,000.00	1,000.00
Parking Lot Revenue	0.00	60,000.00	360.00	70,833.33	0.00	60,000.00	(60,000.00)	720,000.00	720,000.00
General Reserves	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	7,037.50	0.00	84,450.00	77,412.50
Special Assessments Principal	0.00	191,666.67	0.00	0.00	0.00	191,666.67	(191,666.67)	2,300,000.00	2,300,000.00
Total Income	7,050.09	273,870.83	7,798.17	1,012,454.16	7,050.09	273,870.83	(266,820.74)	3,286,450.00	3,279,399.91
Expense									
Advertising	0.00	0.00	0.00	833.33	0.00	0.00	0.00	0.00	0.00
Dues & Subscriptions	0.00	0.00	0.00	416.67	0.00	0.00	0.00	0.00	0.00
Bank Service Charges	0.00	41.67	0.00	83.33	0.00	41.67	41.67	500.00	500.00
Cost of Assessment Collections	0.00	833.33	0.00	83.33	0.00	833.33	833.33	10,000.00	10,000.00
Insurance	4,295.00	416.67	0.00	583.33	4,295.00	416.67	(3,878.33)	5,000.00	705.00
Office Expenses	0.00	83.33	0.00	1,666.67	0.00	83.33	83.33	1,000.00	1,000.00
Rent	0.00	1,250.00	1,190.31	1,250.00	0.00	1,250.00	1,250.00	15,000.00	15,000.00
Beach Vehicle	0.00	833.33	0.00	0.00	0.00	833.33	833.33	10,000.00	10,000.00
Total General Expense	4,295.00	3,458.33	1,190.31	4,916.66	4,295.00	3,458.33	(836.67)	41,500.00	37,205.00
Parking Lot Expenses									
Parking Collection Fees	32.95	3,000.00	1,016.38	1,916.67	32.95	3,000.00	2,967.05	36,000.00	35,967.05
Parking Maintenance	2,000.00	2,500.00	1,735.00	2,916.67	2,000.00	2,500.00	500.00	30,000.00	28,000.00
Portable Toilets	0.00	9,583.33	262.50	7,500.00	0.00	9,583.33	9,583.33	115,000.00	115,000.00
Signage	0.00	0.00	79.88	41.67	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	83.33	0.00	0.00	0.00	0.00	0.00
Sales Tax Expense	3,543.85	3,750.00	2,413.88	4,604.17	3,543.85	3,750.00	206.15	45,000.00	41,456.15
Total Parking Lot Expenses	5,576.80	18,833.33	5,507.64	17,062.51	5,576.80	18,833.33	13,256.53	226,000.00	220,423.20
Wages and Professional Fees									
Wages	5,329.00	16,666.67	12,397.60	23,512.50	5,329.00	16,666.67	11,337.67	200,000.00	194,671.00
Professional Fees	14,800.00	9,166.67	4,271.25	15,416.67	14,800.00	9,166.67	(5,633.33)	110,000.00	95,200.00
Total Wages and Professional Fees	20,129.00	25,833.33	16,668.85	38,929.17	20,129.00	25,833.33	5,704.33	310,000.00	289,871.00
Capital Projects									
Project Expenses	25,861.47	51,250.00	5,678,340.00	1,168,790.42	25,861.47	51,250.00	25,388.53	615,000.00	589,138.53
Grants to other agencies	0.00	8,333.33	141,970.00	0.00	0.00	8,333.33	8,333.33	100,000.00	100,000.00
Total Capital Projects	25,861.47	59,583.33	5,820,310.00	1,168,790.42	25,861.47	59,583.33	33,721.86	715,000.00	689,138.53
Debt Service									
Interest	0.00	31,940.83	0.00	0.00	0.00	31,940.83	31,940.83	383,290.00	383,290.00
Principal	0.00	201,038.25	0.00	0.00	0.00	201,038.25	201,038.25	2,412,459.00	2,412,459.00
Total Debt Service	0.00	232,979.08	0.00	0.00	0.00	232,979.08	232,979.08	2,795,749.00	2,795,749.00
Total Expense	55,862.27	340,687.42	5,843,676.80	1,229,698.76	55,862.27	340,687.42	284,825.15	4,088,249.00	4,032,386.73
Net Income	(48,812.18)	(66,816.58)	(5,835,878.63)	(217,244.60)	(48,812.18)	(66,816.58)	18,004.40	(801,799.00)	(752,986.82)

Cash basis - omitted all note disclosures.
No assurance is provided on these financial statements.

	<u>October 31, 2022</u>	<u>October 31, 2021</u>
ASSETS		
Current Assets		
Checking/Savings		
BOTI Checking	\$ 272,450.71	\$ 313,892.44
Total Checking/Savings	<u>272,450.71</u>	<u>313,892.44</u>
Other Current Assets		
Due from Capital Projects Fund	11,154.74	9,684.30
Total Other Current Assets	<u>11,154.74</u>	<u>9,684.30</u>
Total Current Assets	<u>283,605.45</u>	<u>323,576.74</u>
TOTAL ASSETS	<u>\$ 283,605.45</u>	<u>\$ 323,576.74</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Accrued Liabilities	1,434.32	-
Total Other Current Liabilities	<u>1,434.32</u>	<u>-</u>
Total Current Liabilities	<u>1,434.32</u>	<u>-</u>
Total Liabilities	1,434.32	-
Equity		
Fund Balance	314,972.76	354,440.15
Net Income	<u>(32,801.63)</u>	<u>(30,863.41)</u>
Total Equity	<u>282,171.13</u>	<u>323,576.74</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 283,605.45</u>	<u>\$ 323,576.74</u>

	<u>October 31, 2022</u>	<u>October 31, 2021</u>
ASSETS		
Current Assets		
Checking/Savings		
BOTI Checking	\$ 388,546.04	\$ 13,466,552.72
Fifth Third Investment Account	2,876,104.18	1,959,186.74
Fifth Third Treasury Bill #07	-	418,000.00
Fifth Third Treasury Bill #09	-	494,000.00
Sanibel Captiva Bank - CD	-	256,161.35
Total Current Assets	<u>3,264,650.22</u>	<u>16,593,900.81</u>
Other Current Assets		
Utility Deposit	300.00	300.00
Total Other Current Assets	<u>300.00</u>	<u>300.00</u>
Total Current Assets	<u>3,264,950.22</u>	<u>16,594,200.81</u>
TOTAL ASSETS	<u>\$ 3,264,950.22</u>	<u>\$ 16,594,200.81</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Due to General Fund	<u>\$ 11,154.74</u>	<u>\$ 9,684.30</u>
Equity		
Accumulated Reserves	2,921,966.00	3,384,284.00
Fund Balance	380,641.66	19,036,111.14
Net Income	<u>(48,812.18)</u>	<u>(5,835,878.63)</u>
Total Equity	<u>3,253,795.48</u>	<u>16,584,516.51</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 3,264,950.22</u>	<u>\$ 16,594,200.81</u>



September 21, 2022

Captiva Erosion Prevention District
 Mr. Daniel Munt
 PO Box 365
 11513 Andy Rosse Lane, Unit 4
 Captiva, FL 33924

Dear Mr. Munt:

Enclosed please find the Tourist Development Tax Grant Funding Agreement for the following project approved for funding in Lee County's fiscal year 2022-2023:

<u>Project No.</u>	<u>Project Name</u>	<u>Amount</u>
401911	Hagerup Beach Park Maintenance	\$192,160.00
403363	Beach Maintenance Vehicle	\$ 10,299.00

Two (2) originals for this project are provided for execution by the Town of Fort Myers Beach. Once executed, please return all agreements to my attention for approval by the Lee County Board of County Commissioners. A fully executed original agreement with project contract will be returned for your files.

Should you have any questions, please feel free to contact this office.

Sincerely,

Nancy MacPhee, Program Manager
 Enclosures

**TOURIST DEVELOPMENT TAX GRANT FUNDING AGREEMENT
BETWEEN
LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AND
CAPTIVA EROSION PREVENTION DISTRICT
FOR
HAGERUP BEACH PARK MAINTENANCE (401911)**

THIS GRANT AGREEMENT is entered into by and between LEE COUNTY BOARD OF COUNTY COMMISSIONERS, a political subdivision and charter county of the State of Florida, hereinafter referred to as the “**COUNTY**” and the CAPTIVA EROSION PREVENTION DISTRICT hereinafter referred to as “**RECIPIENT**”, for funding provided pursuant to the **COUNTY’S** Tourist Development Plan and Florida Statutes Section 125.0104.

WITNESSETH:

WHEREAS, pursuant to Florida Statutes §125.0104 and Lee County Ordinances No. 13-14 and 16-18, and as may be further amended from time to time, Lee County collects tourist development tax; and

WHEREAS, the **COUNTY** has the authority to enter into this Agreement and distribute Tourist Development Tax funds in the amount and manner set forth in this Agreement; and

WHEREAS, the **COUNTY** and **RECIPIENT** acknowledge that the Tourist Development Tax may only be spent in accordance with state law, case law and the Tourist Development Plan adopted by Lee County; and

WHEREAS, the **COUNTY** approved the **RECIPIENT’S** request for funding under its Tourist Development Tax Plan for implementation of the following project:

NAME: HAGERUP BEACH PARK MAINTENANCE

NUMBER: 401911

NOW, THEREFORE, for and in consideration of the covenants and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound hereby agree to perform the duties described herein in this Agreement as follows:

1. SCOPE OF WORK

The **RECIPIENT** will perform the work necessary to complete the Project in accordance with the Project Request (attached). **RECIPIENT** may not make any major alterations, changes or substitutions to the Project without obtaining prior written approval from the **COUNTY**. The Director of the Visitor and Convention Bureau or designee may approve minor changes, alterations and/or substitutions. **RECIPIENT** shall be solely responsible for managing and controlling the Project, including the hiring and supervising of any consultants or contractors it engages.

1.1 The parties agree that time is of the essence in the performance of each obligation under this Agreement.

1.2 The parties acknowledge that the Project is for *maintenance of Alison Hagerup Beach Park*

2. CONTRACT PERIOD

This Agreement is effective as of October 1, 2022 (the "Effective Date") and shall continue until the earlier occurs (a) September 30, 2023 (the "Expiration Date") or (b) the date on which either Party terminates this Agreement (the "Termination Date"). The **RECIPIENT** shall not be eligible for reimbursement for any work that is commenced, or costs that are incurred, prior to the effective date of this Agreement.

3. FUNDING

This Agreement is a cost reimbursement Agreement. The parties agree that the total cost of the Project will be One Hundred ninety-two thousand one hundred sixty dollars (\$192,160.00). The **COUNTY** will reimburse the

RECIPIENT for an amount not to exceed One Hundred ninety-two thousand one hundred sixty dollars (\$192,160.00) during the **COUNTY'S** fiscal year 2022/2023.

- 3.1 The **RECIPIENT** shall pay Project costs prior to requesting reimbursement from the **COUNTY**. The **COUNTY** shall reimburse the **RECIPIENT** for the **COUNTY'S** share of allowable Project costs in accordance with the Project Budget set forth in the Project Plan.
- 3.2 To receive payment, the **RECIPIENT** shall submit request for reimbursement and supporting documentation to the **COUNTY** within forty-five (45) days after completion of the Project. The invoices must describe the services performed, show proof of payment, and all supporting documentation related to the expenses. The **COUNTY** will forward the documentation to the Clerk of Courts Office for payment. Any other additional documentation requested by the Clerk shall be provided. At no point in time will the **COUNTY'S** reimbursement amount under this Agreement exceed One Hundred ninety-two thousand one hundred sixty dollars (\$192,160.00)
- 3.3 The **RECIPIENT** may contract with consultant(s), contractor(s) or both to accomplish the Project without approval of the **COUNTY**.
- 3.4 The parties acknowledge that the Project was approved for funding by the **COUNTY** based upon the benefits expected to be achieved by the Project. The parties also acknowledge that the **RECIPIENT** is solely responsible for implementing the Project in such a manner that the expected benefits are achieved. If at any point during the progression of the Project, the **COUNTY** determines that it is likely that the Project will not be completed, the **COUNTY** shall provide the **RECIPIENT** with fifteen (15) days advance written notice that the **COUNTY** shall withhold payments to the **RECIPIENT** until such time as the **RECIPIENT** demonstrates that the Project shall reach completion, to provide the **RECIPIENT** with an opportunity to cure the deficiencies.
- 3.5 **RECIPIENT** shall provide the **COUNTY** evidence of substantial activity within six (6) months of the beginning of the fiscal year the grant funding is awarded.
- 3.6 Unspent or unencumbered funds remaining at the end of the fiscal year may not be carried over into the next fiscal year unless approved by the Board of County Commissioners.
- 3.7 In the event any dispute or disagreement arises during the course of the Project, including whether expenses are reimbursable under accordance with the Project Request, the **RECIPIENT** is under a duty to seek clarification and resolution of any issue, discrepancy, or dispute by providing the details and basis of the dispute to the Director, Visitor and Convention Bureau, no later than ten (10)

days after the precipitating event. If not resolved by the Director, Visitor and Convention Bureau, within ten (10) days of receipt of notice the dispute will be forwarded to the Assistant County Manager assigned to the Visitor and Convention Bureau. The Assistant County Manager in consultation with the County Attorney's Office will issue the **COUNTY'S** final determination. The **RECIPIENT'S** continuation of the Project work as required under this subparagraph shall not constitute a waiver of any legal remedy available to the **RECIPIENT** concerning the dispute.

4. COMPLETION DATES

The **RECIPIENT** shall commence and complete the Project and meet the deadlines in accordance with the Project Schedule set forth in the Project Plan. In the event of hurricanes, tornado, floods, acts of God, acts of war, or other such catastrophes, or other man-made emergencies such as labor strikes or riots, which are beyond the control of the **RECIPIENT**, the **RECIPIENT'S** obligation to meet the time frames provided in this Agreement shall be suspended for the period of time the condition continues to exist. During such suspension, this Agreement shall remain in effect. When the **RECIPIENT** is able to resume performance of its obligations under this Agreement, in whole or in part, it shall immediately give the **COUNTY** written notice to that effect and shall resume performance no later than two (2) working days after the notice is delivered. The suspension of the **RECIPIENT'S** obligations provided for in this paragraph shall be the **RECIPIENT'S** sole remedy for the delays set forth herein.

5. REPAYMENT

- 5.1 Notwithstanding anything in this Agreement to the contrary, **COUNTY** has an absolute right to recoup Grant Funds. **COUNTY** may refuse to reimburse **RECIPIENT** for any cost if **COUNTY** determines, in its sole discretion, that such cost was not incurred in compliance with the terms of this Agreement. **COUNTY** may demand return of the Grant Funds if **COUNTY** terminates this Agreement.
- 5.2 In the event the **RECIPIENT** is obligated to repay the **COUNTY** under any paragraph of this Agreement, the **RECIPIENT** shall repay the **COUNTY** within a reasonable time, as determined by the **COUNTY** in its sole discretion.
- 5.3 The **RECIPIENT** shall pay attorney's fees and costs incurred by the **COUNTY**, including appeals, as a result of the **RECIPIENT'S** failure to repay the **COUNTY** as required by this Agreement.

5.4 This Repayment Paragraph, including all subparagraphs, shall survive the expiration or termination of this Agreement.

6. PROJECT RECORDS

The **RECIPIENT** shall maintain accurate records of all expenditures, and **RECIPIENT** shall make records related to this Agreement available at all reasonable times for inspection, review or audit by the **COUNTY**. Records shall be kept for a period of at least three (3) years following the end of the funding period. Each party shall comply with Chapter 119, F.S., the Public Records Act, including allowing public access to the Project documents and materials made or received by either party. Should either party assert any exemption to the requirements of Chapter 119, F.S., the burden of establishing such exemption, by way of injunctive or other relief as provided by law, shall be upon the asserting party. This paragraph shall survive the expiration or termination of this Agreement.

7. REPORTS

7.1 **RECIPIENT** shall provide quarterly status updates to the **COUNTY** describing the progress of the Project, adherence to the Project Schedule and any developments affecting the Project. The **RECIPIENT** shall promptly advise the **COUNTY** of issues that arise that may impact the successful and timely completion of the Project. Quarterly reports shall be submitted to the **COUNTY'S** Manager, Visitor and Convention Bureau no later than forty-five (45) days following the completion of the quarterly reporting period.

7.2 **RECIPIENT** will submit quarterly expenditure reports to the **COUNTY**. Sufficient supporting invoices and documentation to support pre-audit and post-audit review must accompany expenditure reports. The Clerk of the Circuit Court, who may seek additional information, as the circumstances require, shall determine the sufficiency of said documentation.

7.3 The **RECIPIENT** shall provide the reports and documents referenced in this paragraph at no cost to the **COUNTY**.

8. LIABILITY AND INDEMNIFICATION

8.1 To the extent permitted by Florida law, the **RECIPIENT** assumes all risks relating to the Project and agrees to be solely liable for, and to indemnify and hold the **COUNTY** harmless from all claims, loss, damage and other expenses, including attorney's fees and

costs and attorneys' fees and cost on appeal, arising from the project.

- 8.2 The **COUNTY** shall not be liable to any person, firm or corporation that contracts with the **RECIPIENT** to provide goods and services associated with the project conducted with the funding. Nor shall the **COUNTY** be liable to any person, firm or corporation for claims against the **RECIPIENT** or debts incurred by the **RECIPIENT**.
- 8.3 This Liability and Indemnification paragraph, including all subparagraphs, shall not be construed as a waiver of the **RECIPIENT'S** sovereign immunity or an extension of the **RECIPIENT'S** liability beyond the limits established in Section 768.28, F.S., nor be construed as consent by the **RECIPIENT** to be sued by third parties in any manner arising out of this Agreement.
- 8.4 Nothing in this Agreement shall be interpreted as a waiver of the **COUNTY'S** sovereign immunity or an extension of its liability beyond the limits established in Section 768.28, F.S., nor be construed as consent by the **COUNTY** to be sued by third parties in any manner arising out of this Agreement. This Liability and Indemnification paragraph, including all subparagraphs, shall survive the expiration or termination of this Agreement

9. TERMINATION

- 9.1 The **COUNTY**, by written notice to **RECIPIENT** may terminate this Agreement immediately and cancel any unpaid disbursement if the **COUNTY** determines, in its sole discretion, that:
- a) **RECIPIENT** used any portion of the grant funds for purposes not included in the terms of this Agreement.
 - b) **RECIPIENT** is not making satisfactory progress toward the completion of the Project or has violated the terms of this Agreement.

Upon receipt of the written notice, **RECIPIENT** shall not provide any further deliverables after receiving the notice of termination. Within 30 days after receiving written notice from the **COUNTY** of such termination, the **RECIPIENT** shall return the funds reimbursed. The **COUNTY** will have no liability to pay the **RECIPIENT** any further sums in relation to this Agreement.

- 9.2 **RECIPIENT** may terminate this Agreement for inability to obtain all permits and local government approvals necessary to complete the Project or inability to complete the Project. To effect termination, **RECIPIENT** shall provide **COUNTY** with written "Notice of Termination". **RECIPIENT** shall refund all grant funds provided under this Agreement to the **COUNTY** for the Project within 30 days of termination.

10. LAW COMPLIANCE

The **RECIPIENT** shall comply with all applicable federal, state and local laws, rules, regulations and guidelines related to performance under this Agreement.

11. ASSIGNMENT

Except as otherwise provided in this Agreement, no party may assign any of its rights or delegate any of its obligations under this Agreement, including any operation or maintenance duties related to the Project, without the prior written consent of the other party. Any attempted assignment in violation of this paragraph is void. This paragraph shall survive the expiration or termination of this Agreement.

12. GOVERNING LAW

The laws of the State of Florida shall govern the construction, enforcement, and interpretation of this Agreement, regardless of and without reference to whether any applicable conflicts of laws principles may point to the application of the laws of another jurisdiction. The Parties expressly consent to exclusive jurisdiction and venue in any state court located in Lee County, Florida, and waive any defense of forum non conveniens, lack of personal jurisdiction, or like defense.

13. SEVERABILITY

If any paragraph or paragraphs of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining paragraphs shall not in any way be effected or impaired thereby. Notwithstanding the above, if a paragraph or paragraphs of this Agreement setting forth the requirements or expectations of the benefit of promoting tourism resulting from the Project is held to be invalid, illegal or unenforceable during the term of this Agreement, this Agreement shall terminate in accordance with the Repayment paragraph. This paragraph shall survive the expiration or termination of this Agreement.

14. COUNTERPARTS

The parties may execute this Agreement, and any amendments related to this Agreement, each of which constitutes an original, and all of which, collectively, constitute only one Agreement. The signatures of all of the parties need not appear on the same counterpart.

15. MISCELLANEOUS

- 15.1 The **RECIPIENT** covenants to the **COUNTY** that it has lawful authority to enter into this Agreement and has authorized the execution of this agreement by its authorized representative.
- 15.2 This Agreement embodies the entire agreement of the Parties with respect to the subject matter hereof. There are no provisions, terms, conditions, or obligations other than those contained in this Agreement; and this Agreement supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties. If a court of competent jurisdiction voids or holds unenforceable any provision of this Agreement, then that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable, and all other provisions shall remain in full force and effect.
- 15.3 This Agreement may not be modified, amended or extended orally. This Agreement may only be amended by written agreement executed by the governing bodies of both parties.

16. CONTACT INFORMATION

COUNTY

Lee County Board of County Commissioners
 Director, Visitor and Convention Bureau
 2201 Second Street, Suite 600
 Fort Myers, FL 33901

RECIPIENT

CAPTIVA EROSION PREVENTION DISTRICT, Director
 11513 Andy Rosse Lane, Unit 4
 Captiva, FL 33924

The Parties' respective contact and notice information is set forth in the immediately preceding paragraph and may be subject to change at the Parties' discretion. If the contact information changes, the Party making such change will notify the other Party in writing. When the term "written notice" is used to specify a notice requirement herein, said notice shall be deemed to have been given (i) when personally delivered; (ii) when transmitted by email, if the sender on the same day sends a confirming copy of such notice by certified or registered mail; (iii) the next business day following the day on which the same has been delivered prepaid to a recognized overnight delivery service; or (iv) the third business day following the day on which the same is sent by certified or registered mail, postage prepaid, with return receipt.

IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth above, the Parties, through their duly authorized representatives, sign this Agreement and represent and warrant that they understand the Agreement as of this _____ day of _____, 20_____.

ATTEST:
KEVIN KARNES, CLERK

BOARD OF COUNTY COMMISSIONERS
LEE COUNTY, FLORIDA

BY: _____
DEPUTY CLERK

BY: _____

APPROVED AS TO FORM FOR THE
RELIANCE OF LEE COUNTY ONLY

BY: _____
OFFICE OF THE COUNTY ATTORNEY

ATTEST:

CAPTIVA EROSION PREVENTION DISTRICT

BY: _____
WITNESS

BY: _____
DIRECTOR

APPROVED AS TO FORM

BY: _____
CEPD ATTORNEY

**TOURIST DEVELOPMENT TAX GRANT FUNDING AGREEMENT
BETWEEN
LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AND
CAPTIVA EROSION PREVENTION DISTRICT
FOR
BEACH MAINTENANCE VEHICLE (403363)**

THIS GRANT AGREEMENT is entered into by and between LEE COUNTY BOARD OF COUNTY COMMISSIONERS, a political subdivision and charter county of the State of Florida, hereinafter referred to as the “**COUNTY**” and the CAPTIVA EROSION PREVENTION DISTRICT hereinafter referred to as “**RECIPIENT**”, for funding provided pursuant to the **COUNTY’S** Tourist Development Plan and Florida Statutes Section 125.0104.

WITNESSETH:

WHEREAS, pursuant to Florida Statutes §125.0104 and Lee County Ordinances No. 13-14 and 16-18, and as may be further amended from time to time, Lee County collects tourist development tax; and

WHEREAS, the **COUNTY** has the authority to enter into this Agreement and distribute Tourist Development Tax funds in the amount and manner set forth in this Agreement; and

WHEREAS, the **COUNTY** and **RECIPIENT** acknowledge that the Tourist Development Tax may only be spent in accordance with state law, case law and the Tourist Development Plan adopted by Lee County; and

WHEREAS, the **COUNTY** approved the **RECIPIENT’S** request for funding under its Tourist Development Tax Plan for implementation of the following project:

NAME: BEACH MAINTENANCE VEHICLE

NUMBER: 403363

NOW, THEREFORE, for and in consideration of the covenants and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound hereby agree to perform the duties described herein in this Agreement as follows:

1. SCOPE OF WORK

The **RECIPIENT** will perform the work necessary to complete the Project in accordance with the Project Request (attached). **RECIPIENT** may not make any major alterations, changes or substitutions to the Project without obtaining prior written approval from the **COUNTY**. The Director of the Visitor and Convention Bureau or designee may approve minor changes, alterations and/or substitutions. **RECIPIENT** shall be solely responsible for managing and controlling the Project, including the hiring and supervising of any consultants or contractors it engages.

- 1.1 The parties agree that time is of the essence in the performance of each obligation under this Agreement.
- 1.2 The parties acknowledge that the Project is for *a vehicle to assist in maintenance of the beach*

2. CONTRACT PERIOD

This Agreement is effective as of October 1, 2022 (the "Effective Date") and shall continue until the earlier occurs (a) September 30, 2023 (the "Expiration Date") or (b) the date on which either Party terminates this Agreement (the "Termination Date"). The **RECIPIENT** shall not be eligible for reimbursement for any work that is commenced, or costs that are incurred, prior to the effective date of this Agreement.

3. FUNDING

This Agreement is a cost reimbursement Agreement. The parties agree that the total cost of the Project will be Ten thousand two hundred ninety-nine dollars (\$10,299.00). The **COUNTY** will reimburse the **RECIPIENT**

for an amount not to exceed Ten thousand two hundred ninety-nine dollars (\$10,299.00) during the **COUNTY'S** fiscal year 2022/2023.

- 3.1 The **RECIPIENT** shall pay Project costs prior to requesting reimbursement from the **COUNTY**. The **COUNTY** shall reimburse the **RECIPIENT** for the **COUNTY'S** share of allowable Project costs in accordance with the Project Budget set forth in the Project Plan.
- 3.2 To receive payment, the **RECIPIENT** shall submit request for reimbursement and supporting documentation to the **COUNTY** within forty-five (45) days after completion of the Project. The invoices must describe the services performed, show proof of payment, and all supporting documentation related to the expenses. The **COUNTY** will forward the documentation to the Clerk of Courts Office for payment. Any other additional documentation requested by the Clerk shall be provided. At no point in time will the **COUNTY'S** reimbursement amount under this Agreement exceed Ten thousand two hundred ninety-nine dollars (\$10,299.00)
- 3.3 The **RECIPIENT** may contract with consultant(s), contractor(s) or both to accomplish the Project without approval of the **COUNTY**.
- 3.4 The parties acknowledge that the Project was approved for funding by the **COUNTY** based upon the benefits expected to be achieved by the Project. The parties also acknowledge that the **RECIPIENT** is solely responsible for implementing the Project in such a manner that the expected benefits are achieved. If at any point during the progression of the Project, the **COUNTY** determines that it is likely that the Project will not be completed, the **COUNTY** shall provide the **RECIPIENT** with fifteen (15) days advance written notice that the **COUNTY** shall withhold payments to the **RECIPIENT** until such time as the **RECIPIENT** demonstrates that the Project shall reach completion, to provide the **RECIPIENT** with an opportunity to cure the deficiencies.
- 3.5 **RECIPIENT** shall provide the **COUNTY** evidence of substantial activity within six (6) months of the beginning of the fiscal year the grant funding is awarded.
- 3.6 Unspent or unencumbered funds remaining at the end of the fiscal year may not be carried over into the next fiscal year unless approved by the Board of County Commissioners.
- 3.7 In the event any dispute or disagreement arises during the course of the Project, including whether expenses are reimbursable under accordance with the Project Request, the **RECIPIENT** is under a duty to seek clarification and resolution of any issue, discrepancy, or dispute by providing the details and basis of the dispute to the Director, Visitor and Convention Bureau, no later than ten (10) days after the precipitating event. If not resolved by the Director,

Visitor and Convention Bureau, within ten (10) days of receipt of notice the dispute will be forwarded to the Assistant County Manager assigned to the Visitor and Convention Bureau. The Assistant County Manager in consultation with the County Attorney's Office will issue the **COUNTY'S** final determination. The **RECIPIENT'S** continuation of the Project work as required under this subparagraph shall not constitute a waiver of any legal remedy available to the **RECIPIENT** concerning the dispute.

4. COMPLETION DATES

The **RECIPIENT** shall commence and complete the Project and meet the deadlines in accordance with the Project Schedule set forth in the Project Plan. In the event of hurricanes, tornado, floods, acts of God, acts of war, or other such catastrophes, or other man-made emergencies such as labor strikes or riots, which are beyond the control of the **RECIPIENT**, the **RECIPIENT'S** obligation to meet the time frames provided in this Agreement shall be suspended for the period of time the condition continues to exist. During such suspension, this Agreement shall remain in effect. When the **RECIPIENT** is able to resume performance of its obligations under this Agreement, in whole or in part, it shall immediately give the **COUNTY** written notice to that effect and shall resume performance no later than two (2) working days after the notice is delivered. The suspension of the **RECIPIENT'S** obligations provided for in this paragraph shall be the **RECIPIENT'S** sole remedy for the delays set forth herein.

5. REPAYMENT

- 5.1 Notwithstanding anything in this Agreement to the contrary, **COUNTY** has an absolute right to recoup Grant Funds. **COUNTY** may refuse to reimburse **RECIPIENT** for any cost if **COUNTY** determines, in its sole discretion, that such cost was not incurred in compliance with the terms of this Agreement. **COUNTY** may demand return of the Grant Funds if **COUNTY** terminates this Agreement.
- 5.2 In the event the **RECIPIENT** is obligated to repay the **COUNTY** under any paragraph of this Agreement, the **RECIPIENT** shall repay the **COUNTY** within a reasonable time, as determined by the **COUNTY** in its sole discretion.
- 5.3 The **RECIPIENT** shall pay attorney's fees and costs incurred by the **COUNTY**, including appeals, as a result of the **RECIPIENT'S** failure to repay the **COUNTY** as required by this Agreement.

5.4 This Repayment Paragraph, including all subparagraphs, shall survive the expiration or termination of this Agreement.

6. PROJECT RECORDS

The **RECIPIENT** shall maintain accurate records of all expenditures, and **RECIPIENT** shall make records related to this Agreement available at all reasonable times for inspection, review or audit by the **COUNTY**. Records shall be kept for a period of at least three (3) years following the end of the funding period. Each party shall comply with Chapter 119, F.S., the Public Records Act, including allowing public access to the Project documents and materials made or received by either party. Should either party assert any exemption to the requirements of Chapter 119, F.S., the burden of establishing such exemption, by way of injunctive or other relief as provided by law, shall be upon the asserting party. This paragraph shall survive the expiration or termination of this Agreement.

7. REPORTS

7.1 **RECIPIENT** shall provide quarterly status updates to the **COUNTY** describing the progress of the Project, adherence to the Project Schedule and any developments affecting the Project. The **RECIPIENT** shall promptly advise the **COUNTY** of issues that arise that may impact the successful and timely completion of the Project. Quarterly reports shall be submitted to the **COUNTY'S** Manager, Visitor and Convention Bureau no later than forty-five (45) days following the completion of the quarterly reporting period.

7.2 **RECIPIENT** will submit quarterly expenditure reports to the **COUNTY**. Sufficient supporting invoices and documentation to support pre-audit and post-audit review must accompany expenditure reports. The Clerk of the Circuit Court, who may seek additional information, as the circumstances require, shall determine the sufficiency of said documentation.

7.3 The **RECIPIENT** shall provide the reports and documents referenced in this paragraph at no cost to the **COUNTY**.

8. LIABILITY AND INDEMNIFICATION

8.1 To the extent permitted by Florida law, the **RECIPIENT** assumes all risks relating to the Project and agrees to be solely liable for, and to indemnify and hold the **COUNTY** harmless from all claims, loss, damage and other expenses, including attorney's fees and

costs and attorneys' fees and cost on appeal, arising from the project.

- 8.2 The **COUNTY** shall not be liable to any person, firm or corporation that contracts with the **RECIPIENT** to provide goods and services associated with the project conducted with the funding. Nor shall the **COUNTY** be liable to any person, firm or corporation for claims against the **RECIPIENT** or debts incurred by the **RECIPIENT**.
- 8.3 This Liability and Indemnification paragraph, including all subparagraphs, shall not be construed as a waiver of the **RECIPIENT'S** sovereign immunity or an extension of the **RECIPIENT'S** liability beyond the limits established in Section 768.28, F.S., nor be construed as consent by the **RECIPIENT** to be sued by third parties in any manner arising out of this Agreement.
- 8.4 Nothing in this Agreement shall be interpreted as a waiver of the **COUNTY'S** sovereign immunity or an extension of its liability beyond the limits established in Section 768.28, F.S., nor be construed as consent by the **COUNTY** to be sued by third parties in any manner arising out of this Agreement. This Liability and Indemnification paragraph, including all subparagraphs, shall survive the expiration or termination of this Agreement

9. TERMINATION

- 9.1 The **COUNTY**, by written notice to **RECIPIENT** may terminate this Agreement immediately and cancel any unpaid disbursement if the **COUNTY** determines, in its sole discretion, that:
- a) **RECIPIENT** used any portion of the grant funds for purposes not included in the terms of this Agreement.
 - b) **RECIPIENT** is not making satisfactory progress toward the completion of the Project or has violated the terms of this Agreement.

Upon receipt of the written notice, **RECIPIENT** shall not provide any further deliverables after receiving the notice of termination. Within 30 days after receiving written notice from the **COUNTY** of such termination, the **RECIPIENT** shall return the funds reimbursed. The **COUNTY** will have no liability to pay the **RECIPIENT** any further sums in relation to this Agreement.

- 9.2 **RECIPIENT** may terminate this Agreement for inability to obtain all permits and local government approvals necessary to complete the Project or inability to complete the Project. To effect termination, **RECIPIENT** shall provide **COUNTY** with written "Notice of Termination". **RECIPIENT** shall refund all grant funds provided under this Agreement to the **COUNTY** for the Project within 30 days of termination.

10. LAW COMPLIANCE

The **RECIPIENT** shall comply with all applicable federal, state and local laws, rules, regulations and guidelines related to performance under this Agreement.

11. ASSIGNMENT

Except as otherwise provided in this Agreement, no party may assign any of its rights or delegate any of its obligations under this Agreement, including any operation or maintenance duties related to the Project, without the prior written consent of the other party. Any attempted assignment in violation of this paragraph is void. This paragraph shall survive the expiration or termination of this Agreement.

12. GOVERNING LAW

The laws of the State of Florida shall govern the construction, enforcement, and interpretation of this Agreement, regardless of and without reference to whether any applicable conflicts of laws principles may point to the application of the laws of another jurisdiction. The Parties expressly consent to exclusive jurisdiction and venue in any state court located in Lee County, Florida, and waive any defense of forum non conveniens, lack of personal jurisdiction, or like defense.

13. SEVERABILITY

If any paragraph or paragraphs of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining paragraphs shall not in any way be effected or impaired thereby. Notwithstanding the above, if a paragraph or paragraphs of this Agreement setting forth the requirements or expectations of the benefit of promoting tourism resulting from the Project is held to be invalid, illegal or unenforceable during the term of this Agreement, this Agreement shall terminate in accordance with the Repayment paragraph. This paragraph shall survive the expiration or termination of this Agreement.

14. COUNTERPARTS

The parties may execute this Agreement, and any amendments related to this Agreement, each of which constitutes an original, and all of which, collectively, constitute only one Agreement. The signatures of all of the parties need not appear on the same counterpart.

15. MISCELLANEOUS

- 15.1 The **RECIPIENT** covenants to the **COUNTY** that it has lawful authority to enter into this Agreement and has authorized the execution of this agreement by its authorized representative.
- 15.2 This Agreement embodies the entire agreement of the Parties with respect to the subject matter hereof. There are no provisions, terms, conditions, or obligations other than those contained in this Agreement; and this Agreement supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties. If a court of competent jurisdiction voids or holds unenforceable any provision of this Agreement, then that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable, and all other provisions shall remain in full force and effect.
- 15.3 This Agreement may not be modified, amended or extended orally. This Agreement may only be amended by written agreement executed by the governing bodies of both parties.

16. CONTACT INFORMATION

COUNTY

Lee County Board of County Commissioners
 Director, Visitor and Convention Bureau
 2201 Second Street, Suite 600
 Fort Myers, FL 33901

RECIPIENT

CAPTIVA EROSION PREVENTION DISTRICT, Director
 11513 Andy Rosse Lane, Unit 4
 Captiva, FL 33924

The Parties' respective contact and notice information is set forth in the immediately preceding paragraph and may be subject to change at the Parties' discretion. If the contact information changes, the Party making such change will notify the other Party in writing. When the term "written notice" is used to specify a notice requirement herein, said notice shall be deemed to have been given (i) when personally delivered; (ii) when transmitted by email, if the sender on the same day sends a confirming copy of such notice by certified or registered mail; (iii) the next business day following the day on which the same has been delivered prepaid to a recognized overnight delivery service; or (iv) the third business day following the day on which the same is sent by certified or registered mail, postage prepaid, with return receipt.

IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth above, the Parties, through their duly authorized representatives, sign this Agreement and represent and warrant that they understand the Agreement as of this _____ day of _____, 20_____.

ATTEST:
KEVIN KARNES, CLERK

BOARD OF COUNTY COMMISSIONERS
LEE COUNTY, FLORIDA

BY: _____
DEPUTY CLERK

BY: _____

APPROVED AS TO FORM FOR THE
RELIANCE OF LEE COUNTY ONLY

BY: _____
OFFICE OF THE COUNTY ATTORNEY

ATTEST:

CAPTIVA EROSION PREVENTION DISTRICT

BY: _____
WITNESS

BY: _____
DIRECTOR

APPROVED AS TO FORM

BY: _____
CEPD ATTORNEY



August 23, 2022

The Board of Commissioners
Captiva Erosion Prevention District
11513 Andy Rosse Lane
P.O. Box 365
Captiva, Florida 33924

Attention: Jennifer Nelson, Executive Director

We are pleased to confirm our understanding of the services we are to provide for the Captiva Erosion Prevention District (the “District”).

We will examine the District’s compliance with Section 218.415, Florida Statutes, regarding the investment of public funds as of and for the year ending September 30, 2022. The objectives of our examination are to: (1) obtain reasonable assurance about whether the District complied with the specified requirements above; and (2) to express an opinion as to whether the District’s assertion that it complied with the specified requirements, is fairly stated, in all material respects.

Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include examining, on a test basis, your records and other procedures to obtain evidence necessary to enable us to express our opinion. We will issue a written report upon completion of our examination. Our report will be addressed to the Board of Commissioners of the District. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from this engagement.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

You understand that the report is intended solely for the information and use of the District and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than those specified parties.

We will plan and perform the examination to obtain reasonable assurance about whether the District complied with Section 218.415, Florida Statutes, regarding the investment of public funds is free from material misstatement. Our engagement will not include a detailed inspection of every transaction and cannot be relied on to disclose all material errors, or known and suspected fraud or noncompliance with laws or regulations, or internal control deficiencies that may exist. However, we will inform you of any known and suspected fraud and noncompliance with laws or regulations, internal control deficiencies identified during the engagement, and uncorrected misstatements that come to our attention unless clearly trivial.

We understand that you will provide us with the information required for our examination and that you are responsible for the accuracy and completeness of that information. We may advise you about appropriate criteria, but the responsibility for the subject matter remains with you.

You are responsible for compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are responsible for, and agree to provide us with, a written assertion about whether the District is in compliance with the above noted criteria. Failure to provide such an assertion will result in our withdrawal from the engagement. You are also responsible for providing us with: (1) access to all information of which you are aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; (2) additional information that we may request for the purpose of the examination; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence.

At the conclusion of the engagement, you agree to provide us with certain written representations in the form of a representation letter.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but we remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information, and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Wade P. Sansbury, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

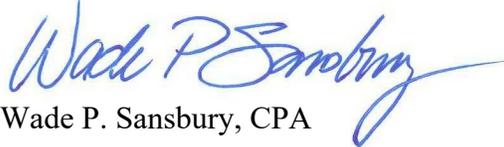
We expect to begin our examination in mid-November 2022. Our fees for these services are included in the District's annual audit engagement letter. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our

engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

MAULDIN & JENKINS, LLC


Wade P. Sansbury, CPA

RESPONSE:

This letter correctly sets forth the understanding of the District.

Management signature: _____

Title: _____

Governance signature: _____

Title: _____



August 23, 2022

The Board of Commissioners
Captiva Erosion Prevention District
11513 Andy Rosse Lane
P.O. Box 365
Captiva, Florida 33924

Attention: Jennifer Nelson, Executive Director

We are pleased to confirm our understanding of the services we are to provide the Captiva Erosion Prevention District (the “District”), for the year ended September 30, 2022.

Audit Scope and Objectives

We will audit the financial statements including the related notes to the financial statements which collectively comprise the basic financial statements of the District as of and for the year then ended. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the District’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District’s RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management’s Discussion and Analysis (MD&A).
2. Budgetary comparison for the General Fund.

We have also been engaged to report on supplementary information other than RSI that accompanies the District’s financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS and will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor’s report on the financial statements:

1. Budgetary comparison for the Capital Projects Fund.

2. Schedule of expenditures of federal awards and state financial assistance (if necessary).

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Governmental Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or on each major state project in accordance with the Florida State Single Audit Act and the *Department of Financial Services State Projects Compliance Supplement*, as applicable.

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we will exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from: (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific

procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

1. Management's override of internal controls.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with provisions of applicable laws, regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform these services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for: (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with: (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving: (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and to prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review subsequent to the start of fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19 related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that: (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that: (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to an exempt offering document with which Mauldin & Jenkins is not involved, you agree to clearly indicate in the exempt offering document that Mauldin & Jenkins is not involved with the contents of such offering document. In the event that Mauldin & Jenkins is requested to be involved with an exempt offering document, you agree that the aforementioned auditor's report or reference to Mauldin & Jenkins will not be included without our prior permission or consent. Furthermore, any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You acknowledge the District will not utilize Mauldin & Jenkins, LLC to store documents, data, or records on behalf of the District in accordance with the "Hosting Services" (see ET section 1.295.143) interpretation of the AICPA Code of Professional Conduct. The District is solely responsible for maintaining its own data and records.

In that regard, SuraLink is used solely as a method of transferring data to Mauldin & Jenkins, LLC and is not intended for the storage of the District's information. All information you will provide through SuraLink is a copy and you will maintain original documents and data as part of your records.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mauldin & Jenkins and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mauldin & Jenkins personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a regulatory body. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in mid November 2022, and to issue our reports no later than January 31, 2023. Wade P. Sansbury, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our all-inclusive maximum fee for the performance of the annual financial and compliance audit services for the September 30, 2022, audit will be \$14,500 and \$4,500 for each major program tested. Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings to be prepared annually) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

Reporting

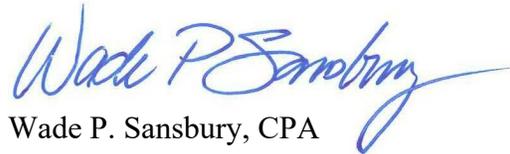
We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Commissioners of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs to our auditor's report, or if necessary, withdraw from this engagement. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state: (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed letters and return one to us.

Sincerely,

MAULDIN & JENKINS, LLC



Wade P. Sansbury, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Captiva Erosion Prevention District.

Management signature: _____

Title: _____

Governance signature: _____

Title: _____



2023 MONTHLY BOARD MEETING SCHEDULE

Regular Board Meeting Dates:

(Monday before the second Tuesday of every month except for holidays)

January 9th

February 13th

March 13th

April 17th

May 8th

June 12th

July 10th

August 7th

September 11th

October 9th

November 13th

December 11th

Workshop Dates:

(Every Thursday, subject to cancellation)

January 5th, 12th, 19th, 26th

February 2nd, 9th, 16th, 23rd

March 2nd, 9th, 16th, 23rd, 30th

April 6th, 13th, 20th, 27th

May 4th, 11th, 18th, 25th

June 1st, 8th, 15th, 22nd, 29th

July 6th, 13th, 20th, 27th

August 3rd, 10th, 17th, 24th, 31st

September 7th, 14th, 21st, 28th

October 5th, 12th, 19th, 26th

November 2nd, 9th, 16th, 23rd, 30th

December 7th, 14th, 21st, 28th