



**Town of Loxahatchee Groves**  
**Special Workshop Meeting**  
Tuesday, March 18, 2014 at 6:00 p.m.  
(To be followed by the Regular Town Council Meeting)  
Loxahatchee Groves Water Control District, 101 West “D” Road

Mayor David Browning (Seat 4)  
Vice Mayor Ronald D. Jarriel (Seat 1)  
Councilman Tom Goltzené (Seat 5)  
Councilman Ryan Liang (Seat 3)  
Councilman Jim Rockett (Seat 2)

Town Manager Mark Kutney  
Town Clerk Janet K. Whipple  
Town Attorney Michael D. Cirullo, Jr.

Tentative  
Subject to Revision

**SPECIAL WORKSHOP AGENDA**

**1. OPENING**

- a. Call to Order & Roll Call
- b. Pledge of Allegiance & Invocation – Mayor Browning
- c. Approval of Agenda

**2. Consideration for Council to reconsider, review and revise the \$1.8 mil Capital Budget for Fiscal Year 2014. (*Recommendation from the Financial Advisory and Audit Committee (FAAC)*).**

- a. Determine Policy for Payment Options for Improvements to Roads (Town pays vs Landowners pay vs cost share).

**3. ADJOURNMENT**

# The Road Ahead



## Town Of Loxahatchee Groves FAAC February 2014



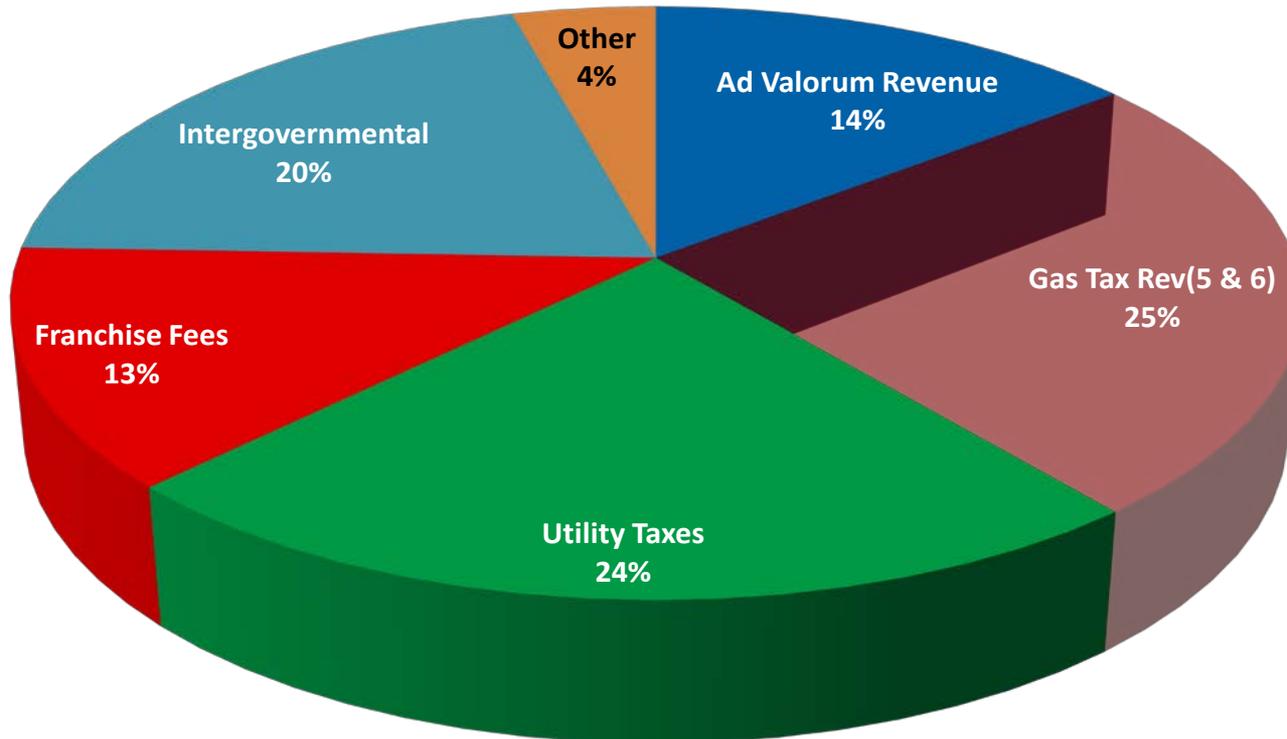
# The Road Ahead

- Where we are today
  - Revenue
  - Property taxes – millage and property values
  - Expenses
  - Reserves
- Challenges and opportunities
  - Protecting our natural environment and rural lifestyle
  - Future development will drive Increased traffic
  - Resident demands for Town funded road/drainage maintenance and Improvements are increasing
- Recommendations for 2014-15 Budget
  - Maintain current fiscal policy for reserves
  - Review and revise Capital Budget
  - Evaluate options for Town payment of debt for existing OGEM Roads

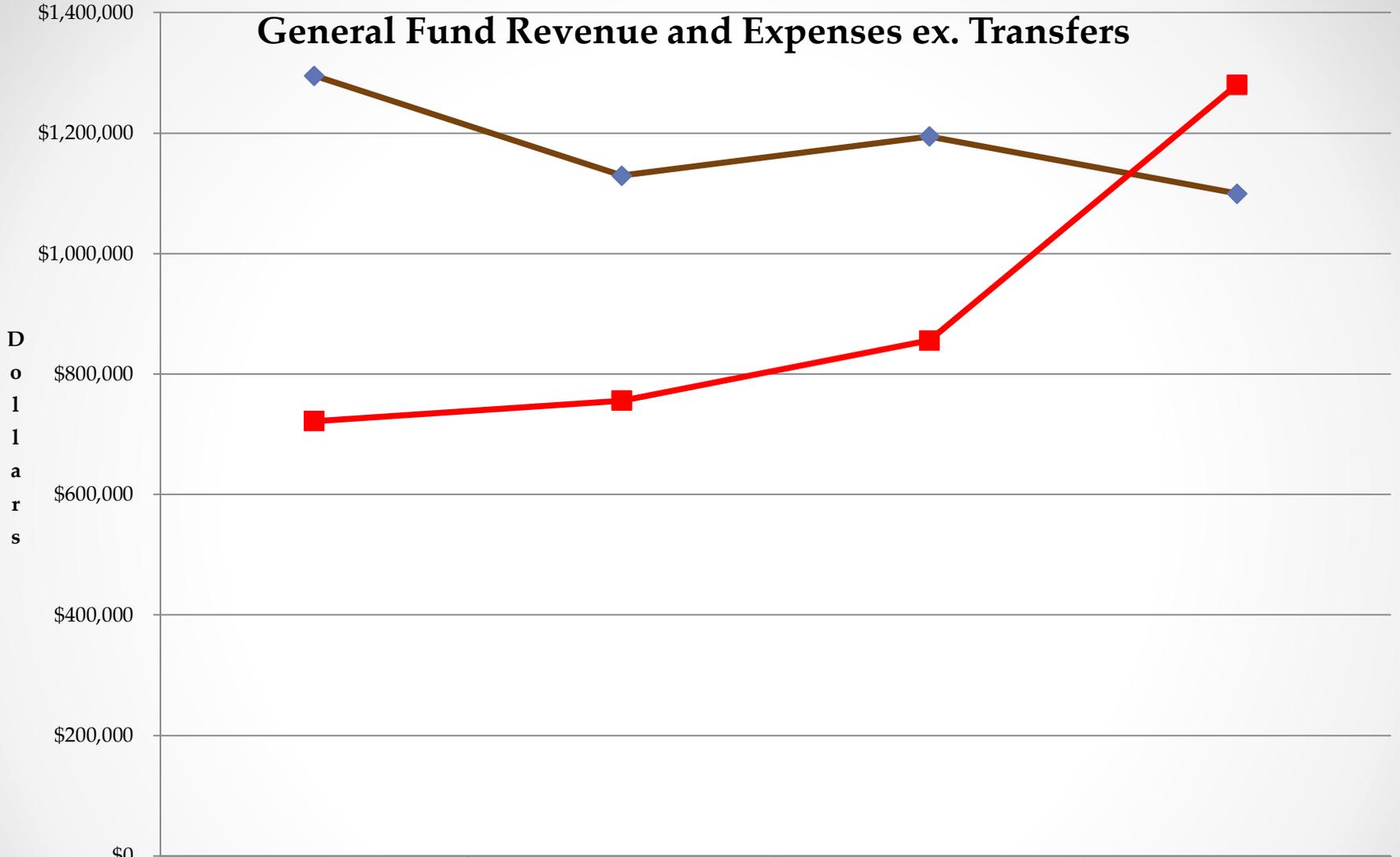
# General and Transportation Fund Revenue by Category

Fiscal Year 2013

General and Transportation Fund Revenue by Category  
Fiscal Year 2013



# General Fund Revenue and Expenses ex. Transfers

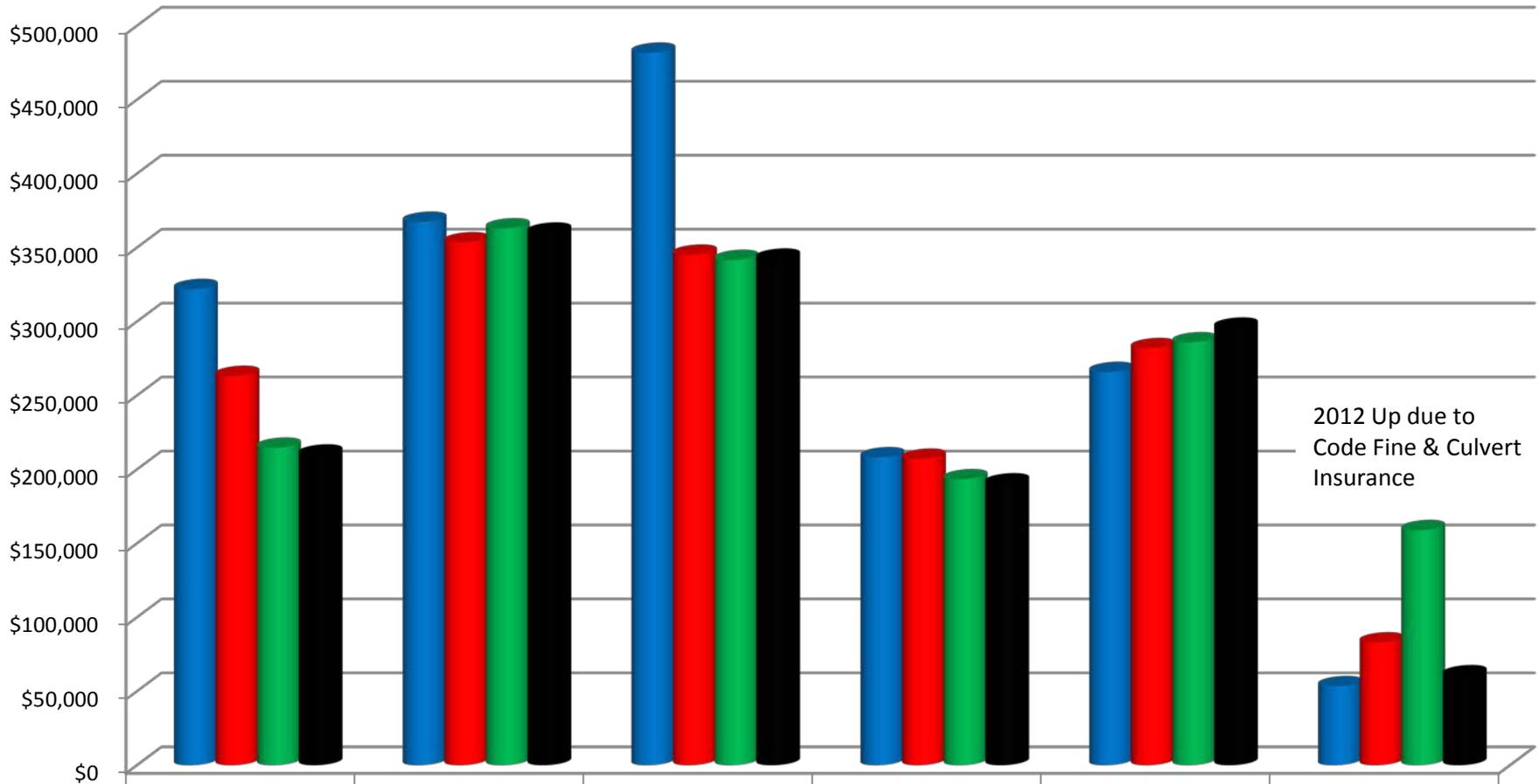


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	2009-10/Audited	2010-11/Audited	2011-12/Audited	2012-13/Unaudited
◆ Revenues	\$1,295,126	\$1,129,436	\$1,194,310	\$1,099,666
■ Expenses	\$721,925	\$755,856	\$855,745	\$1,280,309

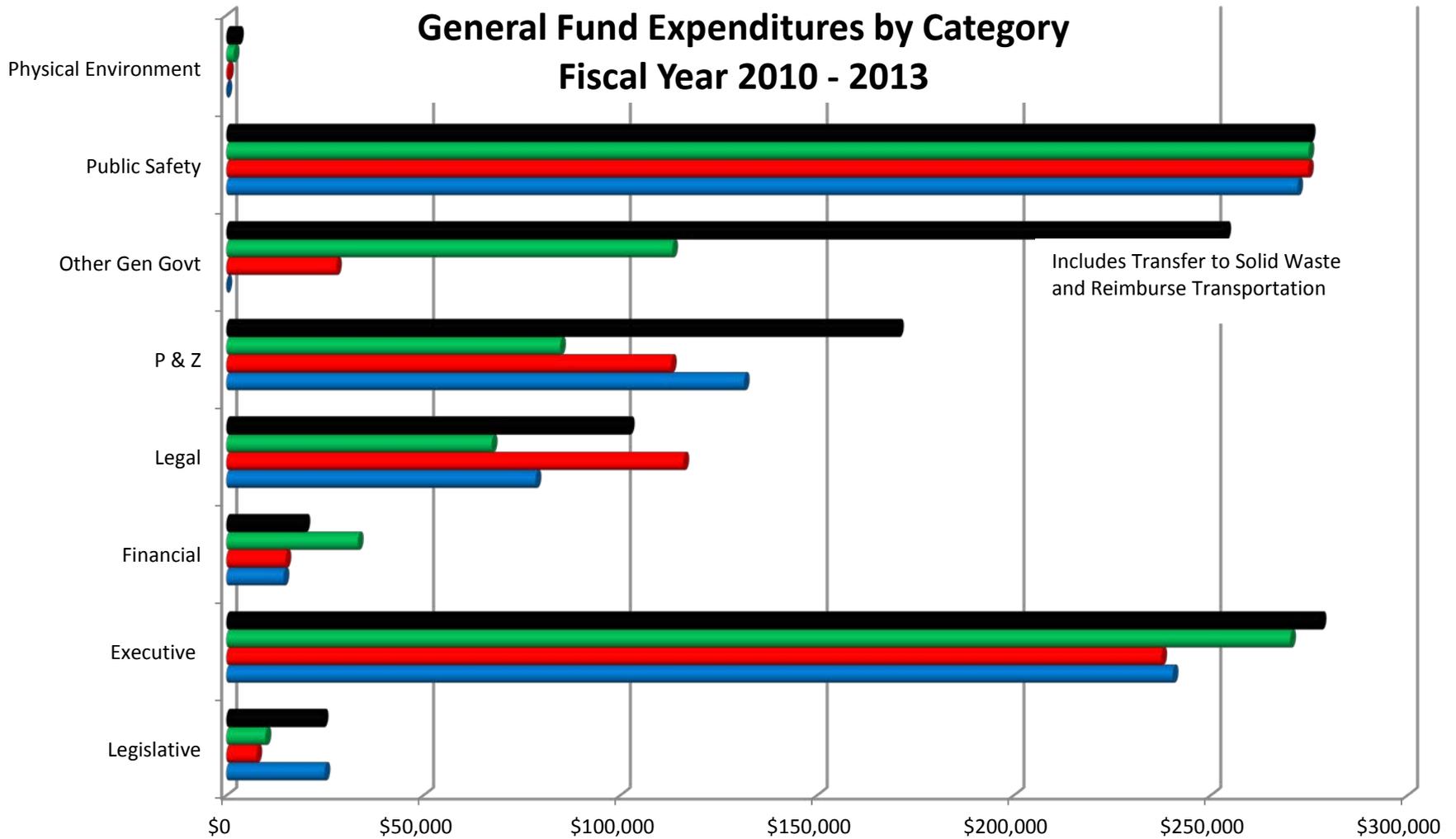
Fiscal Year

## Revenues by Category Fiscal Years 2010 - 2013



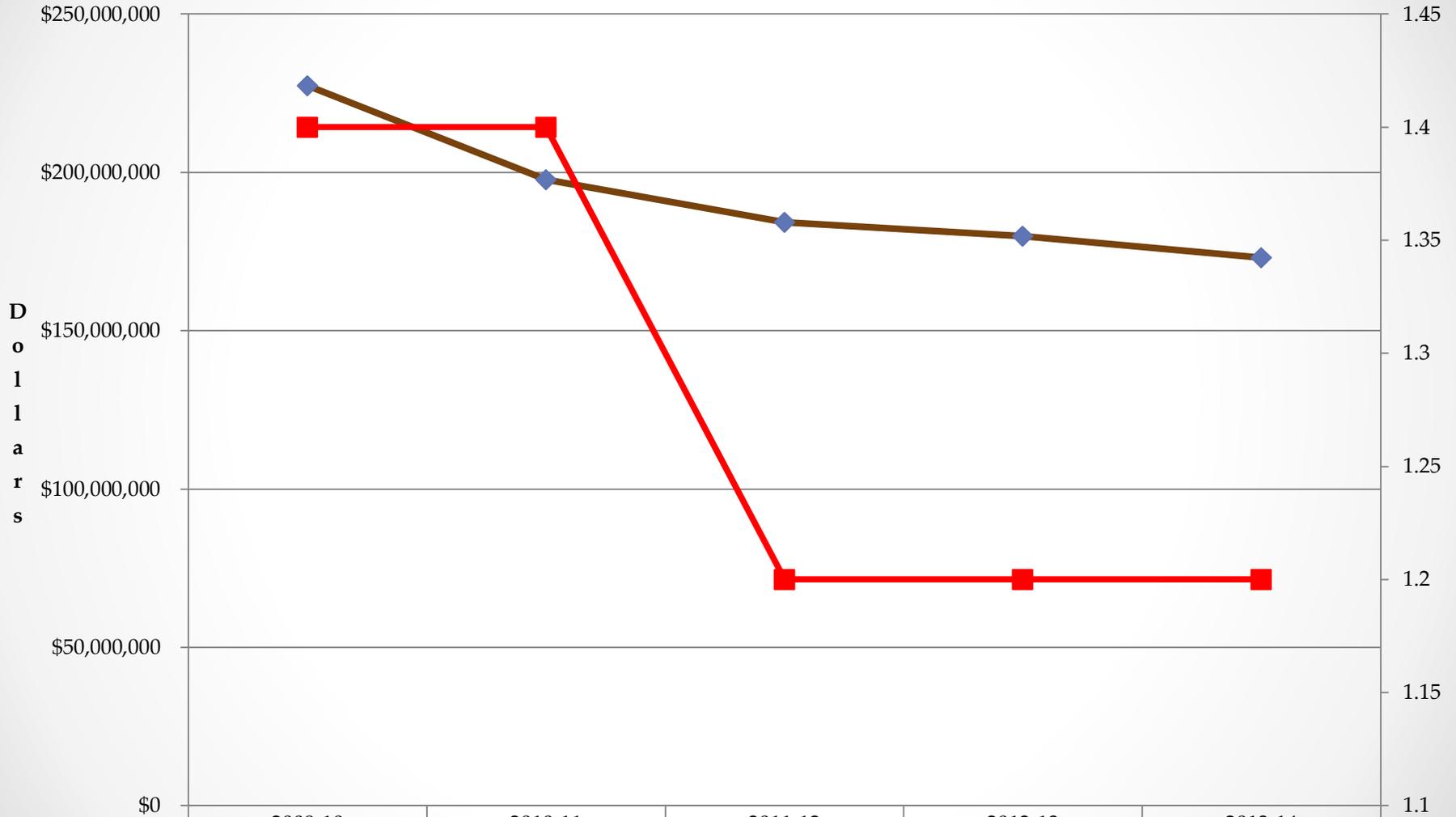
	Ad Valorum Revenue	Gas Tax Rev(5 & 6)	Utility Taxes	Franchise Fees	Intergovernmental	Other
■ 2010	\$321,912	\$367,332	\$481,710	\$208,158	\$265,839	\$53,385
■ 2011	\$263,170	\$353,519	\$345,155	\$207,153	\$281,946	\$83,012
■ 2012	\$214,645	\$362,938	\$341,596	\$193,270	\$285,900	\$158,899
■ 2013	\$210,006	\$360,071	\$342,478	\$190,552	\$295,817	\$60,813

## General Fund Expenditures by Category Fiscal Year 2010 - 2013



	Legislative	Executive	Financial	Legal	P & Z	Other Gen Govt	Public Safety	Physical Environment
■ 2013	\$24,449	\$278,009	\$19,828	\$102,247	\$170,641	\$253,790	\$275,243	\$2,950
■ 2012	\$9,923	\$270,261	\$33,372	\$67,402	\$84,773	\$113,256	\$274,911	\$1,847
■ 2011	\$7,606	\$237,526	\$15,000	\$116,099	\$112,922	\$27,847	\$274,785	\$407
■ 2010	\$24,915	\$240,406	\$14,500	\$78,530	\$131,446	\$0	\$272,064	\$0

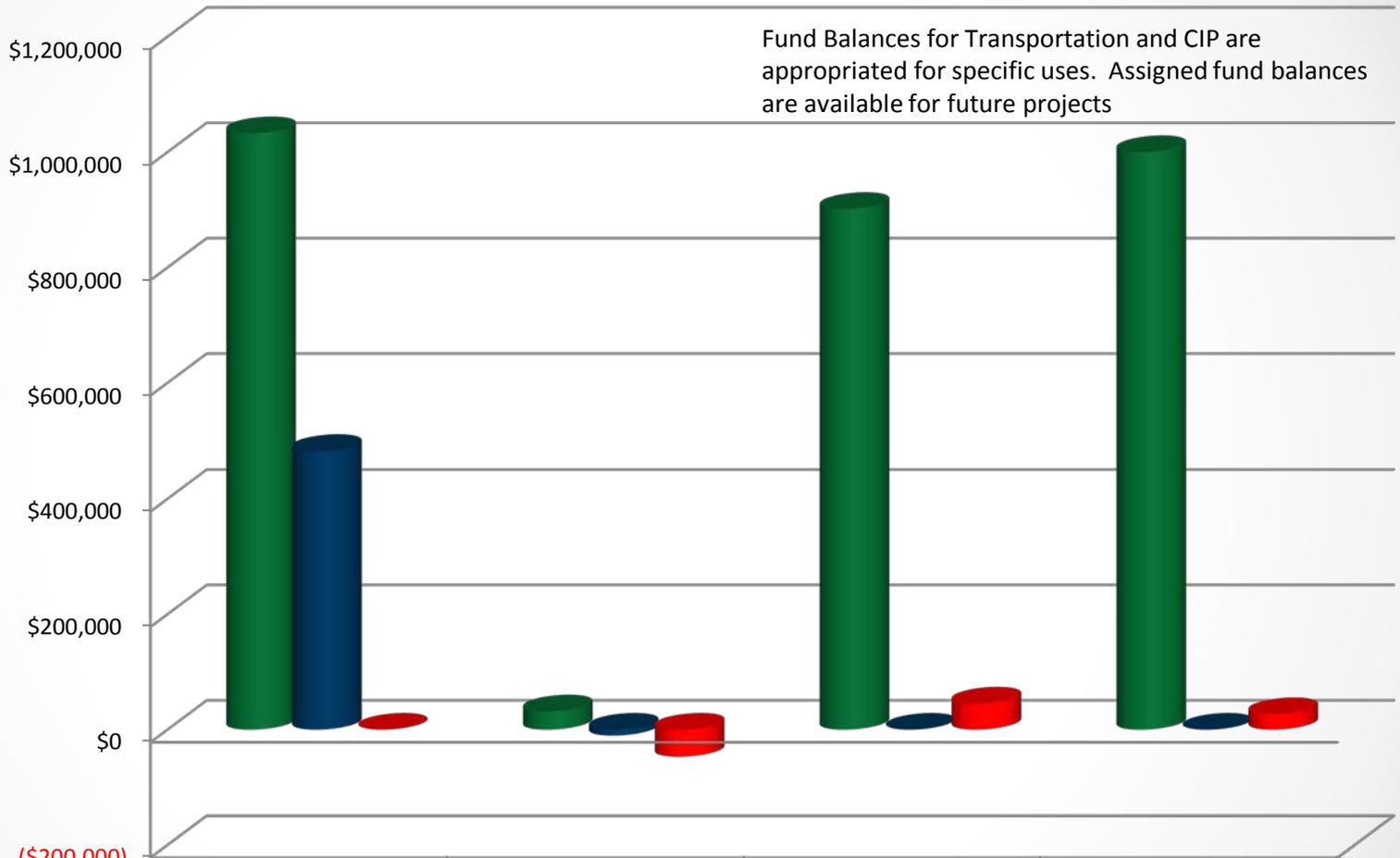
# Assessed Taxable Value and Millage Fiscal Year 2010 - 2014



Series1	2009-10	2010-11	2011-12	2012-13	2013-14
	\$227,388,292	\$197,633,548	\$184,216,920	\$179,915,488	\$173,067,703
Millage	1.4	1.4	1.2	1.2	1.2

# Estimated Fiscal Year 2014

## Fund Balances vs Fund Balances with Applied Fiscal Policy & GAAP



	General Fund	Solid Waste Fund	Transportation Fund	Capital Improvement Fund
■ Fund Balances	\$1,032,735	\$31,689	\$901,529	\$1,000,000
■ Fund Balances With Fiscal Policy	\$482,094	(\$10,308)	\$0	\$0
■ Assigned Fund Balance	\$0	(\$46,997)	\$45,338	\$26,843

## Statement of Estimated Changes in Fund Balances

### General Fund

#### CAFR UNASSIGNED FUND BALANCE

9/30/12 Fund Balance	\$1,311,888	
FY2014 Fiscal Policy Reserve @ 25%	(\$550,641)	
FY 2013 Transfer to CIP	(\$400,000)	
Reimburse Transportation Fund for Capital Expenditure (North Road OGEM)	(\$141,844)	
FY 2013 July Transfer to Solid Waste Fund	(\$137,309)	
<b>FY 2013 Est. Total Fund Balance</b>	<b>\$82,094</b>	
FY 2014 Transfer from CIP	\$400,000	
<b>FY 2014 Est. Total Fund Balance</b>	<b>\$482,094</b>	

### Transportation Fund

#### CAFR UNASSIGNED FUND BALANCE

<u>5 cent Fund Balance</u>		<u>6 cent Fund Balance</u>	
9/30/12 Fund Balance	\$320,012	9/30/12 Fund Balance	\$322,347
FY 2013 Estimated Change	\$117,326	FY 2013 Reimbursement North Road OGEM	\$141,844
<b>FY 2013 Est. Total Fund Balance</b>	<b>\$437,338</b>	<b>FY 2013 Est. Total Fund Balance</b>	<b>\$464,191</b>
<b>FY 2014 Appropriated (Budgeted ) Fund Balance</b>	<b>(\$437,000)</b>	<b>FY 2014 Appropriated (Budgeted ) Fund Balance</b>	<b>(\$419,191)</b>
<b>FY 2014 Est. Total ASSIGNED Fund Balance</b>	<b>\$338</b>	<b>FY 2014 Est. Total ASSIGNED Fund Balance</b>	<b>\$45,000</b>

### Solid Waste Fund

#### CAFR UNASSIGNED FUND BALANCE

9/30/12 Fund Balance	\$31,689	
Fiscal Policy Reserve @ 10%	(\$46,997)	
FY 2013 Estimated Change	5,000	
<b>Est. Total Fund Balance 9/30/12</b>	<b>(\$10,308)</b>	
<b>FY 2014 Est. Total Fund Balance</b>	<b>(\$10,308)</b>	
Actual results may require a contribution from the General Fund to meet the Fiscal Policy		

### Capital Improvement Program

#### CAFR ASSIGNED FUND BALANCE

9/30/12 ASSIGNED Fund Balance	\$1,000,000	
FY 2013 Estimated Change	\$400,000	
<b>FY 2013 Est. Total ASSIGNED Fund Balance</b>	<b>\$1,400,000</b>	
<b>FY 2014 Appropriated (Budgeted ) Fund Balance</b>	<b>(\$973,517)</b>	
FY 2014 Transfer to General Fund	(\$400,000)	
<b>FY 2014 Est. Total ASSIGNED Fund Balance</b>	<b>\$26,483</b>	

# Challenges

- Increasing Resident Demands for Town Funded Road/Drainage Maintenance and Improvements
- Implement a Cost Effective Town Owned/ Controlled Financial System
- Need Improved Security in Town Office
- Potential Reduction of Gas Tax Revenue resulting from Technological Changes
- Potential Reduction of Communications Srvs. Taxes
- Future Development will Drive Increased Traffic
- Protecting our Natural Environment- Water and Soil

# Opportunities

- Obtain grant funding
- Potential Revenues from increasing property values
- Development of a Trails network
- Improved appearance of roads and canals

# Recommendations for 2014-15 Budget

- Maintain Current Fiscal Policy for Reserves
- Review and Revise Capital Budget
- Evaluate Options for Town Payment of Existing OGEM Roads

# Maintain Current Fiscal Policy for Reserves

- Long term financial stability will ensure a sound foundation for our Town to sustain itself in a changing economy and allow us to survive financial emergencies
- A strong balance sheet will ensure our ability to provide for needs when the market is in decline. While in a stronger economy, it will allow us flexibility in spending while maintaining our reserves.

# Hold on Capital Expenditures

- The FAAC recommends that the Council immediately put a hold on Capital Expenditures
- Develop a methodology for prioritization of Town roads improvements
- Conduct a joint workshop with FAAC
- Research potential grant opportunities

# Methodology for the Prioritization of Town Roads Improvements

- Incorporate existing Town Roads provided by LGWCD into plan to meet goals of service needs. Fiscal capabilities managed on a fair and equitable basis.
- Define policy for payment (Town pays vs Landowner pays vs cost share)
- What funding level is the Town willing to commit?
- Establishment of Prioritization
- Selection of Identified roads (methodology)
- Upon identification and consent for selected road improvements by citizens, determine legal requirements, need for surveys, bid specifications, drainage.

## Methodology for the Prioritization of Town Roads Improvements

Goal: The Town shall balance the public service needs of the community with the fiscal capabilities. New programs, services, or facilities shall be based on general citizen demand, need, or legislative mandate. The Town shall provide funding for public services on a fair and equitable basis, and shall not discriminate.

1. Incorporate existing Town roads provided by LGWCD into plan to meet the Goals of service needs, fiscal capabilities managed on a fair and equitable basis.
  - a. Existing OGEM roads are now Town roads at a construction price of about \$1.5 million
    - i. Excess borrowed funds in LGWCD used to liquidate ~\$1.0 million outstanding loan
    - ii. Funding provided from transfer to LGWCD discontinued
    - iii. Town annually appropriates \$150,000 to pay for existing transferred roads
2. What funding level is the Town willing to commit?
  - a. Millage increase
  - b. Reduction in expenses
  - c. Bond Referendum through dedicated millage
  - d. Expansion of other revenue sources
3. Establishment of prioritization
  - a. Road improvements should be based on a cost benefit analysis, i.e., the greatest benefit to the most people at the least cost per capita
    - i. Would residents on prioritized Roads be in favor of such improvements?
  - b. Random selection for improvements
    - i. Would residents on random selection be in favor of such improvements?
  - c. Improve Roads classified in the most deteriorated conditions
    - i. Would residents on road classified in the most deteriorated conditions be in favor of such improvements?
4. Selection of Identified Roads
  - a. Cost Benefit Analysis for selection for funding
  - b. Random selection for funding (pulling out of a hat)

## Methodology for the Prioritization of Town Roads Improvements

5. Upon identification and consent for selected road improvement by citizens
  - a. Legal requirements are completed
  - b. Survey completed if necessary
  - c. Plan & Design Bid Specifications for Improvements by Town Engineers
  - d. Drainage accommodation with respect to improvements

DRAFT