



Finance Advisory & Audit Committee Meeting
Monday, October 28, 2013 at 7:00 p.m.

MINUTES

1. OPENING

a. Call to Order & Roll Call

Chair Lung Chiu called the meeting to order at 7:05 P.M. Present were *Chair Lung Chiu, Vice Chair Elise Ryan, and Committee Members Cheryl Miller, Ken Johnson, and Virginia Standish*. Also present were Town Manager Mark Kutney, Bill Underwood, Managing partner, Underwood Management Services Group, and Perla Underwood, UMSG.

a. Approval of Agenda

Vice Chair Ryan recommended that Item No. 5a and 5c be combined.

Motion: Member Miller Moved, Seconded by Member Ryan to approve Agenda as amended.

Motion passed unanimously, 5-0.

2. CONSENT AGENDA

b. Approval of Minutes – August 26, 2013

Motion: Member Ryan Moved, Seconded by Member Miller to **approve Minutes**. Motion passed unanimously, 5-0.

3. PRESENTATION – None

4. OLD BUSINESS

a. Cost Recovery Fee Matters - *None*

b. Sales Tax Charges – *None*

c. Discussion Relative to Establishment of a Town Road Resurfacing Policy

1. Discussion Relative to Town Assuming Debt Service for OGEM Roads Transferred from

Loxahatchee Groves Water Control District

Bill Underwood advised that he has been looking at how to accommodate the District debt now that the certain District Roads have been transferred to the Town. He advised that there are three (3) options that he feels the Town could assume the debt for the OGEM as follows:

- LGWCD become dependent
- Appropriate OGEM debt annually
- Remit full payment for road acquisition by reallocating monies in the CIP.

Vice Chair Ryan advised that there are other costs relative to the road projects. Member Johnson questioned the ability to make the LGWCD a dependent of the Town.

Chair Chiu advised that the role of the committee is not to discuss dissolution of the District. Chair Chiu stated that he would like to get answers to the following questions:

- How to fund this assumption,
- Can the town afford this assumption, and
- Why is the Town picking up the cost for Collecting Canal Road?

Vice Chair Ryan advised that a problem will be created if the Town decides to pay the cost of OGEM for Collecting Canal Road when currently Town residents are paying for the cost of OGEM on their specific roads.

Member Johnson advised that the problem with Collecting Canal Road is that property owners on the south side of Collecting Canal Road cannot be assessed for this expense while property owners on the north side would be required to pay the entire cost for the OGEM. Mr. Johnson also advised he believes there is also a traffic problem if nothing is done Collecting Canal Road.

Member Standish questioned why only one side of Collecting Canal would be assessed because on the B Road OGEM vote, properties on other side of North Road were included in the proposed assessment. Vice Chair Ryan advised that unit sectors were set up within the Town by the District.

Following a lengthy discussion, the Committee generally agreed to include as part of the monthly financial report to the Town Council, the FAAC concerns with respect to inequity to residents, consideration on how to fund the assumption of the debt from the LGWCD, concern about the expenditure of \$1.8 million on OGEM projects, and the reconsideration of those expenditures.

Vice Chair Ryan MOVED, Seconded by Member Standish to ask the Town Council to reconsider the expenditure of OGEM projects; Collecting Canal, Compton, Marcella, and Bryan Road, and include the reasons for reconsideration. Motion passed 4/1. Member Johnson voted against motion.

Each Committee member expressed their concerns with respect to the matter as follows:

Member Johnson -

Impact of cut through traffic through Town rather than around the Town before College and after, along with potential surrounding communities and future expansion of County roadways.

Member Miller -

Consider expansion of first 2 options as presented by Management; LGWCD become a dependent district of the Town, and Town budget and appropriate apportioned OGEM road acquisition.

Chair Chiu -

Town needs more comprehensive engineering study to confirm the needs of future traffic impact on the Community and feels spending \$1,000,000 on Collecting Canal does not serve the best interest of the community.

Vice Chair Ryan -

Town should evaluate future sources of funding from other outside developments that will impact areas of our Community, and feels that if Town spends significant amounts of reserves; the Town does not tax at a significant rate to replenish those expended funds.

Member Standish -

Management should come back with options, a master plan for community, and Town needs a more equitable transportation system to benefit all the residents.

5 NEW BUSINESS

- a. Approval of FY 2013 August Financial Statements
 1. Budget vs. Actual
 2. Bank Reconciliation
 3. General Ledger Detail
 4. Bank Statement
- b. Review of Planning and Zoning Invoices
- c. Approval of FY 2013 September Financial Statements
 1. Budget vs Actual
 2. Bank Reconciliation
 3. General Ledger Detail
 4. Bank Statement
- d. Review of Planning & Zoning Invoices – *None*

Motion: Member Miller Moved to approve August & September Financial Reports. Motion was seconded by Member Standish. Upon question from Vice Chair Ryan, Staff was directed to make a

correcting journal entry with respect to the \$3660 cost for engineering services from the General Fund to the Transportation Fund. Vote on the Motion passed, 5/0.

6. Administrative Updates:

- a. Reimbursements – June 2013 – *Receive and File*

7. CLOSING COMMENTS

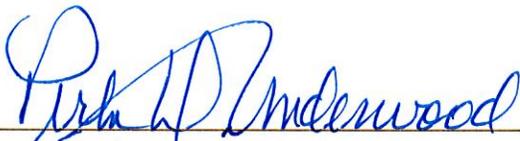
- a. Public
- b. Committee Members

8. ADJOURNMENT

Member Johnson Moved to adjourn meeting at 8:50 pm. Motion was seconded by Member Miller. Motion passed, 5/0.

The next FAAC meeting is Monday, November 25, 2013

**These minutes were approved by the Finance Advisory & Audit Committee on
January 27, 2013.**



Perla D. Underwood, UMSG



Lung Chiu, Chair