

NOTICE AND AGENDA
CEDAR KEY WATER & SEWER DISTRICT
510 3RD STREET, CEDAR KEY, FL32625

REGULAR MEETING
September 7, 2022
5:01 P.M.

1. Call to order
2. Pledge and Prayer
3. Public Comment
4. Adoption of Agenda
5. Approval of Beauchamp & Edwards to continue as District's CPA.
6. A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT; ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TAXES FOR FISCAL YEAR 2022-2023; AND ESTABLISHING AN EFFECTIVE DATE.
7. A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT; ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2022-2023; AND ESTABLISHING AN EFFECTIVE DATE.
8. Attorney Report
9. Commissioner Comments
10. Public Input
11. Adjourn

All persons are advised that if they decide to appeal any decision made at the above-referenced public hearing, they will need a record of the proceedings, and that, for such purpose, they may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal will be based.



"A PARTNERSHIP OF
PROFESSIONAL
CORPORATIONS"

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American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

July 13, 2022

Board of Commissioners
Cedar Key Special Water and Sewerage District
Cedar Key, Fl. 32625

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will perform the following services:

1. We will compile, from information you provide, the year-end financial statements for the Cedar Key Water and Sewerage District as of and for the year ended September 30, 2022. We will not audit or review such financial statements. We will not issue financial statements as a product of this engagement. The statements will be made available to the Firm engaged to complete the District's annual audit
2. We will assist in adjusting the accounting records so that we will be able to prepare compiled financial statements. This will include the recording of accruals and deferrals at year end. We will prepare notes to the related financial statements in accordance with *Government Auditing Standards*, issued by the comptroller General of the United States
3. We will prepare the schedules required by your auditors and reconcile all subsidiary accounts to your general ledger, as needed.
4. We will assist in preparation of Management Discussion and Analysis as required by Government Auditing Standards.
5. We will prepare the annual financial report which is required to be filed with the Department of Banking and Finance.
6. We will serve as a liaison between you and your auditors.

You are responsible for management decisions and functions, and for designating a competent employee to oversee any bookkeeping services, or other services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities. Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform you of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal control as part of this engagement.

We estimate that our fees for these services will not exceed \$8,900 for the compilation and for the other services detailed above. Additional fees will be charged when the District is required to comply with the OMB Circular A-133 audit requirements. An OMB Circular A-133 audit is required if the District receives more than \$750,000 of federal or state grant funds. This fee estimate is based on us receiving full cooperation from your personnel and the assumption that no unexpected circumstances will be encountered during the work performed. If additional time is deemed necessary, we will discuss that with you and give a new fee estimate before we incur any additional costs. Our invoices for these services will be rendered each month, as work progresses, and are payable at that time.

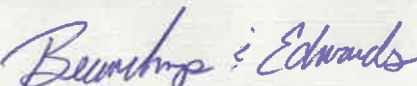
Board of Commissioners
Cedar Key Water and Sewerage District
Cedar Key, Fl. 32625

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Additionally, we will offer our services to the District beyond the scope of this engagement for accounting, bookkeeping, and management consulting services. Fees for these services will range from \$25 to \$100 per hour, depending on the level of expertise and experience required to complete the requested services.

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,


Beauchamp & Edwards CPA

We agree to the proposed contract for services as described above.

Chairman of the Board

RESOLUTION NO. 2022-03

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT ADOPTING THE TENTATIVE MILLAGE RATES FOR THE LEVY OF AD VALOREM TAXES WITHIN THE DISTRICT FOR FISCAL YEAR 2022-2023; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on September 7, 2022, the Cedar Key Water and Sewer District held a public hearing as required by Section 200.65, Florida Statutes, for the setting of the tentative millage rate for Fiscal Year 2022-2023; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within the Cedar Key Water and Sewer District's boundaries has been certified by the Levy County Property Appraiser to the Cedar Key Water and Sewer District as \$217,900,472.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CEDAR KEY WATER AND SEWER DISTRICT:

Section 1. The Fiscal Year 2022-2023 tentative operating millage rate shall be 1.2000 mills, which is greater than the rolled-back millage rate of 1.0861 mills by 10.49%.

Section 2. This Resolution shall take effect immediately upon its adoption.

Passed by a vote of _____ to _____ on the 7th day of September, 2022, at _____ p.m.

CEDAR KEY WATER AND SEWER DISTRICT

BY: _____
Dottie Haldeman, Chairperson

ATTEST:

(SEAL)

Leslie Sturmer, Secretary

RESOLUTION NO. 2022-04

A RESOLUTION OF THE CEDAR KEY WATER AND SEWER DISTRICT ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2022-2023; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on September 7, 2022, the Cedar Key Water and Sewer District adopted Fiscal Year Tentative Millage Rates as required by Section 200.065, Florida Statutes; and

WHEREAS, on September 7, 2022, the Cedar Key Water and Sewer District held a public hearing as required by Section 200.65, Florida Statutes, for the adoption of the Tentative Budget for Fiscal Year 2022-2023; and

WHEREAS, the Cedar Key Water and Sewer District set forth the appropriations and revenue estimate for the Budget for the Tentative Budget for Fiscal Year 2022-2023 in the amount of \$1,287,506.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CEDAR KEY WATER AND SEWER DISTRICT:

Section 1. The Fiscal Year 2022-2023 Tentative Budget in the amount of \$1,287,506, as shown by fund and set forth in the attached Exhibit "A," is hereby adopted.

Section 2. This Resolution shall take effect immediately upon its adoption.

Passed by a vote of _____ to _____ on the 7th day of September, 2022, at _____ p.m.

CEDAR KEY WATER AND SEWER DISTRICT

BY: _____
Dottie Haldeman, Chairperson

ATTEST:

(SEAL)

Leslie Sturmer, Secretary

Exhibit A

Tentative Budget for Fiscal Year 2022-2023

Cedar Key Water & Sewer District 2022 - 2023

Budget Worksheet

	For the Year Ending Oct '19 - Sep 20	For the Year Ending Oct '20 - Sep 21	For the 9 Months Ending Oct '21 - Jun 22	Proposed Budget 2022- 2023	
Ordinary Income/Expense					
Income					
300 - Income					
305 - Water Revenue	467,203.95	500,308.73	377,522.56	526,000.00	
310 - Sewer Revenues	389,406.57	414,335.40	318,030.92	435,000.00	
315 - Ad Valorem Tax					
315.100 - Ad Valorem	197,100.65	217,031.20	229,399.19	262,275.00	
315 - Ad Valorem Tax - Other	9,955.60	0.00	0.00		
Total 315 - Ad Valorem Tax	207,056.25	217,031.20	229,399.19	262,275.00	
320 - City Solid Waste Billing	0.00	0.00	-72.62	0.00	
325 - Penalties	1,596.77	1,880.00	2,530.00	2,958.00	
330 - Earned Interest	9.27	17.75	7.63	20.00	
331.100 - Proceeds from the City of CK	0.00	0.00	85,000.00	0.00	
335 - New Meter Charges	1,000.00	1,500.00	4,200.00	5,600.00	
340 - Rent for Water & Sewer Di					
341 City	0.00	0.00	568.18		
340 - 340-100 Cedar Key Dist.	0.00	0.00	20,981.14	27,974.00	
340 - Rent for Water & Sewer Di - Other	11,289.84	8,660.00	1,612.00	2,149.00	
Total 340 - Rent for Water & Sewer Di	11,289.84	8,660.00	23,161.32	30,123.00	
350 - Misc Income	8,293.67	16,013.65	9,406.48	12,500.00	
365. Meter Installation Fee	480.00	1,020.00	900.00	1,200.00	
382 - Grant - Legislative 2016	145,902.20	90,014.79	0.00	0.00	
Total 300 - Income	1,232,238.52	1,250,781.52	1,050,085.48	1,275,676.00	
Other Sources Of Income					
370 - Capital Facilities Charges	0.00	0.00	8,500.00	11,300.00	
333 - Other Miscellaneous	0.00	0.00	395.00	530.00	
364 - Gain on Sale of Equipment	10,150.00	1,000.00	0.00	0.00	
Total Other Sources Of Income	10,150.00	1,000.00	8,895.00	11,830.00	
390 - Security Deposit					
390.01 - Security Deposit	0.00	0.00	100.00	0.00	
Total 390 - Security Deposit	0.00	0.00	100.00	0.00	

Comments

Cedar Key Water & Sewer District 2022 - 2023

Budget Worksheet

For the 9
Months
Ending Oct
'21 - Jun 22

For the Year
Ending Oct
'20 - Sep 21

Proposed
Budget 2022-
2023

Comments

	For the Year Ending Oct '19 - Sep 20	For the Year Ending Oct '20 - Sep 21	For the 9 Months Ending Oct '21 - Jun 22	Proposed Budget 2022- 2023	Comments
Total Income	1,242,388.52	1,251,781.52	1,059,080.48	1,287,506.00	
Gross Profit	1,242,388.52	1,251,781.52	1,059,080.48	1,287,506.00	
Expense					
500 · GENERAL AND ADMINISTRATIVE					
510 · Payroll					
510.01 · Salaries	260,858.32	313,228.25	265,943.34	304,048.00	
510.02 · Social Security/Medicare	19,308.64	23,277.27	20,350.35	23,259.68	
510.03 · Retirement	29,136.88	34,713.99	28,281.77	30,405.00	
510.04 · Health, Dental & Life Ins	54,673.86	65,436.10	53,872.57	79,613.32	
510.05 · Workers Comp.	6,299.97	5,733.11	6,293.23	8,400.00	
510.06 · Compensated Absence Expense	-313.00	5,737.00	0.00	0.00	
Total 510 · Payroll	369,964.67	448,125.72	374,741.26	445,726.00	
520 · Office					
520.01 · Supplies	1,953.13	2,162.94	1,487.98	2,000.00	
520.02 · Postage & Shipping	5,481.15	6,163.32	4,664.91	6,220.00	
520.03 · Copier, Computer, Billing, Etc.	5,336.70	3,808.88	2,599.42	3,465.00	
520.04 · Printing and Copying	669.90	1,384.20	1,001.50	1,335.00	
520.08 · Bad Debt Expense	-7,850.00	0.00	0.00		
Total 520 · Office	5,590.88	13,519.34	9,753.81	13,020.00	
530 · Utilities					
530.01 · Fuel For Equipment	6,237.37	8,180.80	9,908.39	13,200.00	
530.02 · Solid Waste Disposal	1,694.28	2,072.97	847.14	1,130.00	
530.03 · Telephone	10,219.95	10,812.15	7,429.76	10,000.00	
Total 530 · Utilities	18,151.60	21,065.92	18,185.29	24,330.00	
540 · Professional Fees					
540.01 · Audit & Accounting	20,050.00	19,905.00	20,350.00	22,200.00	
540.02 · Management/Legal	60,000.00	35,500.00	12,000.00	30,000.00	
540.03 · Property Appraiser's Fee	6,348.10	6,646.11	5,939.72	7,000.00	
540.05 · Tax Collector Fees	4,740.10	4,925.51	4,863.44	5,200.00	
540.04.Water/Wastewater Operator	8,086.75	200.00	0.00		

**Cedar Key Water & Sewer District
2022 - 2023**

Budget Worksheet

For the 9
Months
Ending Oct
'21 - Jun 22

Proposed
Budget 2022-
2023

Comments

	For the Year Ending Oct '19 - Sep 20	For the Year Ending Oct '20 - Sep 21	For the 9 Months Ending Oct '21 - Jun 22	Proposed Budget 2022- 2023	Comments
Total 540 - Professional Fees	99,224.95	67,176.62	43,153.16	64,400.00	
550 - General Repair & Maint					
550.01 - Vehicle	4,244.52	6,835.67	2,705.25	3,606.00	
550.02 - Equipment and Tools	848.98	8,393.25	4,365.88	5,830.00	
550.03 - Building	2,941.53	511.69	416.05	600.00	
550.04 - Supplies	1,419.69	2,084.51	710.41	948.00	
550.05 - New Tools	786.84	482.30	0.00		
Total 550 - General Repair & Maint	10,241.56	18,307.42	8,197.59	10,984.00	
560 - Other					
560.01 - Property/Liability Ins.	43,299.00	49,011.00	49,250.00	52,000.00	
560.02 - Election Expenses	0.00	2,700.00	0.00	4,000.00	
560.03 - Continuing Education	347.00	606.00	71.92	3,000.00	
560.04 - Annual Fees & Dues	2,100.23	5,291.52	9,196.00	11,000.00	
560.05 - Ads and Publications	787.70	738.47	54.68	500.00	
560.06 - Miscellaneous	1,730.88	2,027.36	1,145.05	1,650.00	
560.07 - Contingency	0.00	0.00	35.98	0.00	
560.08 - Bank Interest	0.00	777.09	0.00	0.00	
Total 560 - Other	48,264.81	61,151.44	59,753.63	72,150.00	
590.00 - Contingency				30,000.00	
Total 500 - GENERAL AND ADMINISTRATIVE	551,438.47	629,346.46	513,784.74	656,610.00	
600 - DIRECT WATER EXPENSES					
610 - Chemicals and Filters					
610.01 - Chemicals	61,535.98	65,974.86	66,246.52	88,330.00	
610.02 - Miex Resin	18,498.87	5,135.00	41,668.22	30,000.00	
Total 610 - Chemicals and Filters	80,034.85	71,109.86	107,914.74	118,330.00	
620 - Laboratory					
620.01 - In House Lab	2,500.68	5,438.63	2,188.17	2,920.00	
620.02 - Outside Lab	6,939.00	14,503.92	3,252.50	4,348.00	
Total 620 - Laboratory	9,439.68	19,942.55	5,440.67	7,268.00	
630 - Regulatory					

**Cedar Key Water & Sewer District
2022 - 2023**

Budget Worksheet

For the 9 Months Ending Oct '21 - Jun 22 For the Year Ending Oct '19 - Sep 20 Proposed Budget 2022-2023

	For the Year Ending Oct '19 - Sep 20	For the Year Ending Oct '20 - Sep 21	For the 9 Months Ending Oct '21 - Jun 22	Proposed Budget 2022- 2023	Comments
630.01 - Permits	100.00	0.00	0.00		
Total 630 - Regulatory	100.00	0.00	0.00	0.00	
640 - Repairs and Maintenance					
640.01 - Piping and Distribution	8,343.84	24,928.71	15,615.71	20,850.00	
640.02 - Equipment	39,428.06	33,159.93	9,419.11	12,560.00	
640.03 - Building & Grounds	885.96	1,514.79	5,761.69	7,690.00	
640.04 - Water Tower Maintenance	18,978.00	19,783.00	12,673.50	16,000.00	
640.05 - Generators Annual Mainte	1,850.00	649.60	1,438.70	1,930.00	
640.06 Water Plant Maintenance				30,000.00	
Total 640 - Repairs and Maintenance	69,485.86	80,036.03	44,908.71	89,030.00	
650 - Utilities					
650.01 - Electric	20,707.25	22,423.61	16,487.76	22,000.00	
650.02 - Propane	0.00	528.46	817.32	1,090.00	
650.03 - Telephone	1,907.93	3,979.12	1,770.20	2,360.00	
Total 650 - Utilities	22,615.18	26,931.19	19,075.28	25,450.00	
660 - Other					
660.01 - Professional Fees	560.00	0.00	70.00	10,000.00	
660.02 - Engineering-SRF Planning	1,000.00	0.00	0.00		
660.04 Prof. Fees- Water Plant	0.00	1,000.00	0.00		
Total 660 - Other	1,560.00	1,000.00	70.00	10,000.00	
670 - Capital Expenditures					
670.02 New Vehicle	0.00	0.00	1,425.00	50,000.00	
Total 670 - Capital Expenditures	0.00	0.00	1,425.00	50,000.00	
680 - Loans					
680.07 - DCB - LOC Interest	332.91	0.00	0.00		
680.05 - RD - Water System Interest	30,487.59	30,018.64	0.00	29,040.00	
680.06 - RD-Water System Principal	1,021.87	0.00	0.00		
Total 680 - Loans	31,842.37	30,018.64	0.00	29,040.00	
690.1 - Depreciation Water	137,731.95	142,978.41	0.00	29,813.00	
Total 600 - DIRECT WATER EXPENSES	352,809.89	372,016.68	178,834.40	358,931.00	

**Cedar Key Water & Sewer District
2022 - 2023**

Budget Worksheet

	For the Year Ending Oct '19 - Sep 20	For the Year Ending Oct '20 - Sep 21	For the 9 Months Ending Oct '21 - Jun 22	Proposed Budget 2022- 2023	Comments
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700 · DIRECT WASTEWATER EXPENSES					
710 · Chemicals and Filters					
710.01 · Chemicals	25,500.91	26,849.83	17,485.87	23,320.00	
Total 710 · Chemicals and Filters	25,500.91	26,849.83	17,485.87	23,320.00	
720 · Laboratory					
720.01 · In House Lab	980.45	2,991.99	152.66	205.00	
720.02 · Outside Lab	13,927.28	16,740.66	10,572.20	14,100.00	
Total 720 · Laboratory	14,907.73	19,732.65	10,724.86	14,305.00	
730 · Regulatory					
730.01 · Permits	200.00	0.00	200.00	1,000.00	
730.02 · Biosolids Hauling	57,265.00	59,745.00	67,360.00	89,820.00	
Total 730 · Regulatory	57,465.00	59,745.00	67,560.00	90,820.00	
740 · Repairs Maintenance Other					
740.01 · Piping & Distribution	11,782.77	9,748.43	91,742.52	30,000.00	
740.02 · Equipment	14,340.82	12,388.75	10,240.62	13,660.00	
740.03 · Building and Grounds	3,881.42	82,040.01	29,799.76	50,000.00	
740.04 · Generator- Maintenance	1,150.00	1,222.16	0.00	10,000.00	
Total 740 · Repairs Maintenance Other	31,155.01	105,399.35	131,782.90	103,660.00	
750 · Utilities					
750.01 · Electric	29,920.72	31,595.61	20,159.72	26,880.00	
750.02 · Propane	980.14	779.91	1,304.80	1,740.00	
Total 750 · Utilities	30,900.86	32,375.52	21,464.52	28,620.00	
760 · Other					
760.01 · Professional Fees -WWTP Permit	2,620.00	0.00	1,612.00	3,500.00	
Total 760 · Other	2,620.00	0.00	1,612.00	3,500.00	
790.1 · Depreciation Sewer	125,467.70	126,650.03	0.00	7,740.00	
Total 700 · DIRECT WASTEWATER EXPENSES	288,017.21	370,752.38	250,630.15	271,965.00	
Total Expense	1,192,265.57	1,372,115.52	943,249.29	1,287,506.00	
Net Ordinary Income	50,122.95	-120,334.00	115,831.19	0.00	