

TOWN OF LOXAHATCHEE GROVES
TOWN HALL COUNCIL CHAMBERS
155 F ROAD, LOXAHATCHEE GROVES, FLORIDA. 33470
FINANCE ADVISORY AND AUDIT COMMITTEE MINUTES
MONDAY, APRIL 28, 2025 – 6:00 PM – 8:20 PM



Meeting Audio Available Upon Request in the Office of the Town Clerk

CALL TO ORDER

The Financial Advisory and Audit Committee Meeting was called to order at 6:00 on Monday, April 28th, 2025, by Project Coordinator Jeff Kurtz.

PLEDGE OF ALLEGIANCE

Project Coordinator Jeff Kurtz led the committee in the Pledge of Allegiance.

ROLL CALL

The roll was taken by Committee Liaison Jeff Kurtz, confirming a quorum was present with three members physically present and 1 committee member present virtually via zoom meeting platform. Town staff in attendance were also confirmed.

Roll call was conducted by staff. Present were Committee Members Sue Cacioppo, Tracy Raflowitz (appearing virtually), and Manish Sood. Also present, though not yet formally appointed by the Town Council, was Peter Lomuto, who was allowed to participate in discussions but could not vote. Committee Member Frederick Hoo was absent. A quorum was established with three active members.

COMMITTEE MEMBERS' PRESENT

Manish Sood, Tracy Raflowitz (virtually), Sue Cacioppo, Peter Lomuto.

- **ABSENT:** Fredrick Hoo

STAFF PRESENT

Jeff Kurtz, Project Coordinator/Committee Liaison

Amber Schiemder, Human Resources Manager

- **ABSENT:** Sammie Brown, Town Clerk Assistant

REGULAR AGENDA

Oath of Office

Project Coordinator Jeff Kurtz administered the Oath of Office to Committee Members Sue Cacioppo, Tracy Raflowitz, and Manish Sood. Though previously serving, the members required re-swearing due to new Council assignments. The oath was read aloud in unison, affirming allegiance to the U.S. Constitution, the State of Florida, and the Town Charter.

Appointment of Finance Advisory and Audit Committee Chairperson

MOTION: A MOTION WAS MADE BY COMMITTEE MEMBER RAFLOWITZ TO NOMINATE MANISH SOOD AS CHAIRPERSON OF THE FINANCE ADVISORY AND AUDIT COMMITTEE. MOTION SECOND: MOTION WAS SECONDED BY COMMITTEE MEMBER SUE CACIOPPO. MOTION PASSED UNANIMOUSLY, 3-0.

Appointment of Finance Advisory and Audit Committee Vice Chairperson

MOTION: MOTION WAS MADE BY COMMITTEE CHAIRPERSON MANISH SOOD TO APPOINT COMMITTEE MEMBER TRACY RAFLOWITZ AS THE FINANCE ADVISORY AND AUDIT COMMITTEE VICE CHAIRPERSON. MOTION SECOND: MOTION SECONDED BY COMMITTEE MEMBER SUE CACIOPPO. MOTION PASSED UNANIMOUSLY, 3-0.

Presentation of the Draft Annual Comprehensive Financial Report

Andrew Fierman, the Town's external auditor and a partner with Caballero, Fierman, Llerena and Garcia (CFLG), presented the draft Annual Comprehensive Financial Report (ACFR) for fiscal year ending September 30, 2024. He stated that the audit team encountered no major issues and issued an unmodified opinion, which is the highest level of assurance that can be provided.

Mr. Fierman highlighted several key points in the report:

- Page 20 contained the auditor's opinion affirming the fairness of the financial statements.
- Pages 24–32 detailed the general and government-wide financial statements.
- Page 31 showed the fund balances, including a total general fund balance of \$2.5 million, of which \$1.85 million was unassigned.
- Page 40 disclosed the Town's capital assets, totaling \$9.7 million.
- Pages 34–52 included extensive notes explaining accounting practices and assumptions.
- Pages 66–69 featured the Independent Auditor's Report on compliance, revealing no material weaknesses or significant deficiencies.

Chairperson Sood asked for confirmation that the audit team had full access to internal controls and records, including system access and bank reconciliations. Mr. Fierman confirmed, explaining that his team had reviewed the Town's systems and monthly bank reconciliations. He noted that everything matched and there were no exceptions. Committee Member Cacioppo asked how the Town compared to others of similar size. Mr. Fierman responded that the Town's clean audit and strong fund balance position were favorable indicators.

Vice Chairperson Raflowitz inquired whether the Town had any outstanding findings or follow-up items from the prior year. Mr. Fierman responded that all prior findings had been resolved, and the Town's financial health had improved.

Quarterly Financial Reports

Finance Consultant David DiLena (Projected Point, Inc.) joined the meeting to present the quarterly financial report. He shared a screen to walk the committee through detailed departmental reports. At one point, Tracy briefly disconnected from Zoom, temporarily impacting quorum. The committee agreed to continue in a discussion-only capacity until she rejoined.

Mr. DiLena opened with a recommendation to shift from the current 70+ page report to a three-page summary dashboard provided. He noted that the level of detail in the existing report, while thorough, could be difficult for committee members to digest efficiently. He suggested that visual dashboards could show revenue, expenditures, and historical trends at a glance while still maintaining backup data for reference.

Chairperson Sood responded in support of the dashboard approach, noting that committee members should not need to spend hours digging through financial data to understand the Town's position. However, he emphasized that the detailed reports should still be available upon request or for deeper review. Committee Member Cacioppo agreed and suggested including footnotes for context on overages or anomalies. Vice Chairperson Raflowitz, once reconnected, also supported a streamlined format that still allowed for deeper dives.

Mr. David DiLena reviewed several budget highlights:

- The Town Council budget was under control.
- Legal services were significantly over budget due to unanticipated litigation and additional services.
- The Code Enforcement and Public Works budgets were within range, but close monitoring was needed.
- The Transportation Fund remained healthy, and funds were being used for culvert repairs and Citrus Drive improvements.
- The Capital Improvement Fund reflected the \$1.9 million road bond allocation, but only a portion had been spent to date.
- The American Rescue Plan (ARP) Fund was still being drawn down as scheduled, with the broadband and stormwater projects still in planning phases.

Committee Chairperson Sood requested that Mr. DiLena bring to the next meeting:

- A comparison of actual vs. budgeted amounts for the last three quarters.
- A multi-year chart of general fund balances showing reserve trends.
- An overview of investment strategies for unallocated reserves and interest-bearing accounts.

Committee Member Cacioppo asked if the upcoming budget amendment would address the legal services overage. Mr. Jeff Kurtz confirmed that a budget amendment for approximately \$230,000 in legal services was forthcoming and would be presented to the Town Council. He also noted possible budget adjustments for Tangerine drainage, Citrus Drive commercial planning, and engineering support.

RV Resort Development Contribution Options

Paddock Park RV Resort Proposal – Developer Presentation and Committee Discussion
Representatives of the developer presented three potential financial contribution options related to their proposed RV Resort on Okeechobee Boulevard:

1. Option A: \$500,000 impact fee at Certificate of Occupancy + \$25,000 annual payment.
2. Option B: \$125,000 annual payment starting in year 3.
3. Option C: A performance-based revenue-sharing model with annual escalations.

The developer also noted they would pave Okeechobee Boulevard from D Road to the site, improve drainage, dedicate a multi-use trail easement, and construct site infrastructure privately.

Vice Chairperson RafLOWITZ raised concerns about how the annual contributions would be enforced long-term, particularly under potential new ownership. She requested that legal counsel review any agreements for enforceability.

Committee Member Cacioppo asked whether the Town had conducted any analysis on the cost of increased services (fire, police, maintenance) that would result from the development. Mr. Kurtz acknowledged that the Planning and Zoning Board was reviewing similar concerns and would provide recommendations.

Chairperson Sood urged caution, stating the Town must avoid past mistakes where developments overpromised and underdelivered. He said, “We need to structure this with a conservative stress test. If everything goes great, that’s fine. But what happens if this fails or revenue drops in year five?” He also requested that staff prepare a model projecting long-term benefits vs. cost increases, including assumptions about inflation and service capacity.

The committee agreed to revisit the item after the Planning and Zoning Board completes their evaluation. No formal recommendation was made.

COMMENTS FROM THE PUBLIC

There were no public comments for the Finance Advisory and Audit Committee on Monday, April 28, 2025.

COMMENTS FROM COMMITTEE MEMBERS:

Committee Chairperson Manish Sood

Chairperson Sood thanked the presenters and staff and reiterated the committee's responsibility to provide financial oversight and recommendations. He encouraged members to prepare thoroughly for the upcoming fiscal year budget process.

Committee Vice Chairperson Tracy Raflowitz

Vice Chairperson Raflowitz expressed interest in tracking legal expenditures and ensuring strategic reserves are built into the budget.

Committee Member Sue Cacioppo

Committee Member Cacioppo asked that department-level narratives be included in future reports to provide better context on variances and capital projects.

Committee Member Peter Lomuto

No comments provided from Committee Member Peter Lomuto.

CONFIRM NEXT REGULAR MEETING DATE:

The next Finance Advisory and Audit Committee was tentatively scheduled for May 5, 2025, at 5:00 P.M.

ADJOURNMENT

With no further business, a motion to adjourn was made and seconded. The meeting adjourned at approximately 8:20 PM.

ATTEST:

**TOWN OF LOXAHATCHEE GROVES,
FLORIDA**

Sammie T. Brown, FRA-RP, MEDP
Town Clerk Assistant

Manish Sood
Finance Advisory and Audit Committee Chairperson