

AGENDA

HOMOSASSA SPECIAL WATER DISTRICT Regular Meeting

November 15, 2010

Commissioner Diann G. Schultz, Chairman

Commissioner Dennis Seibert, Vice Chairman
Commissioner Robert Jeeves
David Purnell, Superintendent, HSWD

Commissioner Rodney MacRae, Sec/Treas
Commissioner James Bitter
Denise Lyn, HSWD Attorney

NOTICE TO THE PUBLIC

Any person who decides to appeal any decision of the Governing Body with respect to any matter considered at this meeting will need a record of the proceedings and for such purpose may need to provide that a verbatim record of the proceeding is made, which record includes testimony and evidence upon which the appeal is to be based, (Section 286.0105, Florida Statutes)

Any person requiring reasonable accommodation at this meeting because of a disability or physical impairment should contact the Homosassa Special Water District Office, 7922 W. Grover Cleveland Blvd., Homosassa, FL 34448 or P.O. Box 195, Homosassa, FL 34487, (352) 628-3740, at least two (2) days before the meeting. If you are hearing or speech impaired, call 1-800-955-8771.

1) Additions, Deletions, Corrections of Regular Meeting of October 20, 2010

2) Public Input:

A) Shirley Caudle (Adjustment due to leak)

3) Agenda Items Reminder

Staff:

Stonebrook Advertising

Web Site changed

Message added to Water Bills

Newspaper advertising done 11-7-10

Letters sent to customers outside of park

Notice put in Clubhouse

Budget Report

RP Repair changed to Backflow Repair

Back Up Log

Attached in Staff Report

Alternative Investment Methods

Staff to contact Florida Association of Special Districts & Florida Rural Water Association
Commissioner Seibert to contact local companies

Attorney Lyn

Write letter to Mr. LaFluer (owner of property around Peach Orchard Well Site)
Superintendent Purnell
System Modeling

4) Attorney Report

- A) Stonebrook Mobile Home Park
- B) Tradewinds Easement Update
- C) Inter Local Agreements with Citrus County (See Attached)
- D) Sovereign Immunity (Update)
- E) Letter to Property Owner next to Peach Orchard Well Site

5) 2010-2011 Budget

6) Staff Report

- A) Banking Information (Attached)
- B) Customer Deposits (Attached)
- C) Back Up Log (Attached)
- D) Alternative Investment Methods
- E) Copies of letter to Stonebrook and Notice of Hearing
- F) GASB 45
- G) Email concerning Superior Bank

7) Superintendent's Report

8) Reports to the Board

- A) Shut off List (Attached)
- B) Number of Past Dues Mailed
- C) Overtime Report
- D) Adjustment Report

9) Stonebrook Mobile Home Park Public Hearing time certain @ 5:01 P.M.

10) Board Comments

11) Pay Bills/Adjournment

Homosassa Special Water District

REGULAR MEETING November 15, 2010

A regular meeting of the Board of Commissioners of the Homosassa Special Water District was held on Monday, November 15, 2010 at the Water District office located at 7922 W. Grover Cleveland Blvd., Homosassa, FL.

Present were:

Commissioner Schultz	Denise Lyn, HSWD Attorney
Commissioner Seibert	David Purnell (Superintendent)
Commissioner Jeeves	Teresa Olds (HSWD Staff)
Commissioner Bitter	Alvie Baker (HSWD Staff)
Commissioner MacRae	

Commissioner Schultz called the meeting to order at 3:00 p.m.

1) Additions, Corrections, Deletions of the Minutes of the Regular Meeting of October 20, 2010

Commissioner Bitter made a motion to approve the Minutes of the Regular Meeting of October 20, 2010. Commissioner Seibert seconded. Vote yes. Motion carried.

2) Public Input:

- A) Shirley Caudle (Adjustment due to leak) (on file)

Commissioner Seibert made a motion to waive the conservation rates for October. Commissioner Jeeves seconded. Vote yes. Motion carried.

3) Agenda Items Reminder

Staff:

- Stonebrook Advertising**
- Web Site changed
- Message added to Water Bills
- Newspaper advertising done 11-7-10
- Letters sent to customers outside of park
- Notice put in Clubhouse
- Budget Report**
- RP Repair changed to Backflow Repair
- Back Up Log**

Attached in Staff Report

Alternative Investment Methods

Staff to contact Florida Association of Special Districts & Florida Rural Water Association
Commissioner Seibert to contact local companies

Attorney Lyn

Write letter to Mr. LaFluer (owner of property around Peach Orchard Well Site)

Superintendent Purnell

System Model

4) Attorney Report:

A) Stonebrook Mobile Home Park

Nothing new at this time.

B) Tradewinds Easement Update

Attorney Lyn has been in contact with Jim Morton and received the as-builts for Superintendent Purnell. Mr. Morton said the owner was in town and has discussed the District's agreement with him, but at this time has not heard anything back as of yet. Superintendent Purnell asked Attorney Lyn if she could get the as-builts in electronic form.

C) Inter Local Agreements with Citrus County (See Attached) (on file)

Attorney Lyn received an email from Mr. Knight stating he has done a full review of all of the Inter Local Agreements and has no concerns with the proposed changes. He has sent them on to Legal to see if they have any problem. If not, they hope to get on the Board of County Commissioner schedule in December.

Discussion.

Put on January Agenda- staff to provide the cost that the County customers pay for water and sewer turn off and turn on fees, and other comparable figures from Ozella Water or Floral City Water. The District pays minimum two hours after hours to their employee's. The Board wants these figures so they can differentiate from the water customer's and the sewer customer's.

D) Sovereign Immunity (Update)

Discussion.

Commissioner Seibert found out that our current coverage was adequate.

E) Letter to Property Owner next to Peach Orchard Well Site

Discussion.

The Board approved the draft and said to send it to Mr. Lafleur.

5) 2010-2011 Budget (on file)

Discussion.

6) Staff Report (on file)

A) Banking Information (Attached) (on file)

Discussion.

G) Email concerning Superior Bank

Discussion.

B) Customer Deposits (Attached) (on file)

C) Back Up Log (Attached) (on file)

D) Alternative Investment Methods

Discussion.

E) Copies of letter to Stonebrook and Notice of Hearing (on file)

Discussion.

F) GASB 45

This is a state regulation for year-end finals. The District needs this because retiree insurance is offered.

7) Superintendent's Report (on file)

Discussion.

7-3 Mickey's Point

The Board suggested we send a letter to the customer's at Mickey's Point

System Model-In progress-will take about two months.

8) Old Items – Reports to the Board

- A) Shut off List(on file)
- B) Number of Past Dues Mailed(on file)
- C) Overtime Report (on file)
- D) Adjustment Report (on file)

9) Stonebrook Mobile Home Park Public Hearing time certain @ 5:01 P.M.

10) Board Comments

11) Pay Bills/Adjournment

Commissioner Seibert made a motion to pay bills and adjourn the meeting. Commissioner Jeeves seconded. Vote yes. Motion carried.

12/01/10

15:49:54

HOMOSASSA SPECIAL WATER DISTRICT
Check Register for 101050-Cash In Bank Operating Superior
For the Accounting Period: 10/10

Page: 1 of 2
Report ID: AP300

Claim Checks

Check #	Type	Vendor #/Name	Period			Claim #	Claim Amount
			Check	Amount	Date Issued		
11753	S	7 ADVANCE AUTO PARTS		127.58	10/18/10	CL 7327	30.97
						CL 7334	44.16
						CL 7335	31.38
						CL 7336	18.57
						CL 7337	2.50
11754	S	27 BRIGHT HOUSE NETWORK		252.91	10/18/10	CL 7433	62.96
						CL 7434	189.95
11755	S	150 CENTURYLINK		398.79	10/18/10	CL 7438	137.10
						CL 7439	261.69
11756	S	68 EVEREADY FIRE & SECURITY		214.00	10/18/10	CL 7436	214.00
11757	S	95 HITCH CENTRAL		139.48	10/18/10	CL 7435	139.48
11758	S	184 MCDIRMIT/// DAVIS		8500.00	10/18/10	CL 7437	8500.00
11759	S	141 S A C ENVIRONMENTAL		165.00	10/18/10	CL 7422	165.00
11760	S	159 SUNSTATE METER & SUPPLY		185.19	10/18/10	CL 7426	185.19
11761	S	300 THE DUMONT COMPANY, INC.		222.00	10/18/10	CL 7424	117.00
						CL 7425	105.00
11762	S	27 BRIGHT HOUSE NETWORK		124.04	10/21/10	CL 7443	124.04
11763	S	211 RING POWER CORPORATION		884.74	10/21/10	CL 7440	884.74
11764	S	300 THE DUMONT COMPANY, INC.		452.00	10/21/10	CL 7442	452.00
11765	S	166 UNIVERSITY OF FLORIDA		495.00	10/21/10	CL 7441	495.00
11768 *	S	150 CENTURYLINK		84.66	10/27/10	CL 7445	38.13
						CL 7450	46.53
11769	S	29 CITRUS COUNTY BOCC		314.20	10/27/10	CL 7452	214.96
						CL 7453	99.24
11770	S	67 EASY WHEELS		375.11	10/27/10	CL 7454	375.11
11771	S	72 FEI-TAMPA, WATERWORKS #044		27492.40	10/27/10	CL 7447	16250.00
						CL 7448	8390.40
						CL 7449	2852.00
11772	S	274 IN TOUCH COMMUNICATIONS		95.00	10/27/10	CL 7468	95.00

12/01/10

15:49:54

HOMOSASSA SPECIAL WATER DISTRICT
Check Register for 101050-Cash In Bank Operating Superior
For the Accounting Period: 10/10

Page: 2 of 2
Report ID: AP300

Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period	Claim #	Claim Amount
					Redeemed		
11773	S	186 MCDONALD GROUP INTERNATIONAL, INC.	600.00	10/27/10			
11774	S	122 NEXTEL COMMUNICATIONS	436.18	10/27/10		CL 7465	600.00
11775	S	293 REDRICK TRUCKING, INC.	440.00	10/27/10		CL 7451	436.18
11776	S	159 SUNSTATE METER & SUPPLY	5055.82	10/27/10		CL 7446	440.00
11777	S	157 SUNTRUST BANKCARD, N A	705.38	10/27/10		CL 7466	4932.00
						CL 7467	123.82
						CL 7326	26.73
						CL 7328	38.91
						CL 7332	12.50
						CL 7381	176.00
						CL 7385	60.01
						CL 7410	246.05
						CL 7412	4.90
						CL 7462	
						CL 7463	115.28
						CL 7464	25.00
11778	S	234 SUNTRUST LOAN PAYMENT	20578.75	10/27/10		CL 7459	20578.75
11779	S	171 WALMART COMMUNITY	705.60	10/27/10			
						CL 7329	78.87
						CL 7386	39.87
						CL 7387	19.50
						CL 7407	151.50
						CL 7455	58.50
						CL 7456	60.53
						CL 7461	296.83
11780	S	999999 CHARLES HOLLAND	8.60	10/27/10			
11781	S	100 HOMOSASSA SPECIAL WATER	465.00	10/27/10		CL 7470	8.60
11782	S	999999 INC TALK TIME	77.50	10/27/10		CL 7469	465.00
11783	S	999999 PENNY D GIBSON	31.65	10/27/10		CL 7474	77.50
11784	S	999999 ROBERT J. O'CONNELL	6.50	10/27/10		CL 7473	31.65
11785	S	999999 ROXSANN WAYMIRE	2.80	10/27/10		CL 7475	6.50
11786	S	999999 SCHIANO ITALIAN GARDEN	122.82	10/27/10		CL 7472	2.80
						CL 7471	122.82
		Total for Claim Checks	69758.70				
		Count for Claim Checks	32				

of Checks: 32 Total: 69758.70

Claim Checks

Check #	Type	Vendor #/Name	Check	Amount	Date Issued	Period	Redeemed	Claim #	Claim Amount
11787	M	110 LINDA M. COOPER		300.00	11/01/10				
11788	S	150 CENTURYLINK		172.58	11/03/10			CL 7476	300.00
11789	S	276 CLARK SURVEYING, INC.		1500.00	11/03/10			CL 7488	42.58
11790	S	45 CRYSTAL RIVER QUARRIES		43.99	11/03/10			CL 7490	130.00
11791	S	48 CUSTOM METAL FABRICATORS		60.00	11/03/10			CL 7493	1500.00
11792	S	328 FLORIDA DEPARTMENT OF FINANCIAL SERVICES		130.00	11/03/10			CL 7511	43.99
11793	S	83 FW & PCOA		125.00	11/03/10			CL 7517	130.00
11794	S	87 GOLDEN X PLUMBING		567.00	11/03/10			CL 7495	125.00
11795	S	100 HOMOSASSA SPECIAL WATER		74.00	11/03/10			CL 7505	567.00
11796	S	107 KANE'S ACE HARDWARE		665.68	11/03/10			CL 7491	74.00
								CL 7382	19.12
								CL 7413	32.14
								CL 7414	21.18
								CL 7415	263.88
								CL 7423	2.35
								CL 7431	44.50
								CL 7506	17.99
								CL 7507	89.99
								CL 7508	6.45
								CL 7509	29.98
								CL 7510	61.93
								CL 7516	76.17
11797	S	110 LINDA M. COOPER		4.22	11/03/10				
11798	S	327 MILLIMAN, INC.		2000.00	11/03/10			CL 7484	4.22
11799	S	307 NATURE COAST WEB DESIGN & MARKETING, INC		18.75	11/03/10			CL 7513	2000.00
11800	S	268 SAM'S TIRE		838.44	11/03/10			CL 7515	18.75
11801	S	262 SF TECHNOLOGIES, LLC		467.61	11/03/10			CL 7492	838.44
11802	S	159 SUNSTATE METER & SUPPLY		3224.99	11/03/10			CL 7514	467.61
11803	S	216 TAYLOR RENTAL		32.78	11/03/10			CL 7494	3224.99
11804	S	170 VERMEER SOUTHEAST		23923.46	11/03/10			CL 7483	32.78
								CL 7481	4673.46
								CL 7512	19250.00

12/01/10
15:50:33HOMOSASSA SPECIAL WATER DISTRICT
Check Register for 101050-Cash In Bank Operating Superior
For the Accounting Period: 11/10Page: 2 of 2
Report ID: AP300

Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
11805	S	179 W R E C	2356.30	11/03/10		CL 7487	120.02
11806	S	328 FLORIDA DEPARTMENT OF FINANCIAL SERVICES	130.00	11/03/10		CL 7489	2236.28
11807	S	170 VERMEER SOUTHEAST	1240.40	11/03/10		CL 7519	130.00
11808	S	1 A-1 ALARM SYSTEMS	100.00	11/08/10		CL 7518	1240.40
11809	S	27 BRIGHT HOUSE NETWORK	299.90	11/08/10		CL 7538	100.00
11810	S	248 BUCK & BUCK	235.95	11/08/10		CL 7524	189.95
11811	S	326 CROFT CONTRACTING INC.	12210.00	11/08/10		CL 7532	109.95
11812	S	182 DENISE A LYN, P.A.	850.00	11/08/10		CL 7534	235.95
11813	S	50 FDEP	2000.00	11/08/10		CL 7536	12210.00
11814	S	72 FEI-TAMPA, WATERWORKS #044	10650.00	11/08/10		CL 7535	850.00
11815	S	96 HOME DEPOT CREDIT SERVICES	508.36	11/08/10		CL 7526	2000.00
						CL 7539	10650.00
						CL 7383	284.93
						CL 7384	18.29
						CL 7411	89.05
						CL 7427	29.85
						CL 7429	26.91
						CL 7498	59.33
11816	S	127 PACK N POST	20.80	11/08/10		CL 7530	20.80
11817	S	132 PROGRESS ENERGY FLORIDA	66.93	11/08/10		CL 7537	66.93
11818	S	211 RING POWER CORPORATION	302.48	11/08/10		CL 7541	302.48
11819	S	141 S A C ENVIRONMENTAL	143.00	11/08/10		CL 7521	143.00
11820	S	322 STATE OF FLORIDA DISBURSEMENT UNIT	500.00	11/08/10		CL 7520	500.00
11821	S	156 SUNSHINE STATE ONE CALL	60.56	11/08/10		CL 7540	60.56
11822	S	315 WASTE SERVICES OF FLORIDA INC	96.19	11/08/10		CL 7525	96.19
11824 *	S	329 N.C.R.S.	99.00	11/09/10		CL 7546	99.00

Total for Claim Checks 66018.37
Count for Claim Checks 37

of Checks: 37
Total: 66018.37

OCT. 21, 2010

TO THE RELIEF OF WATER BOARD

MY NAME IS SHIRLEY CAUDLE I LIVE AT
3352 S CANADIAN WAY HOMOSASSA

I WOULD LIKE TO KNOW IF YOU COULD HELP ME

ME WITH MY WATER BILL FOR OCT. AS I HAD A
WATER LEAK.

I CALLED THE PLUMMER AS SOON AS I REALIZED
IT. I WAS GONE FOR THE DAY
AND GOT IT REPAIRED. THIS WAS ON OCT. 13TH
I CAME HOME AND FOUND WET CARPET IN 2
BATHROOMS 1 BEDROOM AND HALL,
I CALLED AND REPORTED IT TO YOUR OFFICE

GIRL SO YOU WOULD BE AWARE OF THE EXTRA
WATER THAT WENT THRU MY METER
YOUR METER READER CAME RIGHT OUT AND READ
THE METER

I USUALLY USE 1000 GAL PER MONTH. I DON'T
REMEMBER WHAT THEY
SAID IT READ AT THAT TIME
IF YOU COULD HELP ME WITH THIS
I WOULD VERY GREATFUL.

THANK YOU

~~SHIRKLEY~~ CAUDLE

Shirley Cudle

Customer Name: CAUDLE, STANLEY OR SHIRLEY
Account: 00472-00
Route - Meter: 01-07260
Service Address: 3352 S CANADIAN WY
Mtr Id - Type - Size: 95910618 M

From 10-2009 to 10-2010

5/8

Meter Serial #: 95910618
(Readings in Actual Units)

AP-Year	Reading	Reading Date	Monthly Usage	YTD Usage	Reading Type
10-2010	164000	10/19/2010	9000	15000	ACTUAL READING
09-2010	155000	09/21/2010	1000	6000	ACTUAL READING
08-2010	154000	08/23/2010	0	5000	ACTUAL READING
07-2010	154000	07/20/2010	0	5000	ACTUAL READING
06-2010	154000	06/22/2010	0	5000	ACTUAL READING
05-2010	154000	05/19/2010	1000	5000	ACTUAL READING
04-2010	153000	04/20/2010	1000	4000	ACTUAL READING
03-2010	152000	03/23/2010	1000	3000	ACTUAL READING
02-2010	151000	02/22/2010	1000	2000	ACTUAL READING
01-2010	150000	01/19/2010	1000	1000	ACTUAL READING
12-2009	149000	12/21/2009	1000	9000	ACTUAL READING
11-2009	148000	11/17/2009	1000	8000	ACTUAL READING
10-2009	147000	10/20/2009	0	7000	ACTUAL READING

Teresa Olds

From: Denise Dymond Lyn [dlyn@tampabay.rr.com]
Sent: Tuesday, November 02, 2010 9:58 AM
To: 'Teresa Olds'
Subject: FW: Homosassa Special Water District Interlocal Agreements
Attachments: WRM-10-26 Homosassa Interlocals.doc; _Certification_.txt

I received the following response from Mr. Knight. Please include a copy of his email message and his memo in the Board packets for the next meeting. Thanks.

Denise A. Dymond Lyn
307 N. Apopka Ave.
Inverness, FL 34450
(352) 726-9400 Telephone
(352) 726-9441 Facsimile



Please don't print this email unless it is really necessary!

This electronic communication, including any authorized attachments contains information from the law firm of Denise A. Lyn, P.A. that may be legally privileged, confidential, and exempt from disclosure under applicable law. This communication may also include content that was not originally generated by the firm. If you are not the intended recipient, any use or dissemination of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately and delete it from all computers on which it may be stored. In addition, if you are not currently a client of the firm, this communication is not to be construed as establishing an attorney-client relationship.

From: Robert Knight [<mailto:Robert.Knight@bocc.citrus.fl.us>]
Sent: Monday, November 01, 2010 5:31 PM
To: Denise Lyn
Subject: Homosassa Special Water District Interlocal Agreements

Thanks for the phone message. Yes, the agreements had fallen through a crack. I've done a full review of all of them and have no concerns with any of the proposed changes. I sent them to Legal today to see if they have any problem. If not, hope to get on BOCC schedule in December. Attached is memo that went with these from my office.



Board of County Commissioners DEPARTMENT OF WATER RESOURCES

3600 W. Sovereign Path

Suite 202

Lecanto, Florida 34461

Telephone: (352) 527-7650 Fax: (352) 527-5429

Citrus Springs/Dunnellon/Inglis/Yankeetown area - Toll Free (352) 489-2120

TTY Telephone: (352) 527-5312

www.bocc.citrus.fl.us

WRM-10-26

To: Richard W. Wesch, County Attorney
CC: Eber Brown, Deputy County Administrator
From: Robert Knight, Director, Water Resources
Date: November 1, 2010
Subject: Interlocal Agreements with Homosassa Special Water District (HSWD)

I would appreciate legal review and comment by the County Attorney's Office before putting this on an agenda for BOCC approval. If any substantive changes are indicated by your review, I will need to assure that the Homosassa Special Water District (HSWD) is agreeable with them before these are processed for Board approval.

The Homosassa Special Water District has proffered three revised interlocal agreements for (1) the potential supply of bulk water to the county; (2) for the supply of potable water service to individual customers, and (3) for the provision of meter readings and shut off/turn on activities as legally desired by the County for delinquent wastewater customers who are provided concurrent water service from the HSWD. These existing agreements that we had with HSWD have expired.¹ All documents have a number of changes – mostly clarifying – but with little of a substantive nature except for a revised cost basis for purposes of the meter readings.² In summary, I have read the three proposed agreements thoroughly and reviewed them against our existing agreements. Unfortunately, there are not “change case” copies available which could be used to highlight the changes from the prior agreements. Nevertheless, most changes appear to be clarifying and fully in accordance with our standard practices especially concerning revision of rates.

The first agreement is for the supply of bulk water from HSWD to the County. Although we have no current usage under this agreement, I would urge that this be approved as it would pave the way should such interchange be necessary on an emergency basis. For instance, if we had a failure of a major well in Sugarmill Woods, we would need to quickly arrange bulk water supply from HSWD to regain adequate water supply to Sugarmill Woods.

We have a number of situations that have been satisfactorily set up under the auspices of the second agreement. This has worked well where the HSWD has existing lines (such as their main line along Grover Cleveland) outside of their service territory. In cases where they can serve without

¹ There is a fourth agreement with HSWD for the provision of fire flow to the former Meadows Utilities service territory, but that agreement still has several years to go before it expires and is therefore not being revised at this time.

² Also, they wish to change annual billing to monthly billing.

extension of their lines, they have been willing to provide service to desiring customers until at such time as we are able to provide the service ourselves.

The third agreement provides that HSWD will furnish us the monthly meter readings for their water service to customers who take wastewater service from the county. This provides us with the basis for billing for our sewer service. Also, if a sewer account becomes delinquent, we can have the HSWD cut off service and later restore it when the account has been made current. Without this agreement, we would have no way of curtailing service other than to dig up and plug individual wastewater lines such as is being done on a limited basis in South Dunnellon. The single most important change in this document is that the meter reading service used to be performed for a flat \$400 per year. The HSWD wants to be paid six cents per account per month under the revised agreement. When we initially entered into this agreement, HSWD was providing readings for less than 200 accounts – which is around 16 or 17 cents per account per month. Since then, the price has not risen for ten years. Currently, HSWD provides us readings for about 850 accounts. At six cents per account, they would earn \$51 per month, or \$612 per year. This is a \$212 per year increase in cost. I believe that this increase (of over 50%) is reasonable considering that their workload on our behalf has increased more than four-fold.

I am aware that we will need to update the signature pages to reflect the appropriate legal signatory for these documents. I would also appreciate advice as to whether we need to have HSWD approve and sign these before I put them in front of our Board for their ratification.

Thanks for your timely review and feedback.



DENISE A. LYN
ATTORNEYS AND COUNSELORS AT LAW

307 N. Apopka Ave.
Inverness, FL 34450
Telephone (352) 726-9400
Facsimile (352) 726-9441
dlyn@tampabay.rr.com

November 10, 2010

Teresa & John LaFleur
6158 W. Craft Lane
Homosassa, FL 34448

Re: 4806 W. Grover Cleveland Blvd., Homosassa, Alternate Key number 1512671
Potential Sale

Dear Mr. & Mrs. LaFleur:

I have the pleasure of representing a client who is exploring the possibility of acquiring property located off Grover Cleveland Boulevard in Homosassa. In researching the public records I noticed that you own the property located at 4806 W. Grover Cleveland Boulevard in Homosassa. Although my client is in the very preliminary stages of exploring options, they have asked that I contact you to determine your level of interest in selling your property.

Please let me know your thoughts on selling and I will pass that information on to my clients. If you have any questions or comments, please feel free to contact me at the above listed number.

Sincerely,

Denise A. Dymond Lyn

DADL/sd

Fund: 52 WATER FUND

	Current Month	Budget Current Month	Variance	Current YTD	Budgeted YTD	Variance
128000 Retired Insurance Reimbursement	601	0	601	601	0	601
REVENUES:						
401000 Water Sales	72,075	0	72,075	72,075	0	72,075
402000 Non-Payment Fees	430	0	430	430	0	430
402500 Connection Fees	230	0	230	230	0	230
403000 Water Meter Sales	0	0	0	0	0	0
404000 Late Penalties	1,027	0	1,027	1,027	0	1,027
407000 Special Assessment Income - Prin	0	0	0	0	0	0
408000 Interlocal Fee	159	0	159	159	0	159
409000 Interest Income	78	0	78	78	0	78
410100 Backflow Repair	1,032	0	1,032	1,032	0	1,032
410200 Fire Line	325	0	325	325	0	325
Total Revenue	75,357	0	75,357	75,357	0	75,357
EXPENDITURES						
110 Salaries and Wages	35,494	0	35,494	35,494	0	35,494
111 Regular OT	1,560	0	1,560	1,560	0	1,560
113 On Call Pay	200	0	200	200	0	200
115 Longevity Pay	6,250	0	6,250	6,250	0	6,250
140 Payroll Taxes - FICA/MC	3,328	0	3,328	3,328	0	3,328
143 Employee Retirement	4,102	0	4,102	4,102	0	4,102
144 Group Insurance	6,279	0	6,279	6,279	0	6,279
335 Technical Support	0	0	0	0	0	0
350 Insurance	14,096	0	14,096	14,096	0	14,096
351 Utilities	1,464	0	1,464	1,464	0	1,464
352 Advertising	0	0	0	0	0	0
410 Gas & Oil	0	0	0	0	0	0
420 Repairs and Maintenance	2,289	0	2,289	2,289	0	2,289
450 Miscellaneous Expenses	207	0	207	207	0	207
451 Uniforms	307	0	307	307	0	307
452 Water Samples	0	0	0	0	0	0
455 Schooling & Related Expense	495	0	495	495	0	495
456 Safety Program	351	0	351	351	0	351
457 Conservation Program	0	0	0	0	0	0
458 Annual Dues	2,345	0	2,345	2,345	0	2,345
459 Supplies - Miscellaneous	357	0	357	357	0	357
470 Office Supplies & Expense	3,558	0	3,558	3,558	0	3,558
480 Field Supplies	1,431	0	1,431	1,431	0	1,431
485 Shipping and Freight	73	0	73	73	0	73
490 Annual Maintenance Agreements	150	0	150	150	0	150
491 Bank Charges	77	0	77	77	0	77
Total Expenses	84,418	0	84,418	84,418	0	84,418
Net Income from Operations	-9,060	0	-9,060	-9,060	0	-9,060
OTHER REVENUE						
410000 Miscellaneous Income	956	0	956	956	0	956
410500 Restitution Income	144	0	144	144	0	144
411000 Contribution from General	0	0	0	0	0	0
Total Other Revenue	1,100	0	1,100	1,100	0	1,100
Net Income	-8,285	0	-8,285	-8,285	0	-8,285

HOMOSASSA SPECIAL WATER DISTRICT
Budget Income Statement - Fund 10
For Accounting Period 10/10

Fund: 10 GENERAL FUND

	Current Month	Budget Current Month	Variance	Current YTD	Budgeted YTD	Variance
REVENUES:						
400010 Tax Assessments	1,894	0	1,894	1,894	0	1,894
409000 Interest Income	50	0	50	50	0	50
Total Revenue	1,945	0	1,945	1,945	0	1,945
EXPENDITURES						
110 Salaries and Wages	1,000	0	1,000	1,000	0	1,000
140 Payroll Taxes - FICA/MC	76	0	76	76	0	76
143 Employee Retirement	186	0	186	186	0	186
144 Group Insurance	2,397	0	2,397	2,397	0	2,397
320 Engineer Fees	0	0	0	0	0	0
330 Legal Fees	864	0	864	864	0	864
340 Audit Fees	8,500	0	8,500	8,500	0	8,500
450 Miscellaneous Expenses	0	0	0	0	0	0
491 Bank Charges	0	0	0	0	0	0
493 District Election Expense	0	0	0	0	0	0
494 Tax Collection and Assessment	2,066	0	2,066	2,066	0	2,066
701 Contribution to Water Revenue	0	0	0	0	0	0
820 Transfers to Other Funds	0	0	0	0	0	0
Total Expenses	15,091	0	15,091	15,091	0	15,091
Net Income from Operations	-13,145	0	-13,145	-13,145	0	-13,145
OTHER REVENUE						
410000 Miscellaneous Income	0	0	0	0	0	0
Total Other Revenue	0	0	0	0	0	0
Net Income	-13,145	0	-13,145	-13,145	0	-13,145

Staff Report
November 15, 2010

1) Banking Information:

Attached for your review.

2) Customer Deposit Report:

Attached for your review

3) Back Up Log:

Attached for your review

4) Alternative Investment Methods

Enclosed is an email that I received from Commissioner Seibert. I have sent a request in to Florida Association of Special Districts and to the Florida Rural Water Association. At this time I have heard back from the Special District that he has forwarded my email to his Treasury Department. Unfortunately I have not received any information to date.

5) Copies of letter to Stonebrook and Notice of Hearing

Enclosed you will see the letter that was sent to the customers outside of the Mobile Home Park. You will notice that the letter says corrected copy. The first letter went out without a time or location on the letter. Also the copy of the notice that was placed in their clubhouse is the same wording that was in the Ad that was placed in the Chronicle.

6) GASB45

After our Auditor's were here for the yearend Audit, Chris called me and explained that in order to complete the Audit, the District had to complete the GASB45. I have enclosed an email that he sent to me explaining this. At this time I have completed this, however, there was a cost of \$2000 for

this to be done. This covers a 3 year period. So unless the Auditors make us complete this again next year we will be good until 2013.

7) Email concerning Superior Bank

I received an Email from Adam Horn @ SunTrust Bank this week with an article about Superior Bank (Attached). I brought this up to the office @ Superior in which they printed out their explanation. I just wanted you to see this in the event you had heard anything about this subject.

**Banking information as of
10-31-10**

Bank	Account	Balance	Interest	Date CD	Maturity Date	Accrued	
				Opened		Int. to Date	
Superior Bank	Operating Acct	\$359,815.36	.10%			\$34.23	
Superior Bank	Meter Deposit	\$28,172.31					
Government Pool Fund A	Water Revenue	\$167,297.18	0.3%				
Government Pool Fund A	General Fund	\$198,032.96	0.3%				
Government Pool Fund B	Water Revuene	\$61,398.16					
Government Pool Fund B	General Fund	\$612.46					
Regions Bank	C.D.	\$250,000.00	1.50%	6/22/2010	6/18/2011	\$1,485.52	
Mercantile Bank	C.D.	\$250,000.00	1.95%	5/24/2010	5/24/2012	\$2,270.95	
Superior Bank	CDAR CD - 7475	\$250,000.00	1.25%	5/27/2010	5/26/2011	\$1,345.51	
Superior Bank	C.D. Regular	\$250,000.00	2.00%	5/20/2010	11/20/2011	\$2,322.22	
Florida Traditions							
Bank	CD	\$255,046.09	1.00%	9/25/2010	9/25/2011	\$209.63	

Month	Meter Deposit	Customer Deposits	Deposits Deposited
	Cash in Bank	# 203000	to Bank
	#101070		
09-10	\$27,103.16	\$27,103.16	
10-10	\$27,568.16	\$27,568.16	\$465.00
11-10			
12-10			
01-11			
02-11			
03-11			
04-11			
05-11			
06-11			
07-11			
08-11			
09-11			

11/10/10

11:28:04

HOMOSASSA SPECIAL WATER DISTRICT
Trial Balance
For the Accounting Period: 10 / 10

Page: 1 of 2
Report ID: L120

52 WATER FUND

Account	Beginning	Debit	Credit	Net Change	Ending Balance
ASSETS					
101000 Cash in Bank-Operating Account-Sunb(667,868.59)	0.00	0.00	0.00	(667,868.59)
101050 Cash in Bank Operating Account Supe(8,724.11)	74,564.68	195,875.44	(121,310.76)	(130,034.87)
101070 Cash in Bank Meter Deposit Superior	27,103.16	465.00	0.00	465.00	27,568.16
101071 Unknown Security Deposit Issues	604.15	0.00	0.00	0.00	604.15
101080 Regions Bank CD	253,081.00	0.00	0.00	0.00	253,081.00
101085 Superior Bank CD	251,254.00	0.00	0.00	0.00	251,254.00
101090 Mercantile Bank CD	252,659.00	0.00	0.00	0.00	252,659.00
101095 Brannen Bank CD	1,842.00	0.00	0.00	0.00	1,842.00
101097 Florida Traditions Bank CD	250,274.00	0.00	0.00	0.00	250,274.00
101098 CDAR CD 2 Superior Bank	250,000.00	0.00	0.00	0.00	250,000.00
102020 Government Pool-Water Rev	164,480.37	921.96	0.00	921.96	165,402.33
102025 Government Pool Water Rev Fund B	25,979.65	0.00	879.49	(879.49)	25,100.16
103000 Petty Cash	200.00	0.00	0.00	0.00	200.00
103100 Cash Drawer	50.00	0.00	0.00	0.00	50.00
111200 Assessment Rec-Canadian W	42.98	0.00	0.00	0.00	42.98
111300 Assessment Rec-Cr Highland	397.96	0.00	0.00	0.00	397.96
111400 Assessment Rec-US 19 North	(243.04)	0.00	0.00	0.00	(243.04)
123000 Accounts Receivable-Water Bills	71,759.00	75,608.22	72,569.68	3,038.54	74,797.54
123500 Customer Overpayments	(11,555.82)	0.00	0.00	0.00	(11,555.82)
124000 Unbilled Revenue Receivable	21,626.19	0.00	0.00	0.00	21,626.19
125000 Allow for Doubtful Water Rev	(9,364.79)	0.00	0.00	0.00	(9,364.79)
128000 Retired Insurance Reimbursement	5,763.89	601.92	0.00	601.92	6,365.81
138500 Accrued Int Rec-Cr Highlands	332.14	0.00	0.00	0.00	332.14
139500 Accrued Interest Rec-Canadian	36.78	0.00	0.00	0.00	36.78
139600 Accrued Interest Rec-US Highway 19	43.92	0.00	0.00	0.00	43.92
140500 Prepaid Loan Fees	4,408.00	0.00	0.00	0.00	4,408.00
150010 Inventory-Field Supplies	96,724.53	0.00	0.00	0.00	96,724.53
159000 REVENUE CONTROL ACCOUNT	0.00	273.25	76,731.21	(76,457.96)	(76,457.96)
161000 Land	120,456.26	0.00	0.00	0.00	120,456.26
162000 Office Building	415,383.01	0.00	0.00	0.00	415,383.01
164000 Accumulated Depreciation	(3,327,357.39)	0.00	0.00	0.00	(3,327,357.39)
165000 Improvements-Spec Assess	831,658.48	0.00	0.00	0.00	831,658.48
166000 Vehicles & Vehicle Equipment	320,995.71	0.00	0.00	0.00	320,995.71
166500 Equipment	468,845.12	38,330.00	0.00	38,330.00	507,175.12
167000 Office Equipment	81,906.49	0.00	0.00	0.00	81,906.49
168000 Water Tank	7,588.80	0.00	0.00	0.00	7,588.80
168500 Well House Rehab	2,415.00	0.00	0.00	0.00	2,415.00
169500 Security	1,976.00	0.00	0.00	0.00	1,976.00
171000 Water Dist System	2,598,601.61	0.00	0.00	0.00	2,598,601.61
173000 Water Line Improvements	23,714.71	0.00	0.00	0.00	23,714.71
173500 Homosassa River Crossing	11,704.43	0.00	0.00	0.00	11,704.43
174000 Peach Orchard Well	16,763.00	0.00	0.00	0.00	16,763.00
174500 Homosassa Library Project	250.00	0.00	0.00	0.00	250.00
178100 Stonebrook Mobile Home Estate Proj	9,076.40	33,464.40	0.00	33,464.40	42,540.80

52 WATER FUND

Account	Beginning	Debit	Credit	Net Change	Ending Balance
178200 Elevated Tank Project	71,090.00	0.00	0.00	0.00	71,090.00
178300 Mickey's Point Project	4,369.20	0.00	0.00	0.00	4,369.20
178400 Riverhaven Tank Project	1,800.00	0.00	0.00	0.00	1,800.00
179000 Yulee Project	600,689.88	0.00	0.00	0.00	600,689.88
179100 Highway 19 DOT Project	1,600.00	0.00	0.00	0.00	1,600.00
179200 Kings Harbor Estates	7,690.21	0.00	0.00	0.00	7,690.21
179400 Beagle & Bassett Project	36,799.48	0.00	0.00	0.00	36,799.48
179800 Old Homosassa Water Main Ext Projec	1,009,348.50	0.00	0.00	0.00	1,009,348.50
179900 Mason Creek Water Main Extension	91,760.16	0.00	0.00	0.00	91,760.16
179910 Halls River Rd/Fishbowl Relocate Pr	32,070.29	0.00	0.00	0.00	32,070.29
Total ASSETS	4,422,101.72	224,229.43	346,055.82 (121,826.39)	4,300,275.33
LIABILITIES AND FUND EQUITY					
202000 Accounts Payable	17,624.99	145,082.82	127,788.41 (17,294.41)	330.58
203000 Customer Deposits Payable	27,103.16	835.00	1,300.00	465.00	27,568.16
204000 Refunds Payable	843.14	249.87	249.87	0.00	843.14
205000 Accounts Payable-S.A.	0.10	0.00	0.00	0.00	0.10
206000 Due to Tax Collector	190.07	0.00	0.00	0.00	190.07
208500 Due from General Fund	(465,000.00)	0.00	0.00	0.00	190.07
216000 Accrued Vacation Payable	29,671.97	0.00	0.00	0.00	29,671.97
216100 Accrued Sick Pay	15,804.72	0.00	0.00	0.00	15,804.72
217230 457 Retirement Plan Payable	(100.00)	0.00	0.00	0.00	(100.00)
217240 State Retirement Payable	0.32	0.00	0.00	0.00	0.32
217260 Debt Service	1,291,912.82	15,786.17	0.00 (15,786.17)	1,276,126.65
217999 Transfer Control Account	89.70	879.49	879.49	0.00	89.70
279000 EXPENDITURE CONTROL ACCOUNT	0.00	89,538.41	327.60 (89,210.81)	(89,210.81)
301000 Contribution From Subdivid	0.08	0.00	0.00	0.00	0.08
301060 Stale Dated Check Water Revenue	(938.69)	0.00	0.00	0.00	(938.69)
302000 Contrib Capital-Spec Assessment	0.21	0.00	0.00	0.00	0.21
304000 Unappropriated Surplus-Water	3,504,899.13	0.00	0.00	0.00	3,504,899.13
Total LIABILITIES AND FUND EQUITY	4,422,101.72	252,371.76	130,545.37 (121,826.39)	4,300,275.33

Instructions for offsite back up:

At the end of the month have Scott bring the removable back up to the office from Peach Orchard.

Plug in the back up to the server.

Once installed to the server, close out the box that pops up that says My Book 2 (F) by the red x in the upper right hand corner.

Double click on the SyncBack icon on the desktop.

Click on Monthly BMS, and then click Run, click on Continue Run. Look in the status column it will say running while it is backing up. This will take just a couple of minutes to do.

When completed you will see in the status column (Success). Click on line that says Monthly Shared Documents, click on run, click on continue run. This will be very quick.

When done close by the red x in the upper right hand corner, unplug and have Scott take back to Peach Orchard.

Initial below and date when completed.

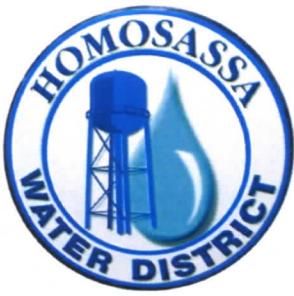
Date:	Backup done by:	Date	Picked up & took to Peach Orchard
6-2-10	Jessa		
6-30-10	Alvie		
7-29-10	Cindy		
8-31-10	Alvie	8-31-10	Jessa.
9-30-10	Cindy	9-29-10	Jessa.
11-1-10 (Dd)	Jessa	11-1-10	Jessa.

Teresa Olds

From: dennis seibert [ds121142@yahoo.com]
Sent: Wednesday, October 20, 2010 2:04 PM
To: hswd
Subject: For next board meeting
Attachments: _Certification_.txt

I checked with a couple of brokerage houses regarding the investing of our funds and we can not do better than we are doing with the bank and the state of Florida unless we want to take some risk or go longer term.

Also checked with a couple of PI lawyers and their answer was that anything over the max. limit for individual and per accident would need legislative approval and felt that would not happen. They also felt that our current coverage was adequate and would not reduce or increase it.



Homosassa Special Water District

PO Box 195
Homosassa, FL 34487

Business Hours: 7:00 AM - 5:30 PM, Monday - Thursday
Excepting Holidays
Phone (352) 628-3740 hswd@tampabay.rr.com Fax (352) 628-4865

November 8, 2010

Corrected Letter

The Board of Commissioners of the Homosassa Special Water District will be holding a Public Hearing on Monday, November 15, 2010 at 5:01 PM at the District office, located at 7922 W. Grover Cleveland Blvd., to discuss the acquisition of the Stonebrook Mobile Home Park water system.

At this time we would encourage you to attend this hearing to receive information about the pending acquisition and for the Board to be able to answer any questions you may have.

We look forward to seeing you at the hearing.

Sincerely,

Teresa Olds
Office Manager
Homosassa Special Water District

MEETING NOTICE

“The Homosassa Special Water District Board of Commissioners will meet in public hearing on November 15, 2010 at 5:01 pm pursuant to Section 189.423, Florida Statutes to consider whether a contract to purchase the Stonebrook Estates water system is in the public interest.”

This Public Hearing will be held at the District office located at 7922 W Grover Cleveland Blvd., Homosassa, FL 34446

GASB 45 Q & A

GASBhelp.com

GASB 45, or Government Accounting Standards Board (GASB) Statement 45, is an accounting and financial reporting requirement for employers to measure and report the cost and liabilities associated with other (than pension) postemployment benefits (or OPEB). This statement imposes accounting rules for retiree medical expenses (and other retirement benefits) that are similar to those already in place for pension benefits.

Before GASB 45, plan sponsors were only required to recognize the cost of retiree benefit payments for the current year (e.g., the premiums they paid during the year for their current retirees) on their financial statements. GASB 45 requires plan sponsors to recognize not only the value of retiree benefit payments for the current year, but also:

- The value of benefit payments "promised" to retirees for future years
- Retiree benefits promised to active employees that were earned during the current year
- Retiree benefits promised to active employees for their services in previous years

As you can imagine, the total cost of retiree benefits reported under GASB 45 is much greater than the current year's cost of retiree benefit payments limited to the current year. (See chart on page 2.)

GASB 45 does not require trusts to be established or budgets to change (although that is often the decision reached by plan sponsors after receiving their valuation report); it only requires that the projected cost associated with non-pension post-employment benefits be calculated and reported. A balance sheet liability arises when a plan sponsor fails to pay the annual required contribution (or ARC, which is generated from the valuation).

DO I HAVE TO COMPLY WITH GASB 45?

All government entities that offer other (than pension) post-employment benefits and follow GASB guidance must comply with GASB 45, including municipalities, public schools, water districts, public utilities, and other entities that follow other Governmental Accounting Standards Board statements.

Even if retirees pay the full cost of retiree benefits, there may still be an OPEB liability.

WHICH BENEFITS ARE INCLUDED UNDER GASB 45?

Government entities that fall under GASB 45 must include the following non-pension post-retirement benefits in their GASB 45 valuation:

- Medical (for both Medicare-eligible retirees and early retirees)
- Pharmacy
- Dental
- Vision
- Life
- Long-term disability
- Long-term care benefits

I DON'T PROVIDE ANY BENEFITS TO MY MEDICARE-ELIGIBLE RETIREES. DO I STILL NEED A VALUATION?

Yes, if you provide any benefits to people that retire before they become eligible for Medicare. GASB 45 applies to benefits provided to retirees, both before and after they become eligible for Medicare. You will need a valuation even if you only have retirees that are covered under your active medical plan.

IF MY RETIREES PAY THE FULL COST OF A RETIREE BENEFIT, DO I STILL NEED A GASB 45 VALUATION?

Probably. This issue is best explained using examples.

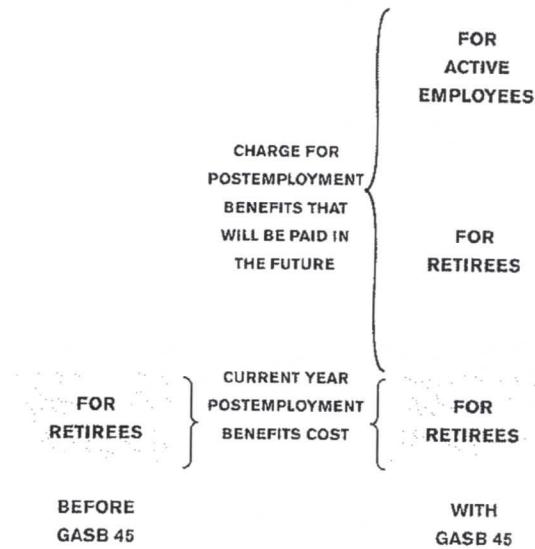
- **Example #1:** If the retirees do not pay the entire premium for OPEB benefits and the employer covers some portion of the total premium, there is an OPEB liability and a valuation must be conducted.
- **Example #2:** If post-employment benefits are provided to retirees and active employees under a plan that has the same premium for actives and retirees, there will likely be an OPEB liability regardless of whether the retirees pay all or a portion of the premium, and a valuation must be conducted.
- **Example #3:** If post-employment benefits are provided separately from active employee benefits with premiums that reflect the true level of retiree claim costs, and retirees pay the entire premium, then there is probably no OPEB liability to report and no valuation needs to be conducted.

In the second example, retirees receive an implicit rate subsidy because their premiums would likely be higher if they were underwritten as a separate group. Also, when separately underwritten, the active rates would be lower without the older beneficiaries included. This is why GASB views the retiree rates as being subsidized by the active rates and why the value of the subsidy represents a cost.

WHAT IS A GASB 45 VALUATION?

For the purposes of GASB 45, a valuation is an examination of other (than pension) post-employment benefits to assess the cost and liability associated with those benefits. Valuations are typically handled by actuaries with specific qualifications for performing the work.

FINANCIAL REPORTING DISCLOSURES



WHAT ARE THE GASB 45 DEADLINES?

GASB has implemented the reporting deadline for Statement 45 in three phases (but there are certainly advantages to getting a valuation performed earlier). The phase that applies to a plan sponsor for GASB 45 implementation is identical to the phase that applied

to that plan sponsor for GASB 34 implementation and is based on annual revenue reported in the first fiscal year ending after June 15, 1999.

The implementation schedule for GASB 45 is:

Phase 1 implementation—for employers with annual revenues greater than \$100 million—begins with fiscal years starting after December 15, 2006.

Phase 2 implementation—for employers with annual revenues between \$10 million and \$100 million—begins with fiscal years starting after December 15, 2007.

Phase 3 implementation—for employers with annual revenues less than \$10 million—begins with fiscal years starting after December 15, 2008.

If an irrevocable trust has already been established to fund OPEB obligations, GASB 43 implementation is one year earlier than GASB 45 implementation.

DO I NEED TO ESTABLISH A TRUST TO FUND OPEB BENEFITS?

No, GASB 45 does not mandate a change to how OPEB benefits are funded, but it may be beneficial to establish a trust, where allowed. The discount rate used to compute costs is influenced by whether or not funds are invested to provide for the future benefit obligations. When such a trust is established, GASB Statement 43 governs trust reporting and Statement 45 governs plan reporting.

WILL I IMMEDIATELY HAVE A BALANCE SHEET LIABILITY AFTER HAVING A VALUATION PERFORMED?

No. GASB 45 allows plan sponsors to amortize the portion of the cost attributed to past service over a period not to exceed 30 years. A balance sheet liability

arises when a plan sponsor fails to make contributions to cover both the cost for the current year as well as the cost associated with amortizing the cost from past service. A plan sponsor that fully funds the ARC each year will not have a balance sheet liability (but the unfunded accrued actuarial liability is typically disclosed in a footnote comment).

IF I DON'T HAVE A FORMAL PLAN (E.G., NO PLAN DOCUMENTS), DO I STILL NEED TO CONSIDER GASB 45?

Yes. GASB 45 looks for the substantive plan (i.e., the plan that is actually being provided and is likely to be provided based on past evidence) for the purpose of determining the cost. Even if future benefits are contingent on funds being approved by a governing board, accounting principles would require the recognition of the plan that has been provided (unless a specific decision has been made to discontinue a benefit).

WHAT ARE EMPLOYERS DOING ABOUT GASB 45?

OPTIONS FOR COMPLYING WITH GASB 45		
	QUALIFYING FOR AMM WITH FEWER THAN 100 PLAN MEMBERS	MORE THAN 100 PLAN MEMBERS
ACTUARIAL VALUATION	YES, BUT EXPENSIVE.	REQUIRED
DO THE VALUATION YOURSELF USING AMM	YES, BUT COMPLICATED AND TIME-CONSUMING.	N/A
MILLIMAN'S GASB- HELP.COM TOOL FOR SMALLER GOVERN- MENT ENTITIES	YES, GENERALLY COSTS ABOUT 70% LESS THAN AN ACTUARIAL VALUATION.	N/A

GASBhelp.com allows qualifying government entities with fewer than 100 plan members to comply with GASB 45 for a fraction of the cost of a full actuarial valuation.

I WORK FOR A SMALLER ORGANIZATION AND HEARD THAT WE HAVE OTHER OPTIONS. WHAT IS THE SIMPLIFIED APPROACH TO GASB 45 OR THE ALTERNATIVE MEASUREMENT METHOD (AMM)?

When GASB released Statement 45, it was concerned that there wouldn't be enough actuaries to do the work and that the cost of the work would put a strain on smaller government entities. It created a simplified approach to GASB 45 (known as the alternative measurement method or AMM) to allow qualifying government entities with fewer than 100 plan members to comply with GASB 45 for a fraction of the cost of a full actuarial valuation.

WHAT IS THE GASBHELP.COM TOOL FOR SMALLER GOVERNMENT ENTITIES?

For government entities that qualify for the simplified approach to GASB 45, Milliman, a widely respected global actuarial consulting firm, developed an online step-by-step approach to perform the calculations and fulfill the requirements of GASB 45.

WHAT CAN BE DONE TO LOWER MY LIABILITY?

Plan sponsors can take several steps to reduce their OPEB liability, including plan design changes, updating contribution strategies, and refining eligibility requirements. GASBhelp.com users get access to a white paper containing greater detail on these ideas and steps that have worked to reduce the OPEB liability.

WHO IS MILLIMAN?

Milliman was founded over 60 years ago and is one of the world's largest actuarial consulting firms. Milliman has performed the GASB 45 analysis for six states and hundreds of large cities and towns, and is prepared to assist organizations of all sizes (including those with fewer than 100 members). Milliman's GASB 45 team comprises health and pension actuaries and consultants who have a thorough understanding of the complex issues surrounding GASB 45.

How do I get started?

If you think you might qualify for the simplified approach to GASB 45 (i.e., the alternative measurement method), please visit www.GASBhelp.com and click on the link "Do I Qualify for the Simplified Approach to GASB 45 and GASB 43?"

If you would like to learn more about the GASBhelp.com tool for smaller government entities, speak with a customer service specialist with questions about your options, or request an actuarial valuation, please call us at 860.687.0148 or e-mail GASBhelp@milliman.com.

Teresa Olds

From: Horn.Adam [Adam.Horn@SunTrust.com]
Sent: Friday, November 05, 2010 12:06 PM
To: hswd@tampabay.rr.com
Subject: recent regulatory action
Attachments: _Certification_.txt

Teresa –

Just wanted to make sure you were aware of this regulatory action with Superior Bank, as it might come up at the next board meeting.

<http://www.bizjournals.com/tampabay/news/2010/11/04/regulators-crack-down-on-superior-bank.html>

I would be happy to talk you through what would happen if Superior Bank were to fail, given that the District's funds are public dollars.

Adam

Adam L. Horn
Vice President
Not-For-Profit & Government Banking

SunTrust Banks, Inc.
Mail Code FL-Tampa-4105
401 East Jackson Street, 10th FL
Tampa, FL 33602
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[ST:XCL]

This Was Printed From Tampa Bay Business Journal

Regulators crack down on Superior Bank

Tampa Bay Business Journal

Date: Thursday, November 4, 2010, 5:48pm EDT

[Superior Bank](#) agreed to boost capital and clean up its loan portfolios as part of an agreement with the Office of Thrift Supervision.

The bank, headquartered in Tampa, and its Birmingham, Ala.-based parent company, [Superior Bancorp](#) (NASDAQ: SUPR), each signed a stipulation and consent to the issuance of an order to cease and desist. No fines or penalties were imposed as a result of the actions, a [company statement](#) said.

Under the agreements, the company is required to increase the bank's capital, maintain its allowance for loan and lease losses at a level appropriate for the risk in its loan portfolio, reduce its classified assets, discontinue the extension of loans to certain stressed sectors of the economy, update its three-year capital and business plans, reduce brokered deposits, prohibit payment of dividends at this time, and increase management and board oversight.

The company said it is implementing a comprehensive plan to achieve full compliance.

Superior Bancorp is a \$3.4 billion thrift holding company. Superior Bank has 73 branches in Alabama and Florida.



Superior Bancorp Announces Agreement With Regulators

Company Release - 11/04/2010 16:05

BIRMINGHAM, Ala., Nov. 4, 2010 /PRNewswire-FirstCall/ -- Superior Bancorp (Nasdaq: SUPR) announced today that the Company and its principal operating subsidiary, Superior Bank, have entered into agreements with the Office of Thrift Supervision (OTS), their primary regulator, to continue taking actions to strengthen their financial condition and operations.

Each agreement, known as a Stipulation and Consent to the Issuance of an Order to Cease and Desist, is a formal action by the OTS requiring corrective measures in a number of areas. No fines or penalties were imposed as a result of these formal actions.

C. Stanley Bailey, Chairman & CEO, stated, "Superior has been working closely with its regulators since the start of this economic recession to increase capital, reduce higher risk and non-performing loans, return to profitability and maintain safe and sound banking practices. These agreements formalize steps that already are underway and that we and our regulators believe are necessary to improve Superior's financial health, and its ability to provide a 'superior' level of service to our customers and the communities we serve in Alabama and Florida."

Under the agreements, Superior is required, among other things, to increase the Bank's capital, maintain its allowance for loan and lease losses at a level appropriate for the risk in its loan portfolio, reduce its classified assets, discontinue the extension of loans to certain stressed sectors of the economy, update its three-year capital and business plans, reduce brokered deposits, prohibit payment of dividends by the Bank and the Company at this time and increase management and board oversight. The Company and Bank are implementing a comprehensive plan to achieve full compliance with the orders.

Customer deposits and performing, non-classified loans are unaffected by the agreement with the OTS. Deposits remain fully covered by FDIC insurance to at least \$250,000 per depositor. In addition, non-interest bearing transaction accounts and qualified NOW checking accounts are fully guaranteed by the FDIC for an unlimited amount of coverage under the FDIC's Transaction Account Guarantee (TAG) program, in which Superior Bank is a participant. The coverage under TAG is in addition to, and separate from, the coverage available under the FDIC's general deposit insurance protection.

About Superior Bancorp

Superior Bancorp is a \$3.4 billion thrift holding company headquartered in Birmingham, and the second largest bank holding company headquartered in Alabama. The principal subsidiary of Superior Bancorp is Superior Bank, a southeastern community bank that currently has 73 branches, with 45 locations throughout the state of Alabama and 28 locations in Florida. Superior Bank also operates 24 consumer finance offices in North Alabama as 1st Community Credit and Superior Financial Services.

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by us or on our behalf. Some of the disclosures in this release, including any statements preceded by, followed by or which include the words "may," "could," "should," "will," "would," "hope," "might," "believe," "expect," "anticipate," "estimate," "intend," "plan," "assume" or similar expressions constitute forward-looking statements. These forward-looking statements, implicitly and explicitly, include the assumptions underlying the statements and other information with respect to our beliefs, plans, objectives, goals, expectations, anticipations, estimates, intentions, financial condition, results of operations, future performance and business, including our expectations and estimates with respect to our revenues, expenses, earnings, return on equity, return on assets, efficiency ratio, asset quality, the adequacy of our allowance for loan losses and other financial data and capital and performance ratios. Although we believe that the expectations reflected in our forward-looking statements are reasonable, these statements involve risks and uncertainties which are subject to change based on various important factors (some of which are beyond our control). Such forward looking statements should, therefore, be considered in light of various important factors set forth from time to time in our reports and registration statements filed with the SEC. The following factors, among others, could cause our financial performance to differ materially from our goals, plans, objectives, intentions, expectations and other forward-looking statements: (1) the strength of the United States economy in general and the strength of the regional and local economies in which we conduct operations; (2) changes in local economic conditions in the markets in which we operate; (3) the continued weakening in the real estate values in the markets in which we operate; (4) the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System; (5) increases in FDIC deposit insurance premiums and assessments; (6) inflation or deflation and interest rate, market and monetary fluctuations; (7) the adequacy of our allowance for loan losses to cover actual losses and impact of credit risk exposures; (8) greater loan losses than historic levels and increased allowance for loan loss; (9) our timely development of new products and services in a changing environment, including the features, pricing and quality compared to the products and services of our competitors; (10) the willingness of users to substitute competitors' products and services for our products and services; (11) changes in loan underwriting, credit review or loss reserve policies associated with economic conditions, examination conclusions, or regulatory developments; (12) the impact of changes in financial services policies, laws and regulations, including laws, regulations and policies concerning taxes, banking, securities and insurance,

and the application thereof by regulatory bodies; (13) our ability to comply with any requirements imposed on us and Superior Bank by our regulators; (14) restrictions or limitations on our access to funds from Superior Bank; (15) changes in accounting policies, principles and guidelines applicable to us; (16) our focus on lending to small to mid-size community-based businesses, which may increase our credit risk; (17) our ability to resolve any regulatory, legal or judicial proceeding on acceptable terms and its effect on our financial condition or results of operations; (18) technological changes; (19) changes in consumer spending and savings habits; (20) the effect of natural or environmental disasters, such as, among other things, hurricanes and oil spills, in our geographic markets; (21) the continuing instability in the domestic and international capital markets; (22) the effects on our operations of policy initiatives or laws that have been and may continue to be introduced by the Presidential administration or Congress and related regulatory actions, including but not limited to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder; (23) our ability to successfully integrate the assets, liabilities, customers, systems and management we acquire or merge into our operations; (24) our ability to raise additional capital to fund growth plans or to meet regulatory requirements; and (25) other factors and information contained in reports and other filings we make with the SEC. If one or more of the factors affecting our forward-looking information and statements proves incorrect, then our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained in this report. Therefore, we caution you not to place undue reliance on our forward-looking information and statements. We do not intend to update our forward-looking information and statements, whether written or oral, to reflect changes. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

More information on Superior Bancorp and its subsidiaries may be obtained over the Internet, <http://www.superiorbank.com>, or by calling 1-877-326-BANK (2265).

SOURCE Superior Bancorp

Contact: Jim White, Chief Financial Officer, +1-205-327-3656

[Click here for Printer-Friendly Version](#)

Superintendent's Report

11/15/10

- 1.) Water Loss: I will have the Oct. water loss for the meeting on Monday. We have received the netbook for the system last week. The only item we are still waiting on is the upgraded headphones for the listening device. The next step will be deploying the loggers. We have discussed this with Guterman who will walk us through activating the loggers and software. As our field crew has been very busy installing the directional bores in the Stonebrook and Mickeys Point projects we have not been able to complete this step.
- 2.) Stonebrook: All of the 8 inch bores have been completed at the time of this writing. We are expecting to have all of the bores (two more 6 inch and some 4 inch) completed by Monday the 15th.
- 3.) Mickeys Point: Our field crew has installed the directional bores on Mickeys Point. We will not be completing this project until Stonebrook is complete.
- 4.) Elevated Tank: As reported earlier, the pressure sensing transducers were moved from the valve pit to the pump control panel. Once this was complete, one of the sensors was not operating properly. Utility Technicians came in on 11/9/10 and repaired the problem and the project is now complete and operating. A full cycle of emptying and refilling the tank should take about a week to complete.
- 5.) System Model: Computer models are only as good as the data supplied. I will be setting up a pressure study at the ends of the system and reviewing usage data over the past few years for a report to Mr. McDonald. This report should take about two months to complete.

Shut Offs Done

10-13-2010

Number Past Dues Mailed

2002	# Mailed	2003	# Mailed	2004	# Mailed
January	175	January	183	January	157
February	164	February	198	February	156
March	161	March	158	March	161
April	131	April	154	April	126
May	119	May	203	May	140
June	123	June	157	June	126
July	144	July	158	July	196
August	192	August	166	August	136
September	201	September	176	September	
October	197	October	115	October	176
November	183	November	169	November	174
December	172	December	164	December	198
2005	# Mailed	2006	# Mailed	2007	# Mailed
January	198	January	187	January	139
February	173	February	193	February	190
March	166	March	170	March	168
April	180	April	193	April	164
May	154	May	140	May	142
June	166	June	175	June	170
July	180	July	177	July	170
August	127	August	156	August	145
September	184	September	203	September	171
October	185	October	180	October	118
November	169	November	177	November	247
December	191	December	190	December	161
2008	# Mailed	2009	# Mailed	2010	# Mailed
January	130	January	158	January	175
February	133	February	150	February	120
March	124	March	148	March	135
April	105	April	140	April	142
May	140	May	133	May	141
June	136	June	130	June	148
July	126	July	130	July	184
August	168	August	174	August	161
September	120	September	133	September	191
October	173	October	176	October	151
November	165	November	168	November	
December	162	December	193	December	

Monthly Over Time List
10-14-10 to 11-10-10

Date	Employee	Reason	Overtime	Where	YTD
10/15/2010	Scott Antley	Read Wells	2 hrs	Field	
10/16/2010	Scott Antley	Read Wells	2 hrs	Field	
10/16/2010	Tony Stephens	Turn On 3917 S Centennial Ave	2 hrs	Field	
10/17/2010	Tony Stephens	Read Wells	2 hrs	Field	
10/22/2010	Rick Sandwick	Stonebrook Project	10 hrs	Field	
10/22/2010	Steven Sibel	Stonebrook Project	10 hrs	Field	
10/22/2010	Tony Stephens	Stonebrook Project	10 hrs	Field	
10/22/2010	Ricky Fields	Stonebrook Project	10 hrs	Field	
10/22/2010	Mike Townsend	Stonebrook Project	10 hrs	Field	
10/22/2010	Tony Stephens	Read Wells	2 hrs	Field	
10/23/2010	Tony Stephens	Read Wells	2 hrs	Field	
10/24/2010	Ricky Fields	Read Wells	2 hrs	Field	
10/27/2010	Rick Sandwick	Stonebrook Project	1 hr	Field	
10/27/2010	Steven Sibel	Stonebrook Project	1 hr	Field	
10/27/2010	Tony Stephens	Stonebrook Project	1 hr	Field	
10/27/2010	Ricky Fields	Stonebrook Project	1 hr	Field	
10/27/2010	Mike Townsend	Stonebrook Project	1 hr	Field	
10/28/2010	Rick Sandwick	Stonebrook Project	2 hrs	Field	
10/28/2010	Steven Sibel	Stonebrook Project	2 hrs	Field	
10/28/2010	Tony Stephens	Stonebrook Project	2 hrs	Field	
10/28/2010	Ricky Fields	Stonebrook Project	2 hrs	Field	
10/28/2010	Mike Townsend	Stonebrook Project	2 hrs	Field	
10/29/2010	Scott Antley	Read Wells	2 hrs	Field	
10/29/2010	Rick Sandwick	Stonebrook Project	10 hrs	Field	
10/29/2010	Steven Sibel	Stonebrook Project	10 hrs	Field	
10/29/2010	Tony Stephens	Stonebrook Project	10 hrs	Field	
10/29/2010	Ricky Fields	Stonebrook Project	10 hrs	Field	
10/29/2010	Mike Townsend	Stonebrook Project	10 hrs	Field	
10/29/2010	Tony Stephens	Leak 5685 S Oak Pt	2 hrs	Field	
10/30/2010	Scott Antley	Read Wells	2 hrs	Field	
10/30/2010	Rick Sandwick	Stonebrook Project	10 hrs	Field	
10/30/2010	Steven Sibel	Stonebrook Project	10 hrs	Field	
10/30/2010	Tony Stephens	Stonebrook Project	10 hrs	Field	
10/30/2010	Ricky Fields	Stonebrook Project	10 hrs	Field	
10/30/2010	Mike Townsend	Stonebrook Project	10 hrs	Field	
10/31/2010	Mike Townsend	Read Wells	2 hrs	Field	

Monthly Over Time List

10-14-10 to 11-10-10

BLACK MOUNTAIN SOFTWARE UTILITY BILLING SYSTEM

HOMOSASSA WATER DISTRICT

12:29:57 - 11/10/2010

ADJUSTMENTS

For Postdate from 10/01/2010 to 10/31/2010 Ordered by ADJUSTMENT NUMBER from AP and Year 10 - 2010

JOURNAL - Specific

ALL ADJUSTMENT NUMBERS

Type

ADJUSTMENT TYPES:

BAD CHECK E

CEBT

PENALAR / POSTURAL

Adjustment Number	Customer Name	Account	Route - Meter	Type	Post Date
Description		Service	Amount		
84782	IN & OUT EXPRESS LUBE	00466-00	01-05280	BAD CHECK FEE	
ADJUSTMENT		MISC FEES		25.00	10/19/2010
COMMENTS: Returned check fees			Subtotal for Account 00466-00 :	25.00	
84783	IN & OUT EXPRESS LUBE	00466-00	01-05280	CERT. FEE	
ADJUSTMENT		MISC FEES		5.54	10/19/2010
COMMENTS: certified letter fee			Subtotal for Account 00466-00 :	5.54	
84784	LEEPER, MICHELE	00295-00	01-07650	RE-READ	
ADJUSTMENT [Re-Read]		WATER		-2.10	10/20/2010
COMMENTS: Meter misread in September			Subtotal for Account 00295-00 :	-2.10	
84785	DEHN, AMBER	00146-00	01-08580	BAD CHECK FEE	
ADJUSTMENT		MISC FEES		25.00	10/25/2010
COMMENTS: Bad check fee			Subtotal for Account 00146-00 :	25.00	
84786	DEHN, AMBER	00146-00	01-08580	CERT. FEE	
ADJUSTMENT		MISC FEES		5.54	10/25/2010
COMMENTS: Certified letter fee			Subtotal for Account 00146-00 :	5.54	