



# Town of Loxahatchee Groves

## Finance Advisory & Audit Committee Meeting

Monday, November 26, 2012 at 7:00 p.m.

Central Palm Beach County Chamber of Commerce – West Office  
13901 Southern Boulevard, Loxahatchee Groves, FL 33470

### MINUTES

#### 1. OPENING

- a. Call to Order & Roll Call

Chair Lung Chiu called the meeting to order at 7:00 p.m. Present were Chair Lung Chiu, Vice Chair Elise Ryan and Committee Members Cheryl Miller and Virginia Standish. Also present were Town Manager Mark Kutney, Bill Underwood, Managing Partner of Underwood Management Services Group (UMSG), and Town Office Coordinator Dennise D. Rodriguez.

- b. Approval of Agenda

**Motion:** Committee Member Miller moved to approve the Agenda. Vice Chair Ryan seconded the motion, which passed unanimously. (Motion carried 4-0).

#### 2. CONSENT AGENDA

- a. Minutes: September 11, 2012

**Motion:** Committee Member Miller moved to approve the minutes. Committee Member Standish seconded the motion, which passed unanimously. (Motion carried 4-0).

- b. Minutes: October 15, 2012

**Motion:** Vice Chair Ryan moved to approve the minutes. Committee Member Standish seconded the motion, which passed unanimously. (Motion carried 4-0).

#### 3. PRESENTATIONS - None

#### 4. OLD BUSINESS – None

## 5. NEW BUSINESS

### a. Approval of FY 2012 October Financial Statements

1. Budget vs. Actual – October 2012
2. Bank Reconciliation – October 2012
3. General Ledger Detail – October 2012
4. Bank Statement – October 2012

A discussion took place regarding October 2012 Budget vs. Actual; Bank Reconciliation; General Ledger Detail and Bank Statement. Mr. Underwood explained all the details of the reports and the September 2012 accruals, and for the error on the Bank Statement reconciliation report.

Vice Chair Ryan inquired about the Code Enforcement administrative cost, fees & fines. Town Manager Kutney explained the process on how the Code Enforcement administrative cost, fees and fines, are applied.

Member Standish inquired about the Financial Activity Report, under “Contract Services” expenditure, specifically “Land Research Management”. She is concerned that there is no dollar amount on the budget and asked if this is because it is a cost recovery item. A discussion took place in regards on how the cost recovery items are accounted for in the Budget. Town Manager Kutney mentioned that the Town has recovered the amount owned by Community of Hope.

Vice Chair Ryan inquired about the status of the Palm Beach State College, since there appears to be a negative balance on the Cost Recovery item. A discussion took place in regards to how the Town can recover the costs it incurs these type of specific projects. Vice Chair Ryan suggested staff provide recommendations at some point and include in a future FAAC Agenda. Town Manager Kutney indicated that this is specifically included in the priority list to be presented to the Town Council in the future.

Member Standish inquired about the traffic light that will be on State Road 7. A discussion took place regarding the County expenditures for such projects.

Member Miller inquired about the “Election Expenses” item, being moved in the budget. Mr. Underwood explained where the expenses were moved too.

Chair Chiu inquired about item “Other Services” under “Executive”. He stated that it should be called “Underwood Management Services”. A discussion took place regarding this item, and advised that the line item is listed as required.

Member Standish asked why the Town is charged for Workers Compensation. Mr. Underwood explained the reason why the Florida League of Cities is requiring the Town to have Workers Comp, and what it covers.

Mr. Underwood asked if all the members had completed the Ethic Compliance Code Video. Town Manager Kutney explained the Ethic Compliance Code and how every Town committee members should complete the form, including all Town's Contractors.

**Motion:** Member Miller moved to approve October 2012 Financial Statements. Member Standish seconded the motion, which passed unanimously. (Motion carried 4-0).

**b.** Review of Planning & Zoning Invoices

A discussion took place with respect to the invoices charged to cost recovery accounts. Chair Chiu asked if the Town staff keeps track of the past due amounts. Town Manager Kutney explained the process of the invoices and also how the calls to the attorneys are recorded.

**c.** Discussion Relative to LGWCD Non District "Town Roads Interlocal Agreement" Reimbursement Request.

Mr. Underwood mentions that the Town staff needs direction from the Committee in regards to the recent Reimbursement Request for Rock Material by the LGWCD. He indicated that invoices summited under a specific area of District Roads LIA, and then the same invoices were modified and included under the Non District "Town" Roads ILA for reimbursement. Underwood advised that none of the invoices in question were paid. Mr. Underwood suggested two (2) options for Committee's consideration:

1. Do nothing – Not paying
2. Take it the Town Council for action

A discussion took place in regards to reimbursement requests and if it should be presented to the Town Council.

Chair Chiu inquired if Town staff verifies if specific work on roads is completed. He also mentioned that if the work is done, the Town is responsible to pay for such service. A discussion took place with respect to the requirements of the ILA for payment of invoices.

Vice Chair Ryan mentioned that the LGWCD staff needs to understand the ILA, which Chair Chiu also agrees that they need to understand their obligation with the Town and what the Town has to do for them in return.

Upon question from Vice Chair Ryan, Town Manager Kutney advised about work on a Request for Proposals/Bids for road grading.

Public Comments –

Phil Liu – 4245 148<sup>th</sup> Terrace North

She is concerned why the LGWCD wanted to modify the invoice. She stated that the District should had done a totally new invoice, and submitted to the Town staff with all the proper documentation

Chair Chiu asked how the Town Staff can knowledge that the roads work has been done. Mr. Underwood explains how the invoices received are verified. A discussion took place concerning to the way the Town

is verifying the requested road works. Committee also discussed how to notify the residents that their roads are being graded.

Vice Chair Ryan made a clarification on how the LGWCD process the invoices that would add up to the \$150,000.00.

Public Comments –

Phil Liu – 4245 148<sup>th</sup> Terrace North

She is concerned that the residents should be responsible to call the Town Office and notify staff if the Road Service that they have requested is completed. She thinks that a way the Town can move forward is having the public verify that the roads are being graded has been complete, and they should call the Town Office. This process will help the Town and Water Control District.

Chair Chiu asked if there is a form on the webpage that will help the residents with the Request for Road Service. Mr. Underwood explained where to locate the form on the webpage. Chair Chiu recommended adding an additional form for comments, where the resident can indicate that a specific Request for Road Service has been complete.

The Committee members made their recommendation to the Town staff to bring the matter to the Town Council.

**Motion:** Member Standish moved to approve the motion to support the Town Manager's recommendation of not processing the payment to the LGWCD. Member Miller seconded the motion, which passed. (Motion carried 3-0), Vice Chair Elise Ryan Abstain from Voting.

**d. Cancellation of December 24, 2012 Meeting**

All Committee members agreed to the cancellation of December 24<sup>th</sup>, meeting.

**6. DISCUSSION –**

**7. CONCLUSION**

**a. Public –**

- Phil Liu – 4245 148<sup>th</sup> Terrace North

She would like the Town staff to let the General Public know when a Road has been complete.

**b. Committee Members**

- Vice Chair Ryan: Good meeting
- Member Standish: She looks forward to a great start with the District
- Member Miller: Good meeting

- Bill Underwood: Greeted the Committee Members for the coming Holidays and mention the implementation of the new FY 2013 Budget Book
- Mr. Kutney: Greeted the Committee Member for the coming Holidays
- Chair Chiu: Appreciates all the good work on another successful year

Vice Chair Ryan inquired about Roads Maintenance going to RFP. A discussion took place in how the Town Manager is going to manage the RFP negotiation.

Chair Chiu inquired about the Town's "Newsletter" for the New Year. A discussion took place in regards on how the Newsletter will be prepared. He also inquired about the Management's Performance Evaluation. Town Manager Kutney explained the format of the evaluation. Mr. Underwood mentioned that the Town Management is constantly receiving feed backs from the Town Council and also Town residents.

Chair Chiu is very pleased with the Town's Management performance and the way Staff prepares the monthly report.

Member Standish requested information on attending various accounting seminars. A discussion took place in regarding the approval of the seminars, the locations, and the dates.

c. Concluding Administrative Remarks

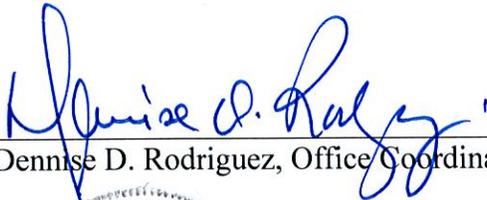
1. Reimbursement – October 2012 – None
2. Final FY 2012 Budget Amendment – Town Council Agenda – November 20, 2012-None

## 7. ADJOURNMENT

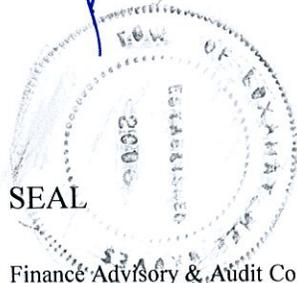
**Motion:** Member Miller moved to **adjourn** the meeting at 8:35 p.m. Vice Chair Ryan seconded the motion, which passed unanimously. (**Motion carried 4-0**).

The next FAAC meeting is Monday, January 28, 2013

**These minutes were approved by the Finance Advisory & Audit Committee on  
January 28, 2013.**

  
\_\_\_\_\_  
Denise D. Rodriguez, Office Coordinator

  
\_\_\_\_\_  
Lung Chiu, Chair



# FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME RYAN Elise M	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE COXA HATCHEE GROVES FINANCE & AUDIT ADV. Comm. the
MAILING ADDRESS 3508 A RD	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY COUNTY COXA HATCHEE PALM BEACH	NAME OF POLITICAL SUBDIVISION: TOWN OF COXA HATCHEE GROVES
DATE ON WHICH VOTE OCCURRED 11/20/2012	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE

## WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

## INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

### ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

### APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

**IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:**

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

**APPOINTED OFFICERS (continued)**

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

**DISCLOSURE OF LOCAL OFFICER'S INTEREST**

I, Elise RYAN, hereby disclose that on 11/26, 2012

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, \_\_\_\_\_;
- inured to the special gain or loss of my relative, \_\_\_\_\_;
- inured to the special gain or loss of \_\_\_\_\_ by whom I am retained; or
- inured to the special gain or loss of \_\_\_\_\_, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

The measure was payment of Invoices from the LOXAHATCHEE GROVES WATER CONTROL DISTRICT TO THE TOWN. MY HUSBAND (JOHN RYAN) IS A SUPERVISOR (elected) of the LOXAHATCHEE GROVES WATER CONTROL DISTRICT, AN INDEPENDENT SPECIAL TAXING DISTRICT ELECTED ON A ONE VOTE PER ACRE BASIS.

Date Filed 11/29/2012

Signature Elise M. Ryan

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.