



**Town of Loxahatchee Groves**  
**Finance Advisory & Audit Committee Meeting**  
**Wednesday, January 9, 2013 at 7:00 p.m.**  
Palms West Chamber of Commerce, 13901 Southern Boulevard

Chair Lung Chiu  
Vice Chair Elise Ryan  
Committee Member Cheryl Miller  
Committee Member Virginia Standish  
Vacancy

Town Council Liaison Ryan Liang  
Town Manager Mark Kutney  
Town Clerk Susan Eichhorn

**PUBLIC NOTICE/AGENDA**

**1. OPENING**

- a. Call to Order & Roll Call
- b. Approval of Agenda

**2. NEW BUSINESS**

- a. Discussion Relative to Town Council Compensation Options

**3. ADJOURNMENT**

*The next FAAC meeting is Wednesday, January 27, 2013*

**Comments Cards:** Anyone from the public wishing to address the Town Council must complete a Comment Card before speaking. This must be filled out completely with your full name and address and given to the Town Clerk. During the meeting, before public comments, you may only address the item on the agenda in which is being discussed at the time of your comment. During public comments, you may address any item you desire. Please remember that there is a three (3) minute time limit on all public comment. Any person who decides to appeal any decision of the Council with respect to any matter considered at this meeting will need a record of the proceedings and for such purpose, may need to ensure that a verbatim record of the proceedings is made which included testimony and evidence upon which the appeal is to be based. Persons with disabilities requiring accommodations in order to participate should contact the Town Clerk's Office (561-793-2418), at least 48 hours in advance to request such accommodation.



# Town of Loxahatchee Groves

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## MEMORANDUM

TO: Finance Advisory & Audit Committee Members

FROM: Mark A. Kutney, Town Manager, AICP, ICMA-CM 

Date: January 2, 2013

RE: Special FAAC Meeting on Town Council Compensation

At the December 4, 2012 Town Council Meeting, Councilman Tom Goltzene raised the issue regarding Compensation for the Mayor and Town Council. After deliberation, Staff was directed to review the mechanics of compensation and report back to the Town Council along with a determination of the additional costs involved. Further, the Town Council requested that the FAAC review the matter and provide input. Therefore, a special meeting of the Committee has been set for January 9, 2013 to discuss this matter.

Under the Town Charter, a method for compensation is provided. More specifically, Section 3 (4) (e) Compensation and Expenses indicates the following in subsection 2. **"The Town Council, by not fewer than four affirmative votes may elect to provide for compensation and any increase in such compensation by ordinance. However, no such ordinance establishing or increasing compensation shall take effect until the date of commencement of the Term of council members elected at the next regular election which follows the adoption of such ordinance."**

The current schedule calls for this issue to be discussed by Town Council on January 15, 2013, taking into account the proposals by the Management Company and the input provided by the FAAC. Should the decision be to move forward with an Ordinance, such Ordinance can be adopted prior to the March Election.

Attached to this memorandum are two charts and three options for annual compensation that may be provided to Town Council. The Management Company has reviewed data related to municipalities within the State of Florida and Palm Beach County. The Chart titled **Florida and Palm Beach County Elected Official Compensation Benefits** utilizes Florida League of Cities salary survey data supplemented with phone research of Palm Beach County Municipalities by the Management Company. Within the chart, it is evident that the other 19 cities and Loxahatchee Groves are similar relative to population and budget (with 1 or 2 outliers). There is some minor variance in regard to the wages column.

The **Annual Compensation** graphic is a bar chart that depicts the average budget, annual wage and average compensation of the 19 municipalities in question.

The last graphic is the **Annual Compensation Options per Council Member** and provides three options for consideration. Option 1 provides for wages and results in an annual expenditure of \$30,919.25. The second option is a Transportation and Communication Allowance which results in an annual expenditure of \$28,500.00. The final option is a Monthly Meeting Stipend that also has an annual expenditure of \$28,500.00

UMSG Staff will be at the meeting to discuss these options with the Committee and address any concerns or questions that you may have.

Cc: Bill Underwood, UMGS Managing Partner  
Dennise D. Rodriguez, Office Coordinator Town of Loxahatchee Groves

## Florida and Palm Beach County Elected Official Compensation Benefits

### Florida League of Cities Salary Survey

| Municipality       | County     | Population | Budget       | Wages  |
|--------------------|------------|------------|--------------|--------|
| Belleair           | Pinellas   | 3,890      |              | 300    |
| Biscayne Park      | Miami Dade | 3,126      | \$3,270,000  | 2,000  |
| Bowling Green      | Hardee     | 3,084      | \$2,500,000  | 1,800  |
| Bunnell            | Flagler    | 2,600      |              | 9,600  |
| Chiefland          | Levy       | 2,228      | \$6,000,000  | 4,800  |
| Crystal River      | Citrus     | 3,737      | \$4,200,000  | 6,328  |
| Dunnellon          | Marion     | 2,031      | \$3,100,000  | 1,800  |
| Eagle Lake         | Polk       | 2,732      | \$1,500,000  | 1,272  |
| Ocean Ridge        | Palm Beach | 2,600      | \$5,100,000  | 1,200  |
| Ponce Inlet        | Volusia    | 3,267      | \$4,700,000  | 8,395  |
| Williston          | Levy       | 2,768      | \$2,400,000  | 3,000  |
| Atlantis           | PBC        | 2,005      | \$4,000,000  | 12,800 |
| Loxahatchee Groves |            | 3,100      | \$3,675,754  |        |
| Haverhill          | PBC        | 1,894      | \$1,001,850  | 5,140  |
| Highland Beach     | PBC        | 3,539      | \$10,500,000 | 14,400 |
| Hypoluxo           | PBC        | 2,636      | \$1,600,000  |        |
| Juno Beach         | PBC        | 3,181      | \$6,300,000  | 3,488  |
| Lake Clarke Shores | PBC        | 3,376      | \$2,400,000  | 1,291  |
| Mangonia Park      | PBC        | 2,315      | \$2,000,000  | 9,600  |
| South Bay          | PBC        | 4,876      | \$2,200,000  | 15,334 |

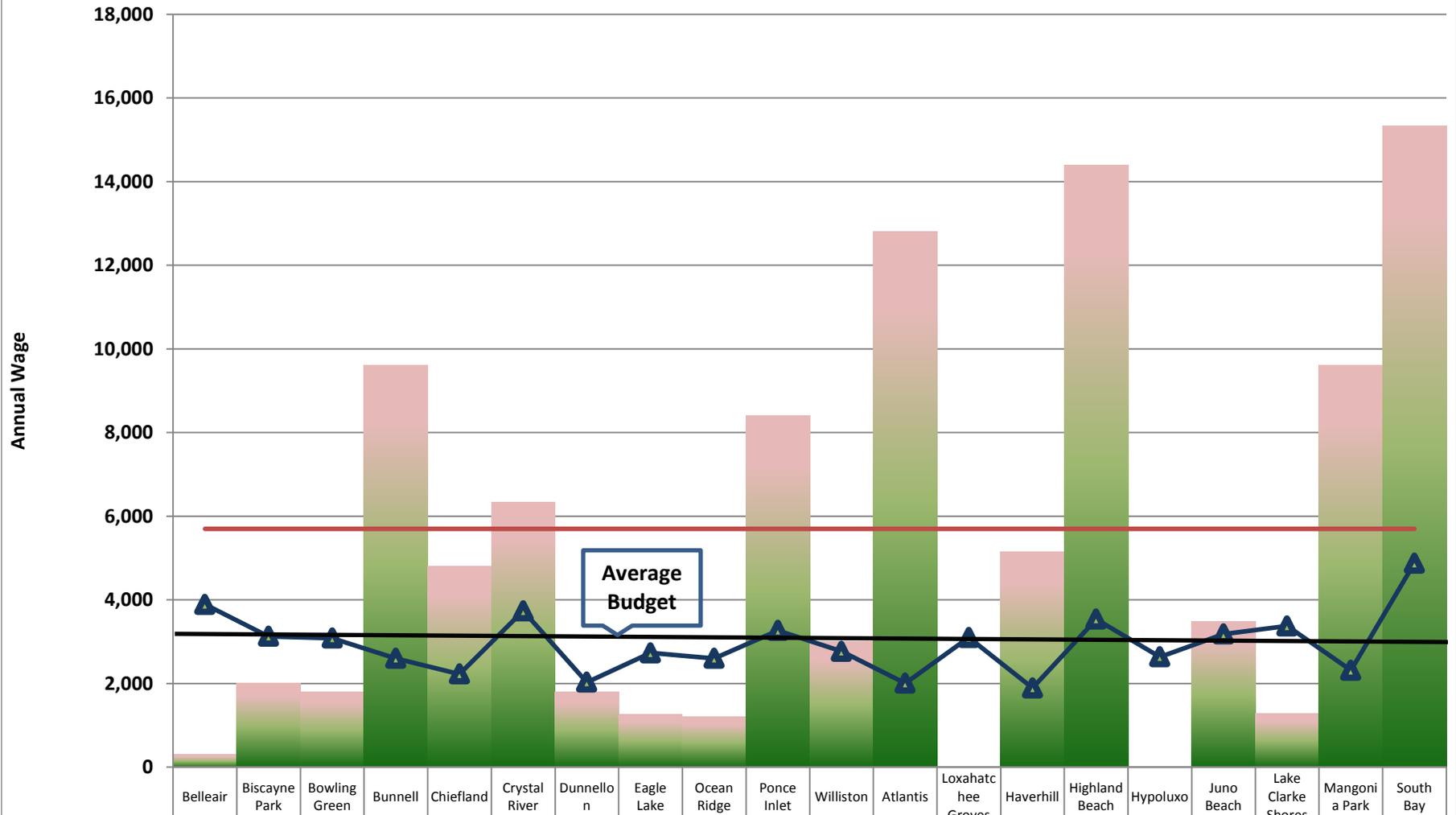
**Average            2,949                    \$3,691,534                    \$5,697**

Note: \* FY2011-2012 Budget

          \*\* FY2013 General Fund

          \*\*\* Compensation + Allowances/Health Insurance

# Annual Compensaton



|              | Belleair | Biscayne Park | Bowling Green | Bunnell | Chiefland | Crystal River | Dunnellon | Eagle Lake | Ocean Ridge | Ponce Inlet | Williston | Atlantis | Loxahatchee Groves | Haverhill | Highland Beach | Hypoluxo | Juno Beach | Lake Clarke Shores | Mangonia Park | South Bay |       |
|--------------|----------|---------------|---------------|---------|-----------|---------------|-----------|------------|-------------|-------------|-----------|----------|--------------------|-----------|----------------|----------|------------|--------------------|---------------|-----------|-------|
| Annual Wage  | 300      | 2,000         | 1,800         | 9,600   | 4,800     | 6,328         | 1,800     | 1,272      | 1,200       | 8,395       | 3,000     | 12,800   |                    | 5,140     | 14,400         |          | 3,488      | 1,291              | 9,600         | 15,334    |       |
| Average Comp | 5,697    | 5,697         | 5,697         | 5,697   | 5,697     | 5,697         | 5,697     | 5,697      | 5,697       | 5,697       | 5,697     | 5,697    | 5,697              | 5,697     | 5,697          | 5,697    | 5,697      | 5,697              | 5,697         | 5,697     | 5,697 |
| Budget       | 3,890    | 3,126         | 3,084         | 2,600   | 2,228     | 3,737         | 2,031     | 2,732      | 2,600       | 3,267       | 2,768     | 2,005    | 3,100              | 1,894     | 3,539          | 2,636    | 3,181      | 3,376              | 2,315         | 4,876     |       |

## Annual Compensation Options per Council Member

Municipal Small City Compensation Average

| Title                     | Option 1 - Wages    | Option 2 - Auto & Comm Allowance* | Monthly Meeting Stipend <sup>#</sup> |
|---------------------------|---------------------|-----------------------------------|--------------------------------------|
| Wage                      | \$ 5,700.00         | \$ 5,700.00                       | \$ 5,700.00                          |
| FICA/Medicare Taxes       | \$ 436.05           |                                   |                                      |
| Worker's Compensation     | \$ 17.80            |                                   |                                      |
| Payroll Services Company  | \$ 30.00            |                                   |                                      |
| <b>Total Expense</b>      | <b>\$ 6,183.85</b>  | <b>\$ 5,700.00</b>                | <b>\$ 5,700.00</b>                   |
| Monthly Remittance        | \$ 515.32           | \$ 475.00                         | \$ 475.00                            |
| <b>Annual Expenditure</b> | <b>\$ 30,919.25</b> | <b>\$ 28,500.00</b>               | <b>\$ 28,500.00</b>                  |

\* Individual Council member can reduce withholding liability by tracking, recording, and deducting actual mileage

<sup>#</sup> Individual Council member can not reduce withholding liability