

TOWN OF LOXAHATCHEE GROVES

TOWN HALL COUNCIL CHAMBERS

TOWN COUNCIL REGULAR MEETING

Community Discussion Meeting 6:00-6:30 PM (Non-Agenda Items Workshop)

AGENDA

MARCH 21, 6:30 -9:30 P.M.



Robert Shorr, Mayor (Seat 4)

Phillis Maniglia, Councilmember (Seat 1)

Laura Danowski, Vice Mayor (Seat 2)

Marianne Miles, Councilmember (Seat 3)

Margaret Herzog, Councilmember (Seat 5)

Administration

Town Manager, Francine L. Ramaglia

Town Attorney, Elizabeth Lenihan, Esq.

Town Clerk, Lakisha Q. Burch

Public Works Director, Larry A. Peters, P.E.

Civility: Being "civil" is not a restraint on the First Amendment right to speak out, but it is more than just being polite. Civility is stating your opinions and beliefs, without degrading someone else in the process. Civility requires a person to respect other people's opinions and beliefs even if he or she strongly disagrees. It is finding a common ground for dialogue with others. It is being patient, graceful, and having a strong character. That is why we say "Character Counts" in the Town of Loxahatchee. Civility is practiced at all Town meetings.

Special Needs: In accordance with the provisions of the American with Disabilities Act (ADA), persons in need of a special accommodation to participate in this proceeding shall within three business days prior to any proceeding, contact the Town Clerk's Office, 155 F Road, Loxahatchee Groves, Florida, (561) 793-2418.

Quasi-Judicial Hearings: Some of the matters on the agenda may be "quasi-judicial" in nature. Town Council Members are required to disclose all ex-parte communications regarding these items and are subject to voir dire (a preliminary examination of a witness or a juror by a judge or council) by any affected party regarding those communications. All witnesses testifying will be "sworn" prior to their testimony. However, the public is permitted to comment, without being sworn. An unsworn comment will be given its appropriate weight by the Town Council.

Appeal of Decision: If a person decides to appeal any decision made by the Town Council with respect to any matter considered at this meeting, he or she will need a record of the proceeding, and for that purpose, may need to ensure that a verbatim record of the proceeding is made, which record includes any testimony and evidence upon which the appeal will be based.

Consent Calendar: Those matters included under the Consent Calendar are typically self-explanatory, non-controversial, and are not expected to require review or discussion. All items will be enacted by a single motion. If discussion on an item is desired, any Town Council Member, without a motion, may "pull" or remove the item to be considered separately. If any item is quasi-judicial, it may be removed from the Consent Calendar to be heard separately, by a Town Council Member, or by any member of the public desiring it to be heard, without a motion.

TOWN COUNCIL AGENDA ITEMS

CALL TO ORDER

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

ROLL CALL

ADDITIONS, DELETIONS AND MODIFICATIONS

COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

Public Comments for all meetings may be received by email, or in writing to the Town Clerk's Office until 6:00 PM on the day of the meeting. Comments received will be "received and filed" to be acknowledged as part of the official public record for the meeting. The Town Council meeting will be live-streamed and close-captioned for the general public via our website, instructions are posted there.

PRESENTATION

1. Oath of Office for Unopposed Council Member (Margaret Herzog)
2. Presentation of the Palm Beach County Sheriff's Office 2022 Annual Report.
3. Presentation of Cyber Security by Node0 (IT Consultants) and receive and file of Cyber Security Policy.
4. Presentation of the FY 21 Audit by Chris Wallace of Munilytics.

CONSENT AGENDA

5. Consideration of approval of Meeting Minutes.
 - a. 07 19 22 Town Council Workshop Meeting Minutes
 - b. 02 17 23 Community Workshop Meeting Minutes
6. Consideration of **Resolution No. 2023-27** appointing Lisa El-Ramey to the Planning and Zoning Board.
7. Consideration of **Resolution No. 2023-17** adopting the year end Budget Amendment (FY22)
8. Consideration of **Resolution No. 2023-24** authorization of change order of Johnson-Davis.
9. Consideration of **Resolution No. 2023-26** authorization of financial services contract with Munilytics.
10. Receive and File vendors payment in FY 22 between \$10,000 and \$25,000.

DISCUSSION

11. Discussion of Council Priorities Scheduled.

TOWN STAFF COMMENTS

Town Manager

Town Attorney

Public Works Director

Town Clerk

TOWN COUNCILMEMBER COMMENTS

Phillis Maniglia (Seat 1)

Marianne Miles (Seat 3)

Margaret Herzog (Seat 5)

Vice Mayor Laura Danowski (Seat 2)

Mayor Robert Shorr (Seat 4)

ADJOURNMENT

Comment Cards

Anyone from the public wishing to address the Town Council, it is requested that you complete a Comment Card before speaking. Please fill it out completely with your full name and address so that your comments can be entered correctly in the minutes and given to the Town Clerk. During the agenda item portion of the meeting, you may only address the item on the agenda 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 comments. 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 accommodation in order to participate should contact the Town Clerk's Office (561-793-2418), at least 48 hours in advance to request such accommodation.



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 1

TO: Town Council of Town of Loxahatchee Groves
FROM: Lakisha Burch, Town Clerk
VIA: Francine L. Ramaglia, Town Manager
DATE: March 21, 2023
SUBJECT: Oath of Office (Margaret Herzog)

Background:

The qualifying dates for the Town of Loxahatchee Groves' Seat 5 were November 8th through November 16th noon to noon, of the year 2022, for the Town of Loxahatchee Groves' Seat 5. Due to no one running for the seat, the incumbent was unopposed. The 2023 Election was scheduled to be held on March 14, 2023.

In accordance with the Town's Charter, Section 7 Election (7)(f) states:

All elected officers, before entering upon their duties, shall take and subscribe to the following oath of office:

"I do solemnly swear (or affirm) that I will support, protect, and defend the Constitution and Government of the United States and of the state, and the charter of the Town of Loxahatchee Groves; that I am duly qualified to hold office under the Constitution of the State and the charter of the Town of Loxahatchee Groves; and that I will well and faithfully perform the duties of council member upon which I am now about to enter."

Recommendation:

Town Clerk to administer Oath of Office to Margaret Herzog, Councilmember (Seat 5).



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 2

TO: Town Council of Town of Loxahatchee Groves

FROM: Francine Ramaglia, Town Manager

DATE: February 21, 2023

SUBJECT: Presentation of the Palm Beach County Sheriff's Office 2022 Annual Report

Background:

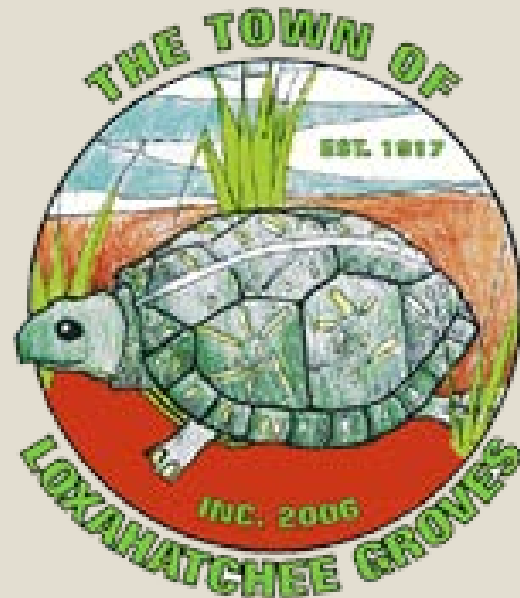
Presentation of the Palm Beach County Sheriff's Office 2022 Annual Report will be given by Captain Craig Turner.

Recommendation:

Receive and File



2022 Annual Report



**Palm Beach County Sheriff's Office
District 17 – Town of Loxahatchee Groves**

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19. Arrests & NTAs – Miscellaneous Crime
20. Palm Beach State College
21. Publix Plaza
22. Map of Publix Plaza CFS
23. Community Service
24. Questions

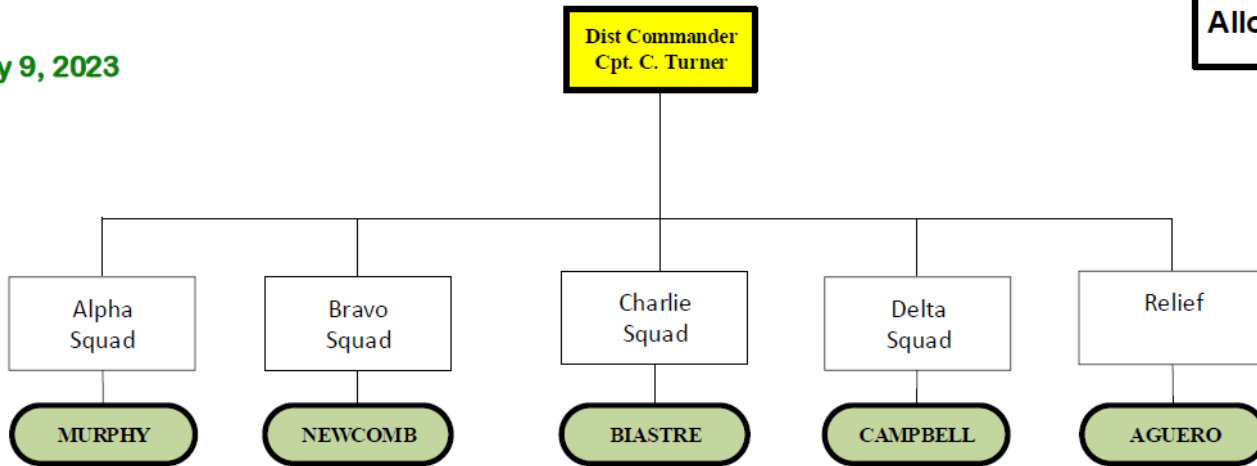
PBSO District 17 - Loxahatchee Groves

Item 2.



Organizational Chart

January 9, 2023



Sworn:	5
Sworn Vacancy:	0
Non-Sworn:	0
Non-Sworn Vacancy:	0
Part time:	0
TDY:	0
Allocations:	5

Admin Leave	Deputy	Exec/Capt LT/CE	Grants	Light Duty	Military Leave	Non-sworn	Sergeant	TDY	Unit Name	Vacancy	FMLA/WC
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Annual Numbers

Item 2.

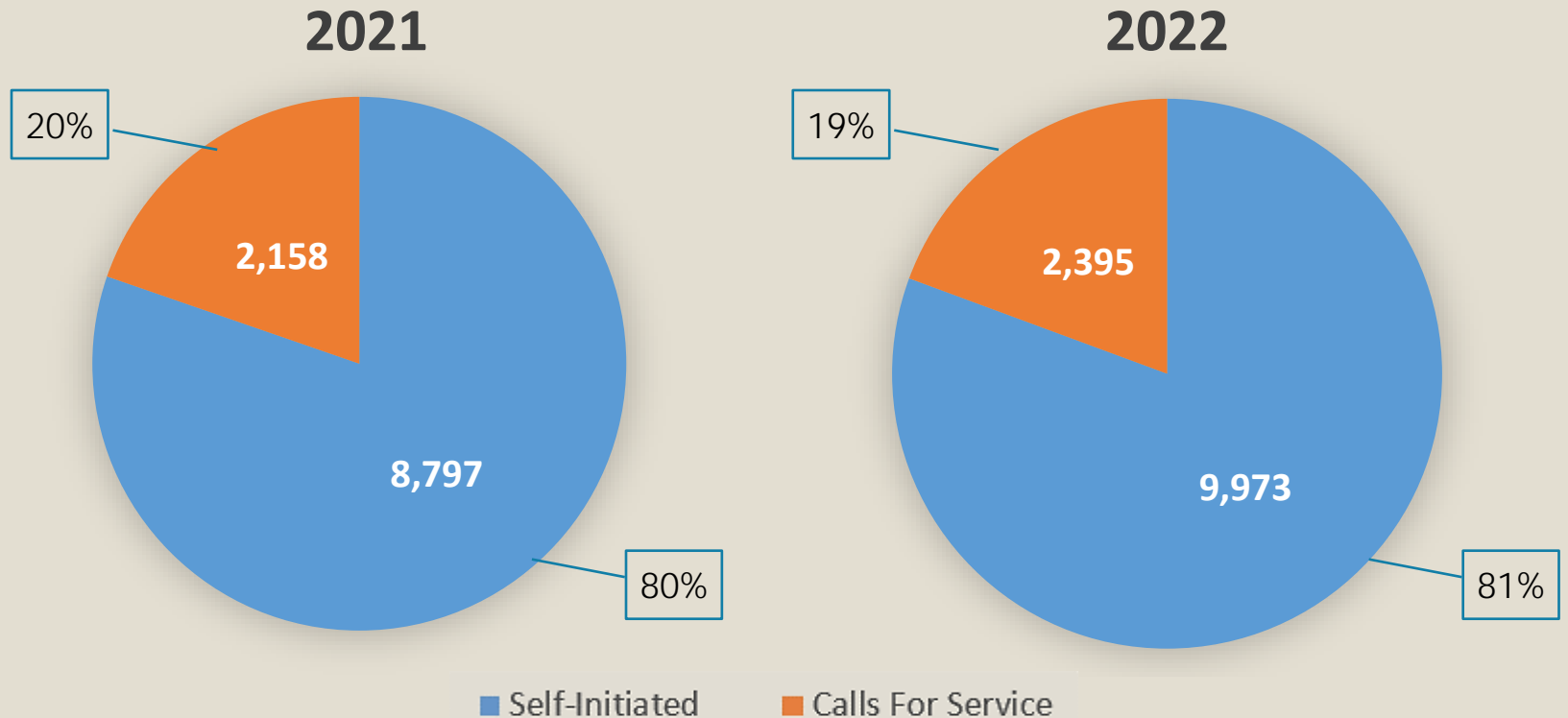
Data Source: Motorola P1

Crime		Annual				
		2021	2022		+/-	Percent Change
Person	Homicide	0	0	—	0	N/C
	Robbery	0	2	▲	2	INC
	Sexual Assault	2	1	▼	-1	-50%
	Shooting	0	0	—	0	N/C
	Stabbing	0	0	—	0	N/C
Property	Burglary Business	2	4	▲	2	100%
	Burglary Construction	2	3	▲	1	50%
	Burglary Residential	5	5	—	0	N/C
	Burglary Vehicle	7	8	▲	1	14%
	Larceny	14	33	▲	19	136%
	Stolen Vehicle	17	16	▼	-1	-6%
	Stolen Vehicle Recovery	4	3	▼	-1	-25%
	Vandalism	6	7	▲	1	17%
Statistics	Arrests and NTAs	65	57	▼	-8	-12%
	Traffic Crashes (3's & 4's)	111	127	▲	16	14%
	Total CAD Incidents	10,955	12,368	▲	1413	13%
	Traffic Stop (1050)	1,512	1,339	▼	-173	-11%
	Business/Residence (1061)	7,285	8,634	▲	1349	19%
	CAD Inc.(less 1050 & 1061)	2,158	2,395	▲	237	11%
FIR	Total FIR's	94	136	▲	42	45 %
	Gang FIR's	0	0	—	0	N/C
	Truant FIR's	0	0	—	0	N/C
	FIR's (Less truant & gang)	94	136	▲	42	45 %

- The information in this report is based on beats within the district.
- Miscellaneous incident type codes: PPI, RED, REPO, RMS, TEST and WEL are excluded from the total CAD Incidents.
- FIR data is collected from the FIR track application.
- This report is dynamic and subject to change.

Calls for Service

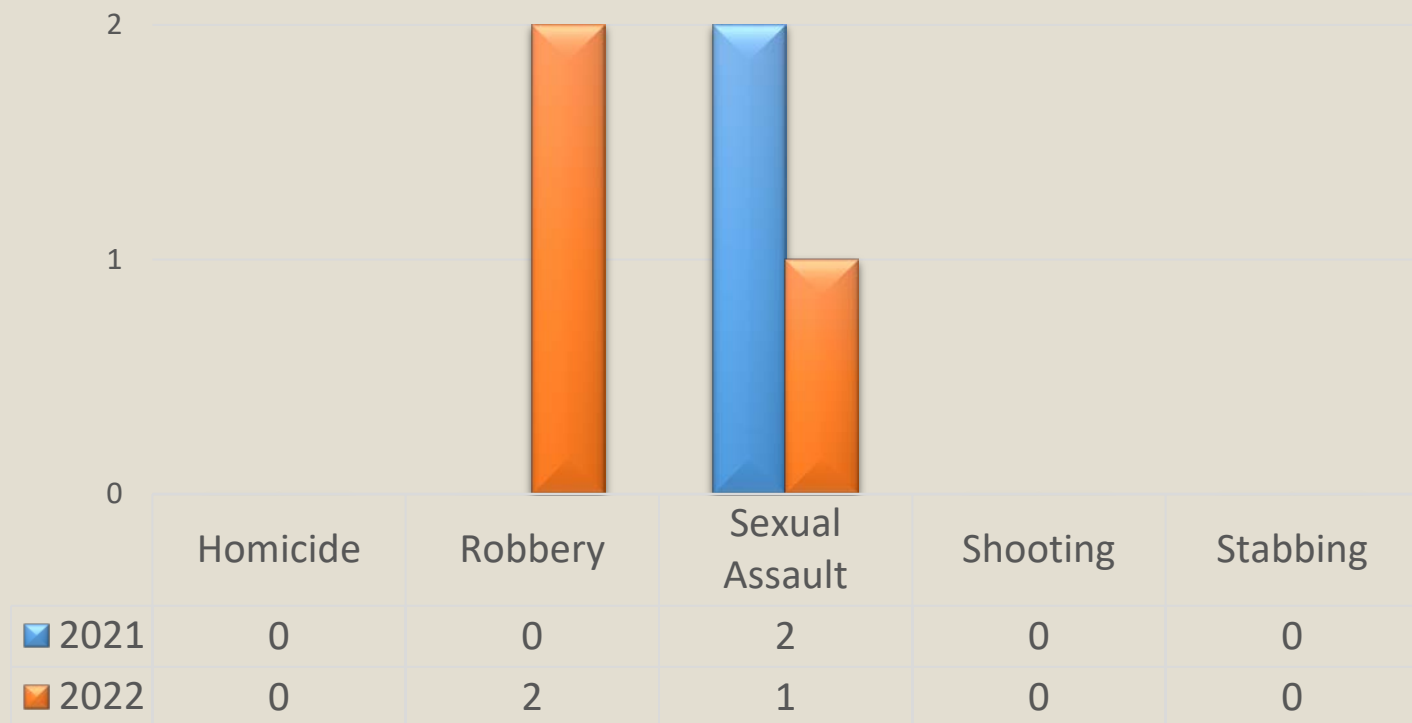
Item 2.



- Self-Initiated Calls equal the total number of traffic stops and business/residence checks.
- Calls for Service includes all other calls.

Person Crime

Item 2.

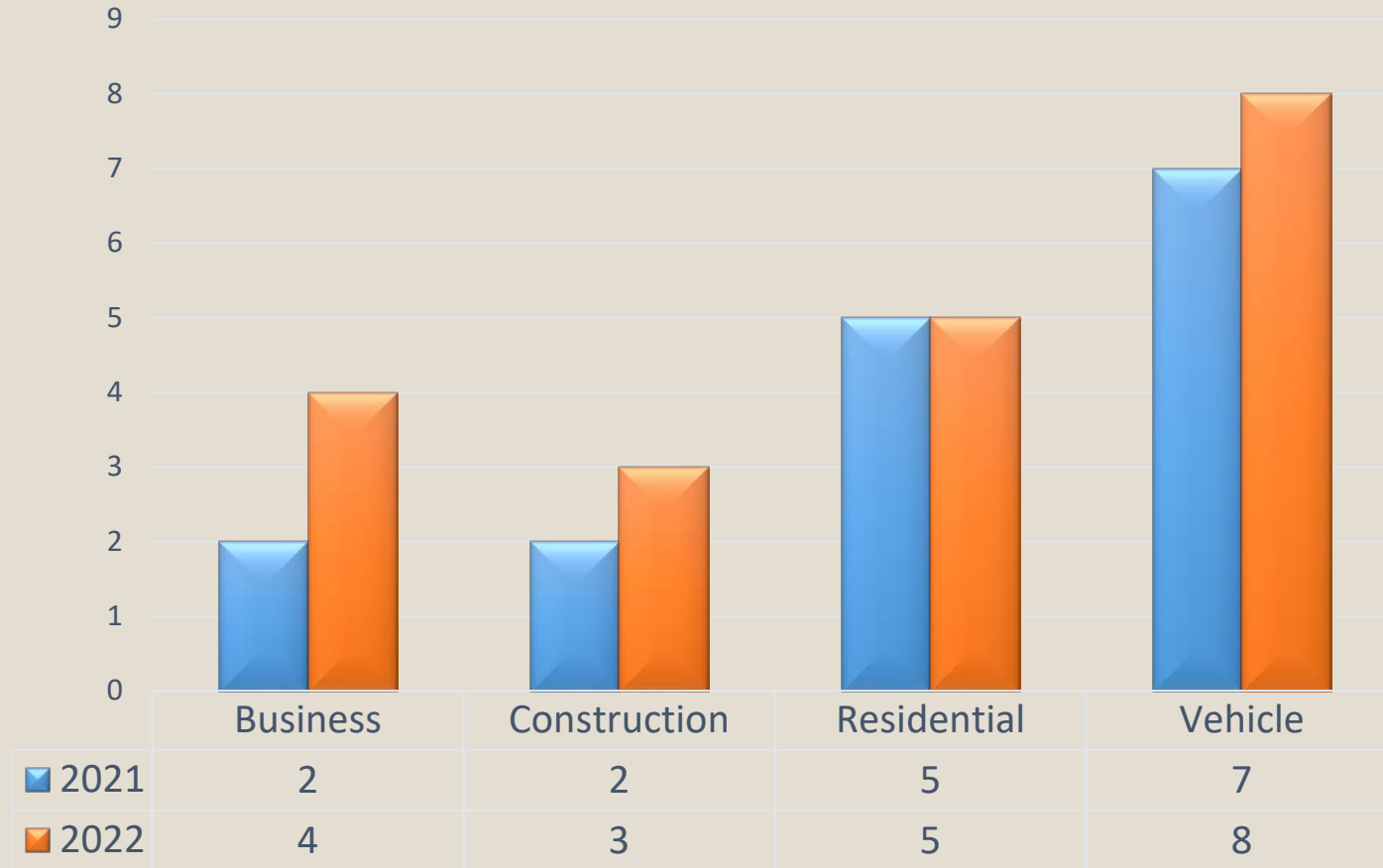


Data Source: Motorola P1

Property Crime

Item 2.

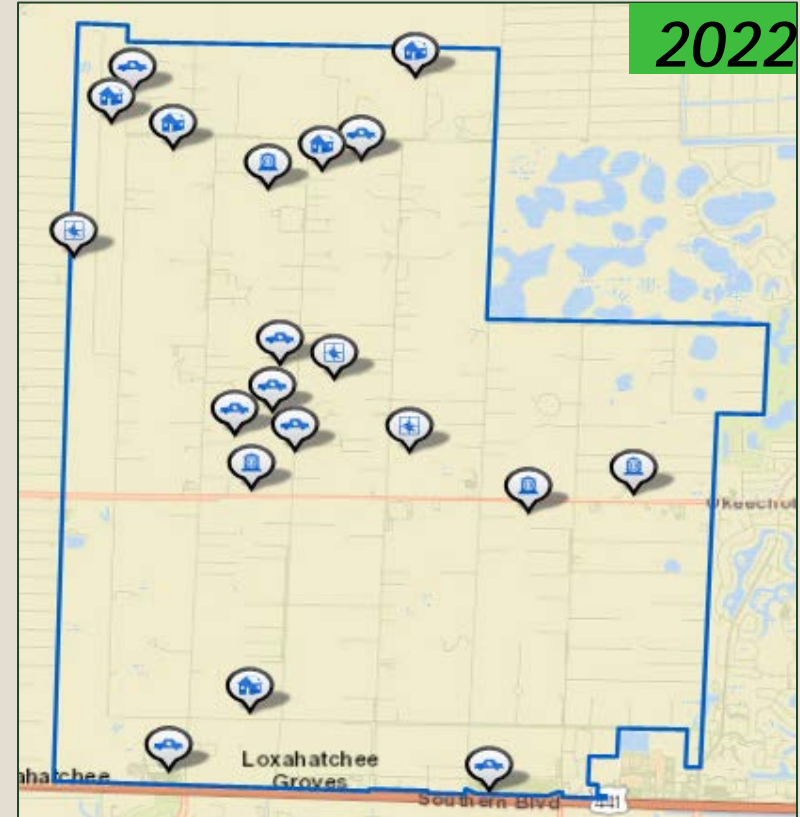
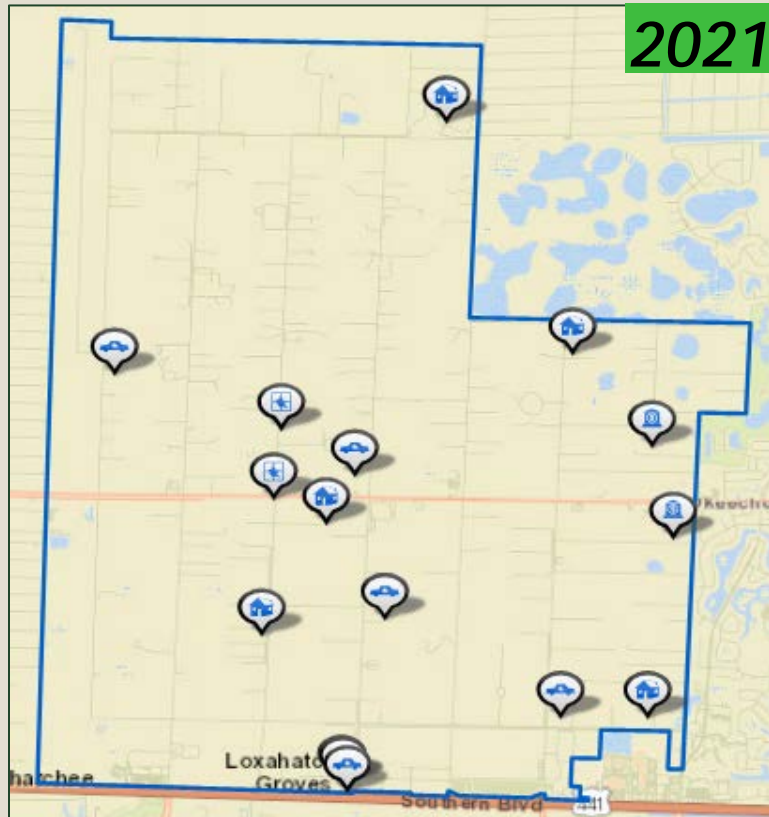
Burglaries







Data Source: Motorola P1

Map of Burglaries

Item 2.



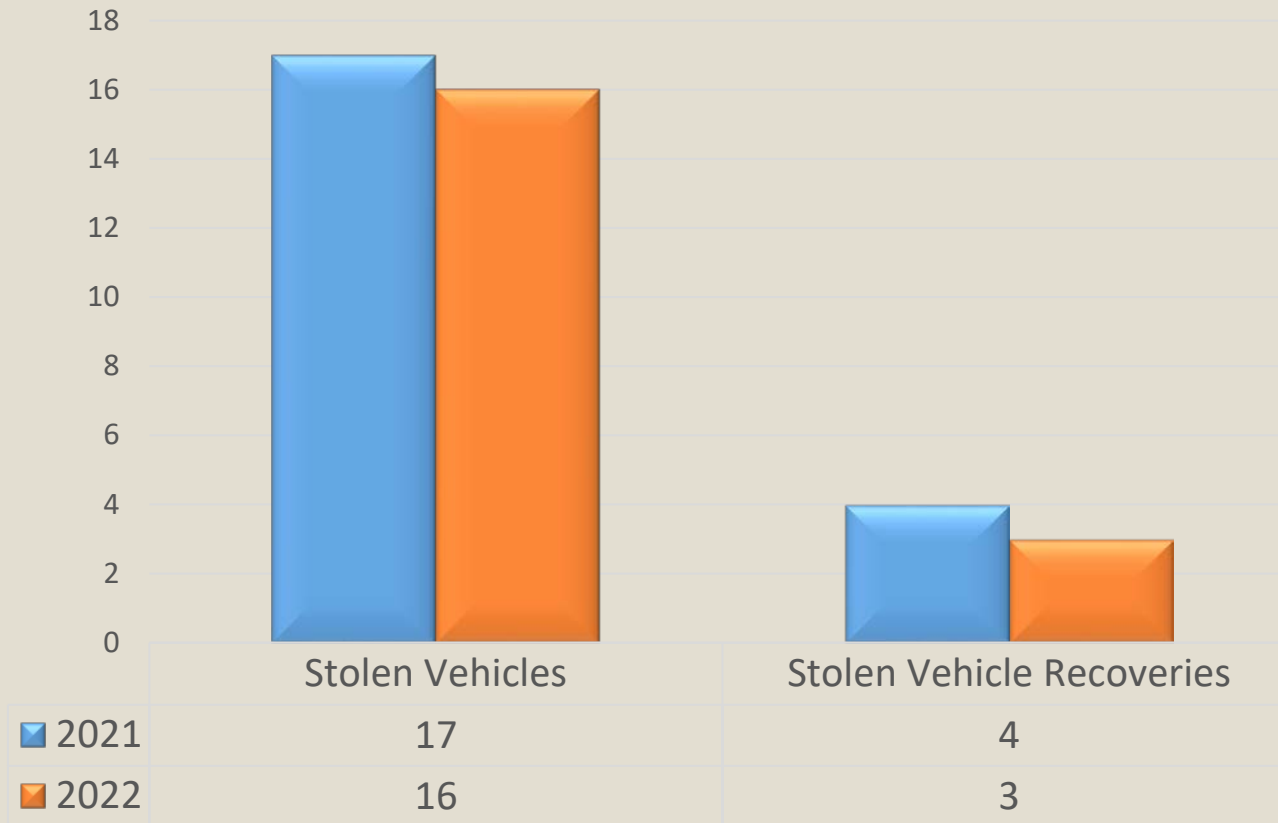
	2021	2022
 Business	2	4
 Construction	2	3
 Residential	5	5
 Vehicle	7	8

Data Source: Crimeview Dashboard

Property Crime

Item 2.

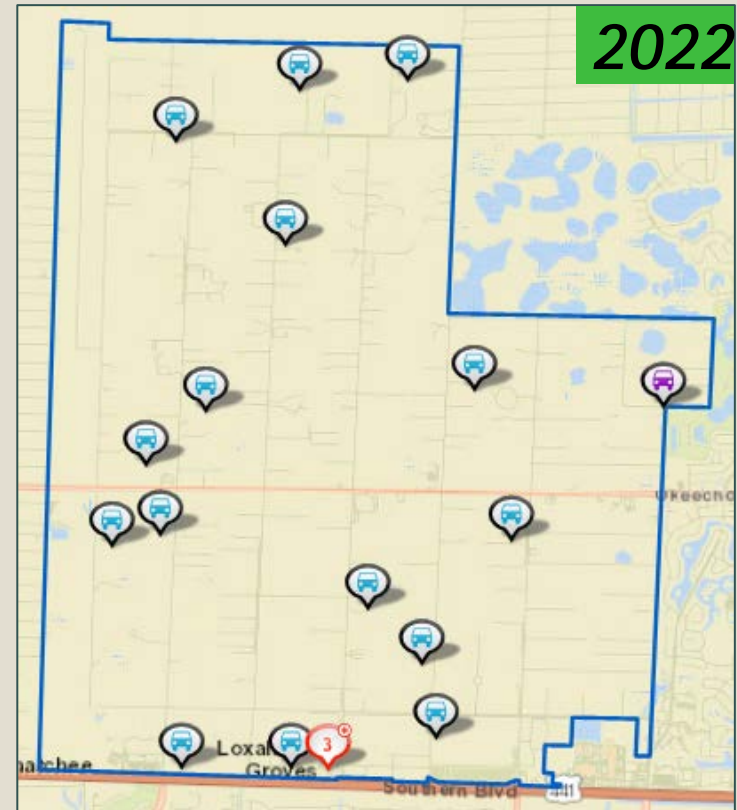
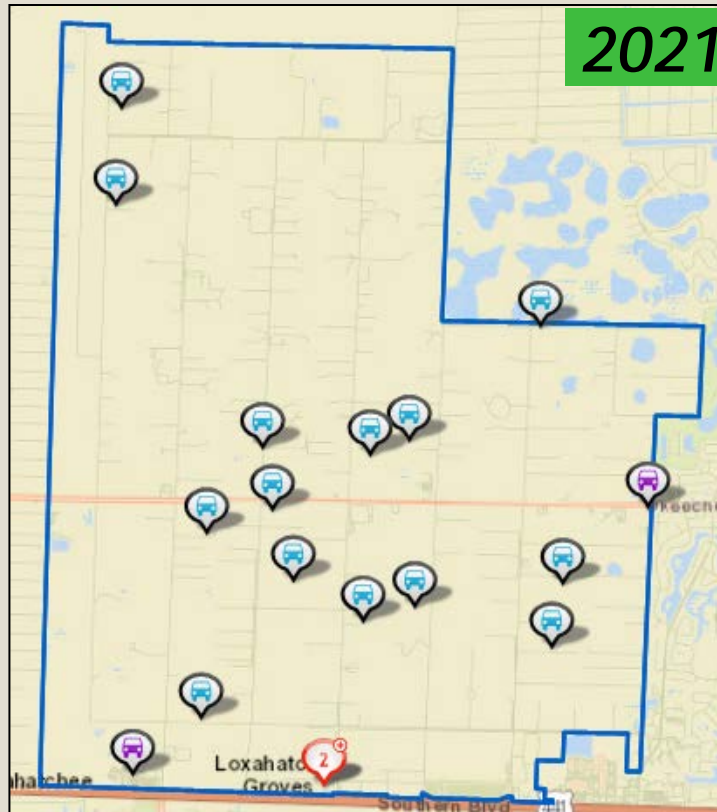
Stolen Vehicles and Recoveries



Data Source: Motorola P1

Map of Stolen Vehicles and Recoveries

Item 2.



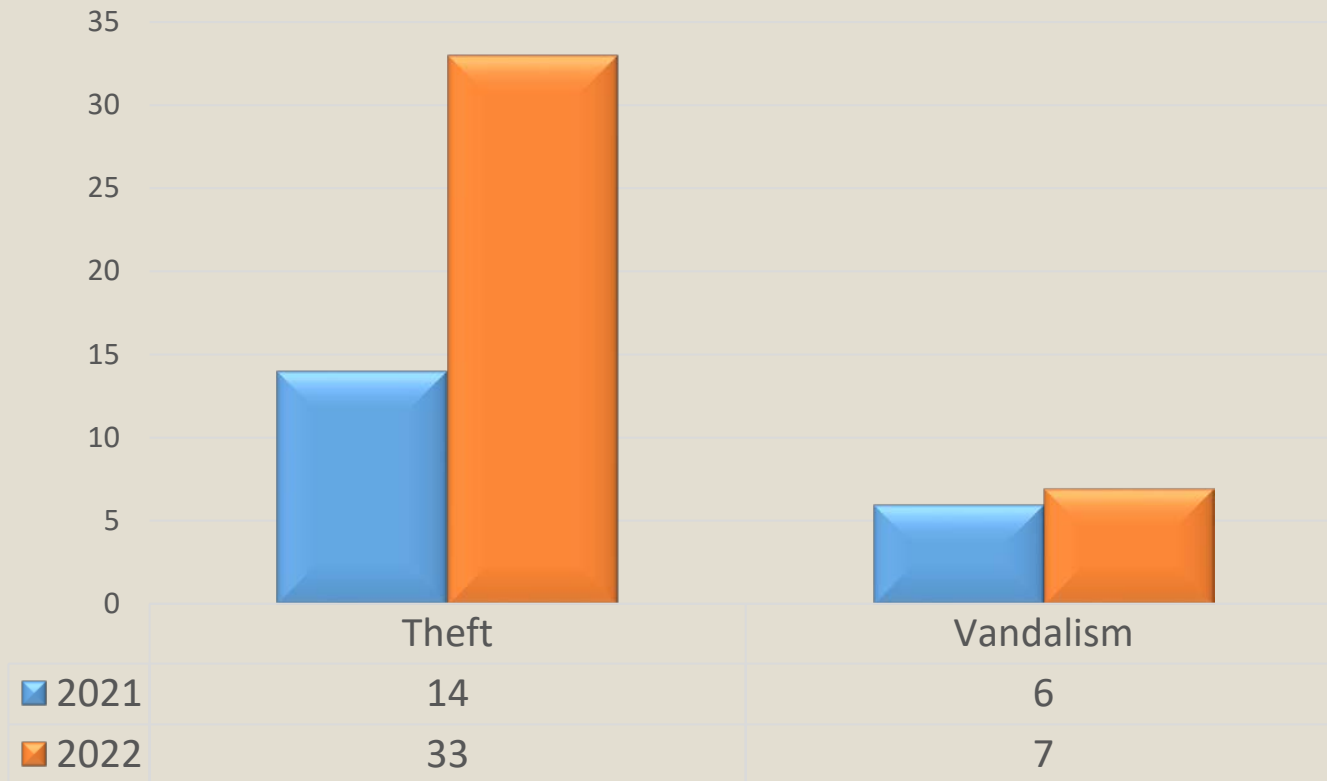
	2021	2022
 Stolen Vehicles	17	16
 Stolen Vehicles Recoveries	4	3

Data Source: Crimeview Dashboard

Property Crime

Item 2.

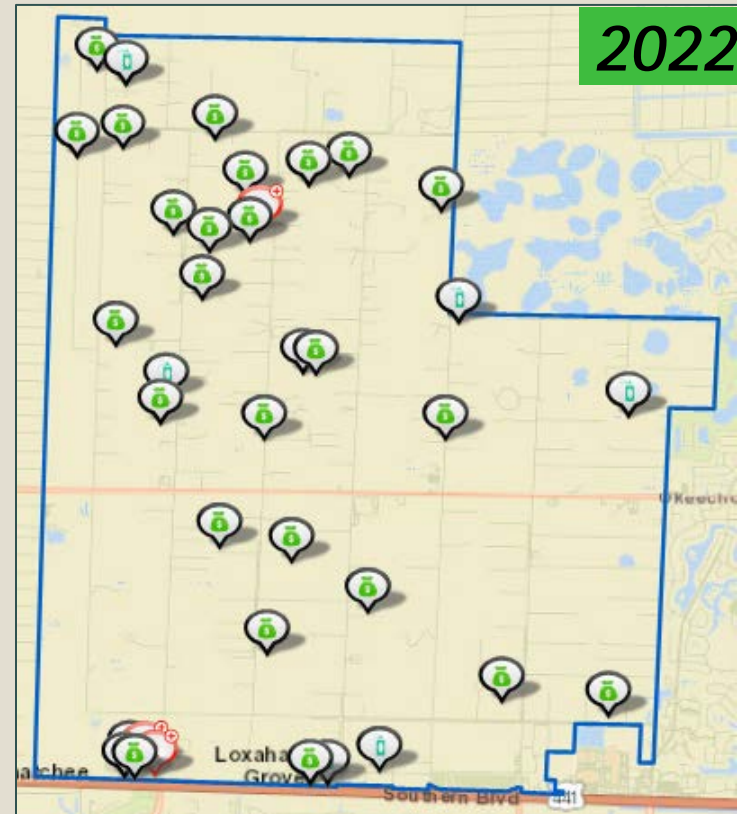
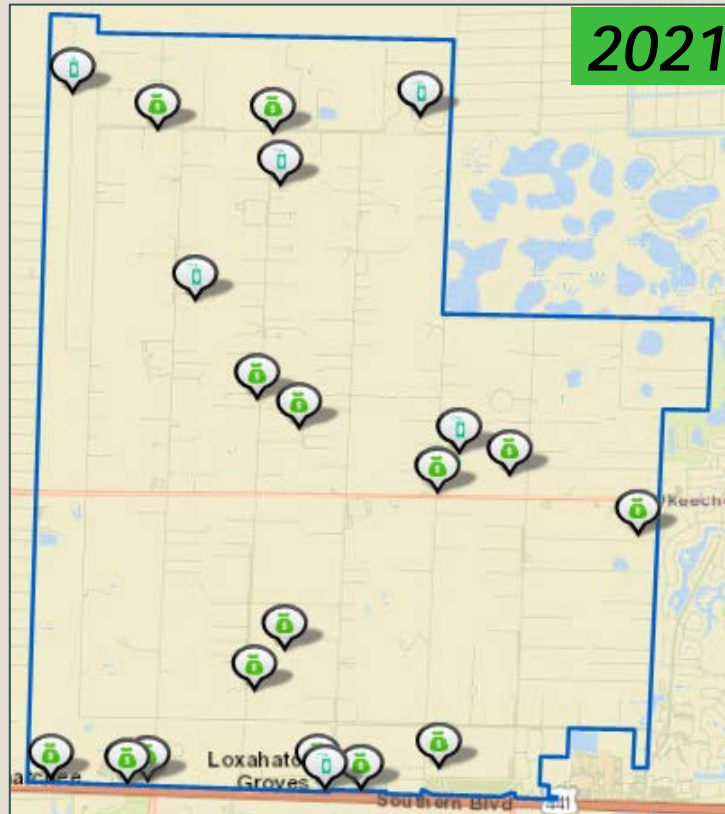
Theft and Vandalism



Data Source: Motorola P1

Map of Theft and Vandalism

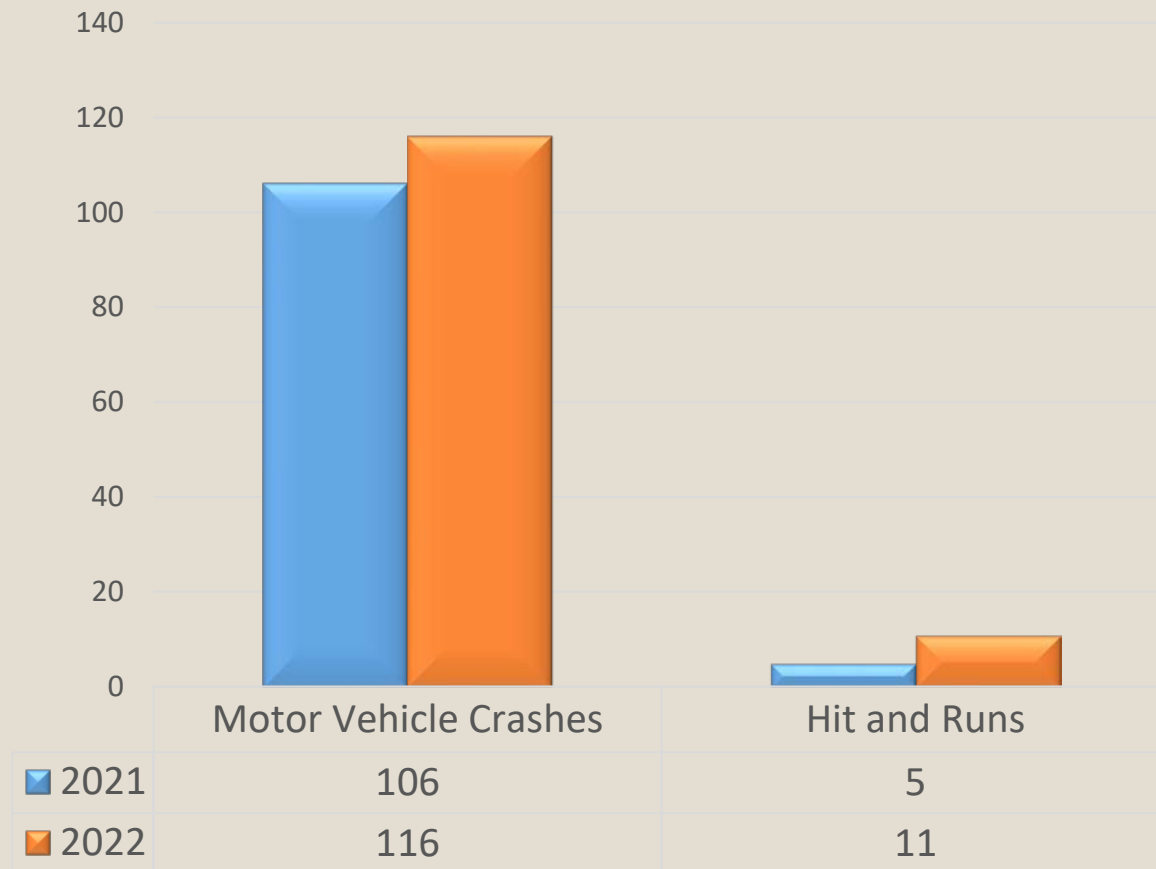
Item 2.



	2021	2022
 Theft	14	33
 Vandalism	6	7

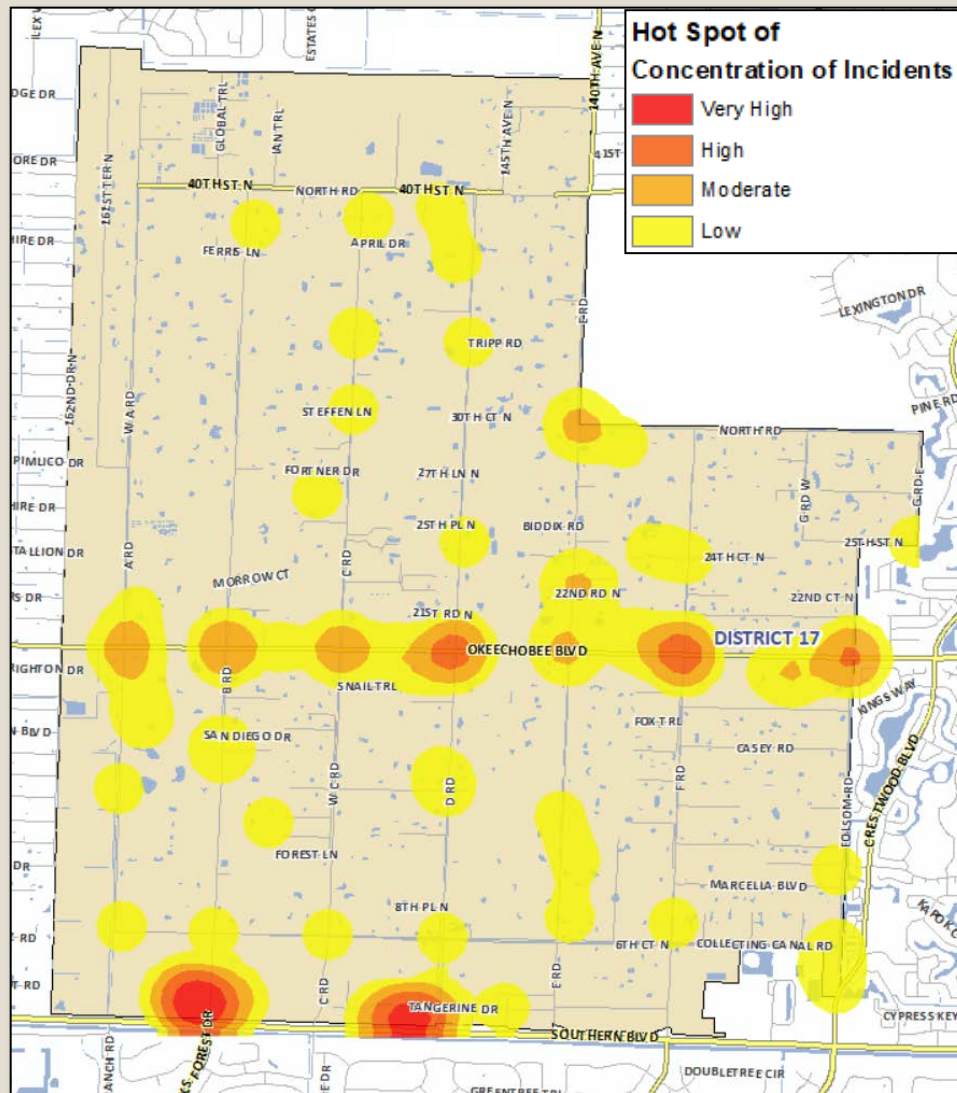
Data Source: Crimeview Dashboard

Accidents



Data Source: Motorola P1

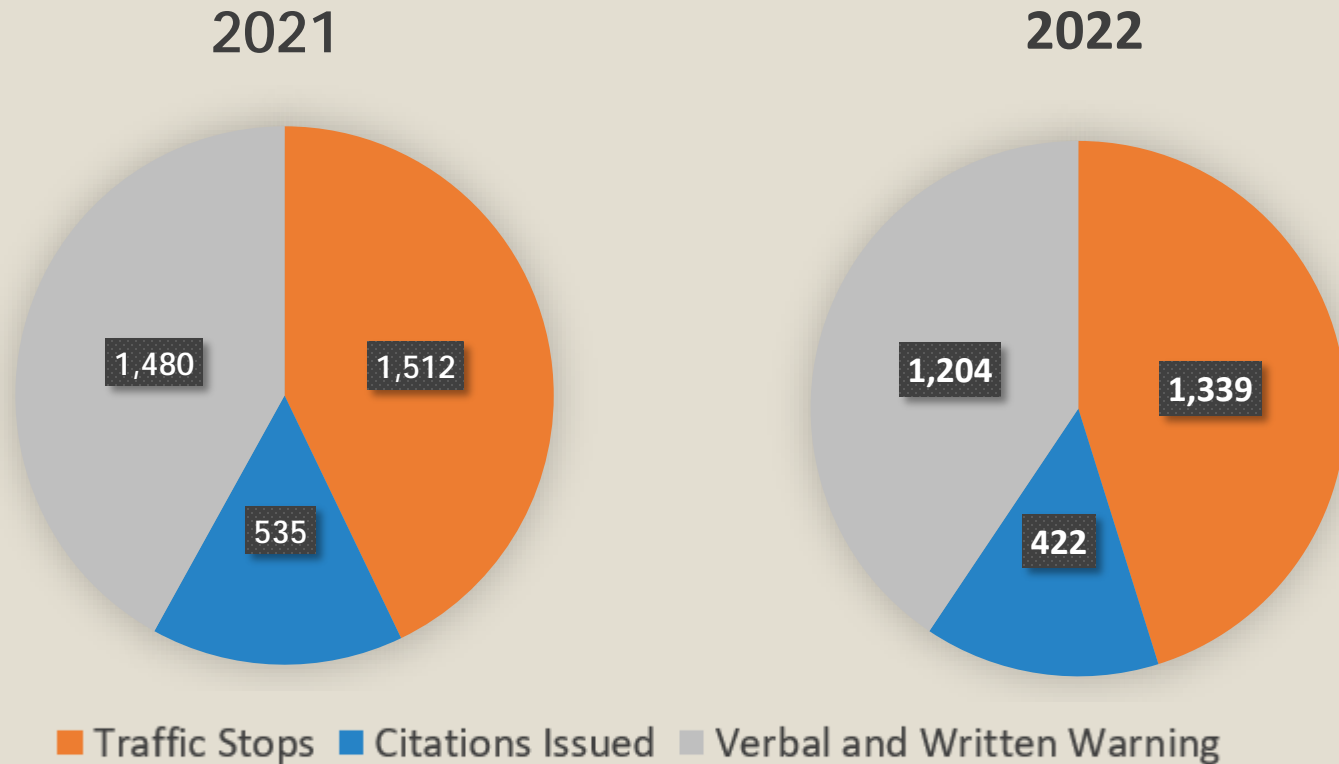
Map of Accidents



Data Source: Crimeview Desktop

Traffic Stops, Citations and Warnings

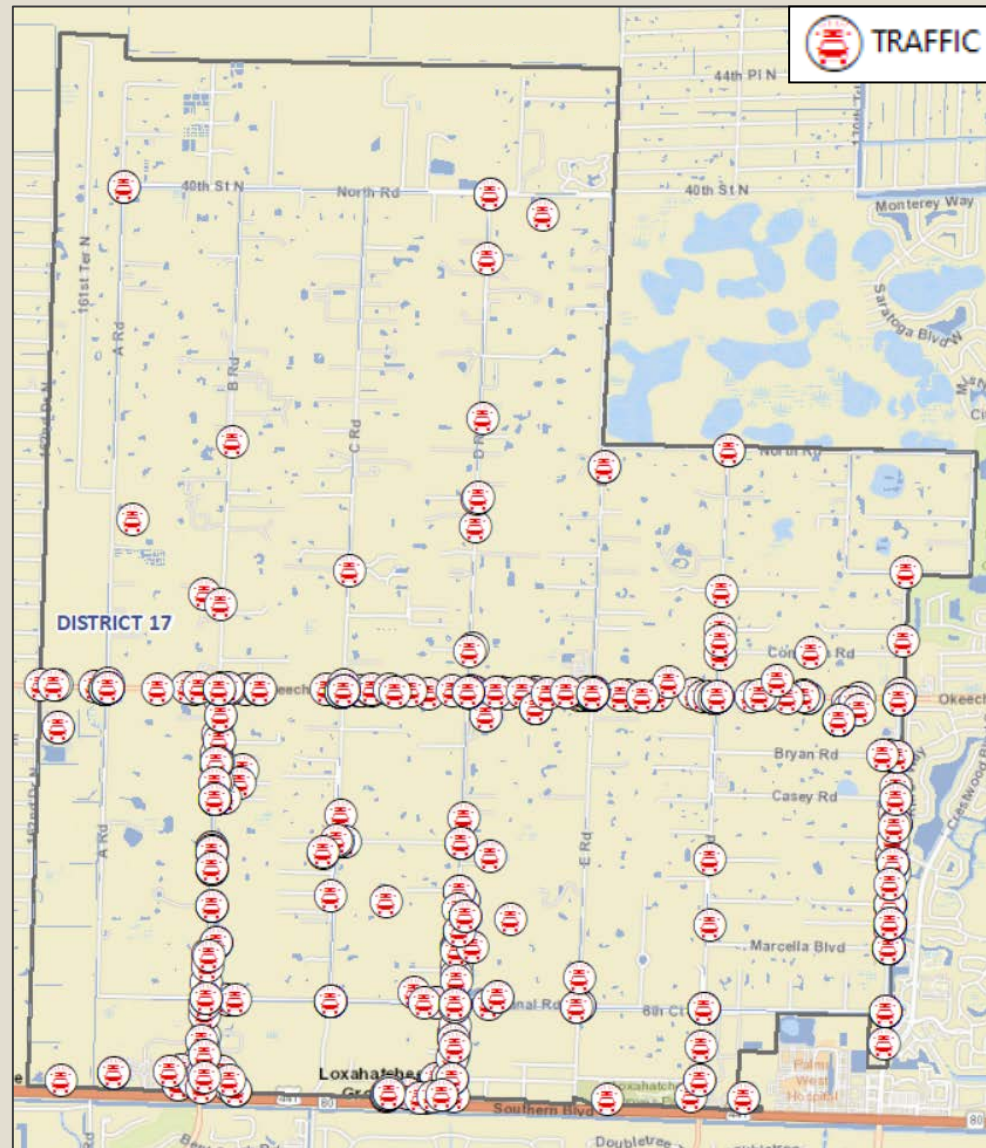
Item 2.



Data Source: Tracs (written warnings and citations) and Motorola P1 (verbal warnings)

Map of Traffic Stops

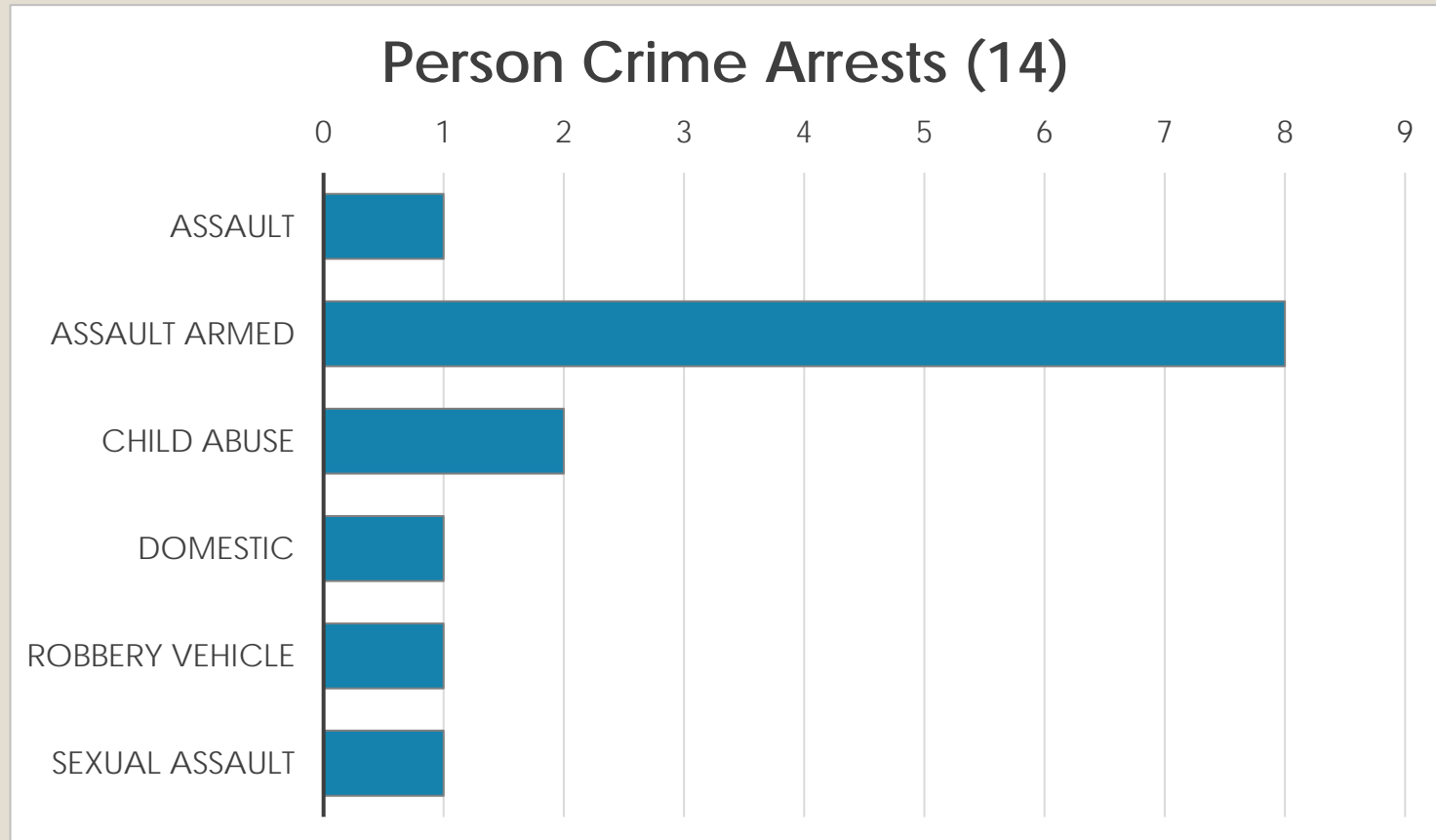
Item 2.



Data Source: Crimeview Desktop

Arrests & NTAs

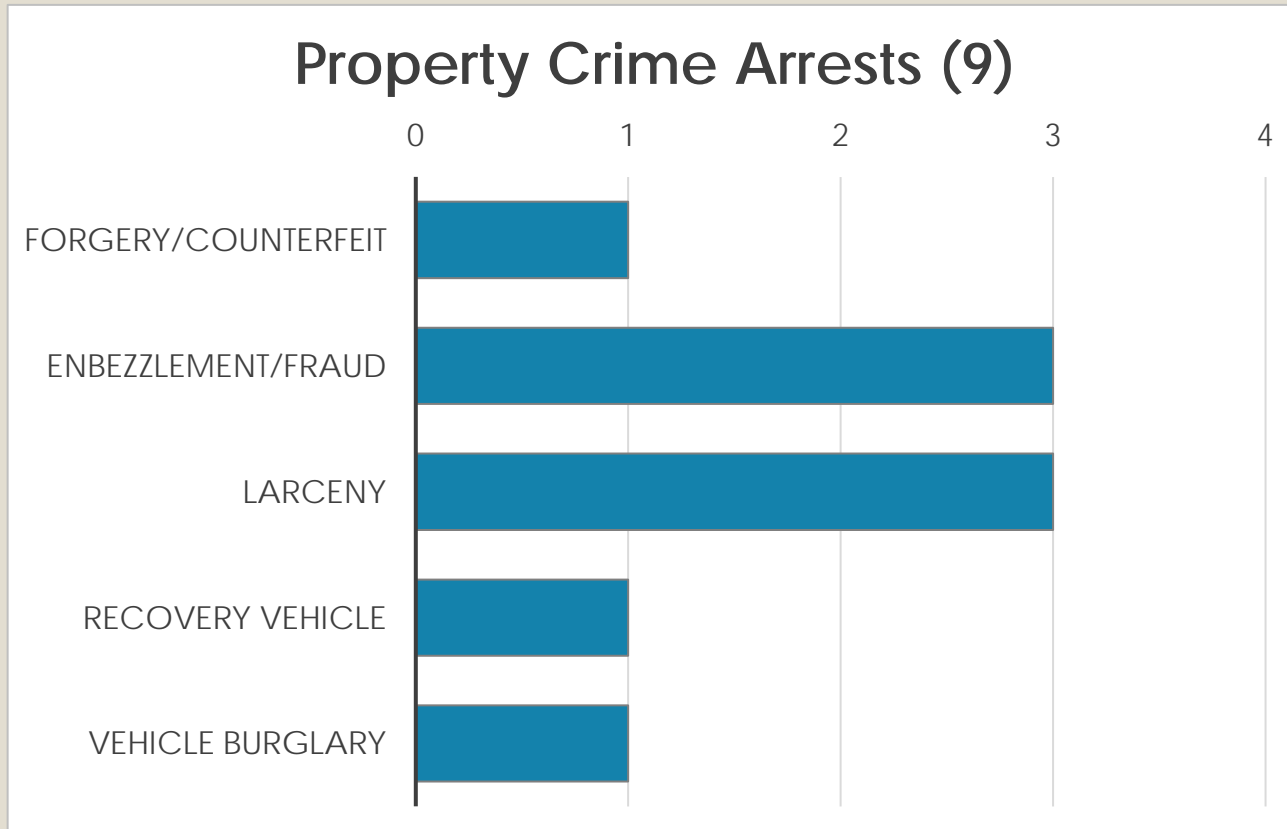
Item 2.



Data Source: PALMS

Arrests & NTAs

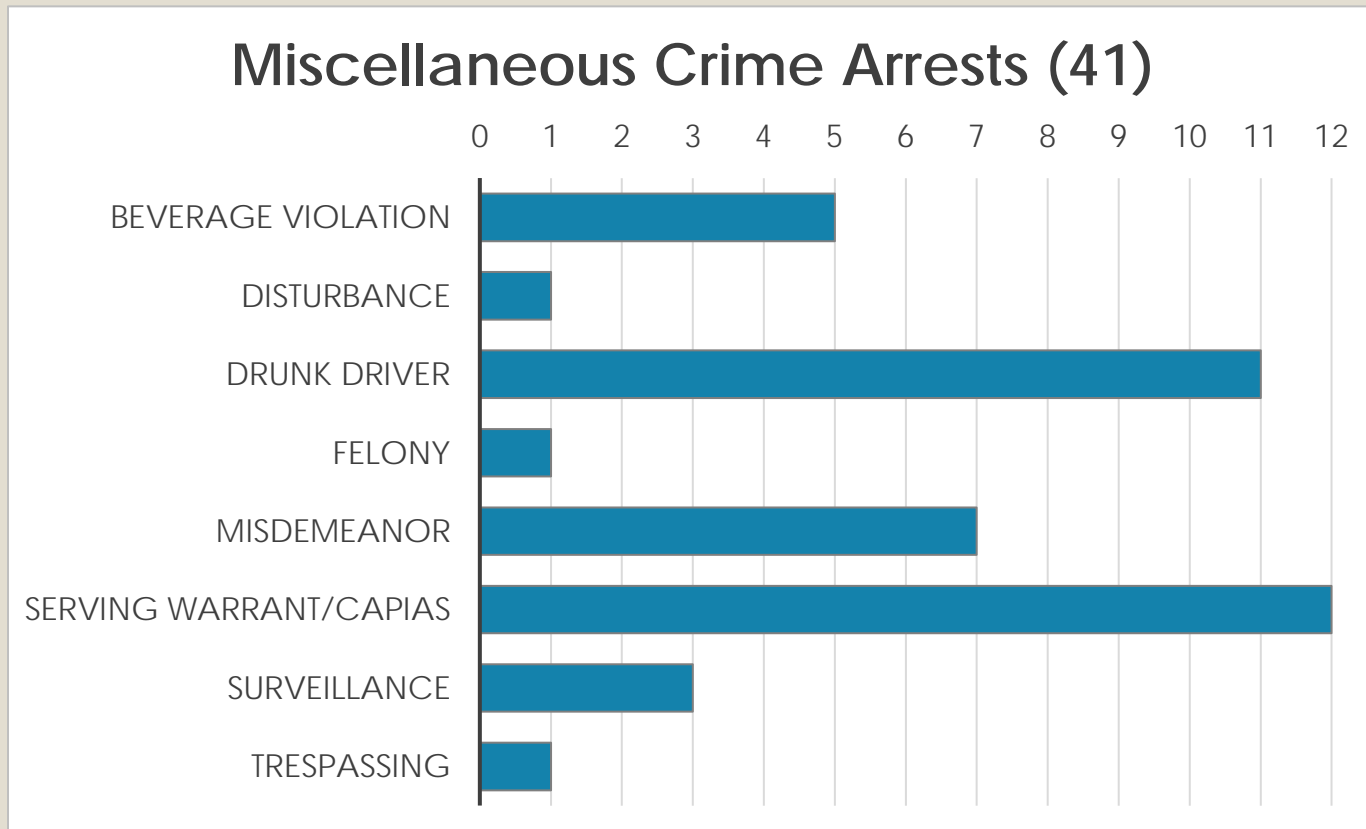
Item 2.



Data Source: PALMS

Arrests & NTAs

Item 2.



Data Source: PALMS



Palm Beach State College

15845 Southern Blvd. Loxahatchee, FL

Calls for Service

Incident Type	Incident Count
911 Hangup	3
Alarm	1
Alarm Misc/Municipality	3
Conduct Investigation	1
Domestic	1
Drunk Driver	1
Police Service Call	2
Special Detail	3
Total	15

*Self-initiated calls are excluded from this data.

Southern Blvd and B Rd (Publix Plaza), Calls for Service

Item 2.

Incident Type	Incident Count	Incident Type	Incident Count
911 Hangup	39	Motor Vehicle Crash With Injuries	1
Alarm	15	Neighbor Trouble	1
Alarm Misc/Municipality	14	Pawn Shop Violations	1
Animal Call	3	Police Service Call	35
Assault Just Occurred	1	Prescription Case	1
Asst To Another Department	3	Problem Solving Traffic	1
Burglary Vehicle	2	Robbery Vehicle	1
Civil Matter	9	Serving Warrant	2
Conduct Investigation	6	Shoplifting	2
Disturbance	5	Special Detail	1
Disturbance In Progress	2	Stolen Tag	1
Domestic	8	Surveillance	2
Domestic Unfounded	1	Suspicious Incident	2
Embezzlement/Fraud	3	Suspicious Person	23
Forgery/Counterfeit	2	Suspicious Vehicle	7
Information	8	Theft/Larceny	8
Lost/Found Property	6	Trespassing	13
Man Down/Sick Person	13	Unwanted Guest	11
Missing Person Recovery	1	Vandalism	1
Mobile Eyes	1	Welfare Check	2
Motor Veh Crash	18	Total	276

All CAD incidents excluding self-initiated calls

Map of Publix Plaza CFS



Community Service

Item 2.

Chili Cook-off
4th of July Parade
Poker Run
Veteran's Day Parade



Completed by:
Lillian Arvelo
Criminal Intelligence Analyst
Crime Analysis Unit



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 3

TO: Town Council of Town of Loxahatchee Groves
FROM: Francine Ramaglia, Town Manager
DATE: March 21, 2023
SUBJECT: Cyber Security Policy Update

Background:

Attached is a copy of the Town's Cyber Security Policy. The Town's IT providers will make a brief presentation at the February 21, 2023 Town Council Meeting on the status of the Town's Implementation of the Policy

Recommendation:

Review and File.



Town of Loxahatchee Groves Information Technology Policy and Procedures

Effective: December 5 , 2022

Authorized: *Marcine Francis*
Town Manager

This policy and procedural manual (PPM) is intended to provide basic orientation information for the operational activities of the Town of Loxahatchee Groves, Florida. It is not intended to be a detailed guide describing each aspect of the internal specific procedures. However, this manual is intended to provide sufficient procedural detail to enable Town departments, other governmental entities, and the contractor/ vendor community to:

- a. be fully aware of, and comply with, Town Information Technology policies, and
- b. effectively participate in the Town's Information Technology program.

This document applies to all Town of Loxahatchee Groves users regardless of the user's location (e.g., in an office, at a customer site, on an airplane, at an Information User's residence, at a shared location, etc.); this term includes all Town employees, and contractors/vendors that require access to Town information resources, authorized previously by the Town Manager's Office.

Continuous Improvement: The content of this document is subject to regular review based on input from Town of Loxahatchee Groves staff.

Definitions

Information Resources: Electronic and non-electronic resources owned by the Town, including but not limited to: documentation (designs, research material, reports, specifications, contracts); electronic media (computer software, computer tapes, computer disks, computer printouts); business operations (inventions, methods, processes, work products, customer lists); business development (municipality information, operating plans, cost and financial data); and system resources (phone systems, organization-issued cellular phones, hardware, networking resources, operating systems).

Data: Information stored on hardware and accessed by using software.

Software: Programs and routines written in a symbolic language that control the functioning of the hardware.

Hardware: The physical, touchable, and material parts of a computer.

Third Parties: Vendors and business partners of the Town, bound by underpinning agreements or contracts with the Town.

Third Party Personnel: Representatives of vendors and business partners of the Town.

Remote Access: Any communication to the Town of Loxahatchee Groves systems and applications from an external (remote) location or facility through a data link.

Information Security Policies PROHIBITED

ACTIVITIES

Town of Loxahatchee Groves information must be used only for the business purposes expressly authorized by management. The following list of activities are a minimum subset of prohibited activities.

Town of Loxahatchee Groves expressly prohibits Town staff from:

Uploading, downloading, printing, transmitting, and viewing any information (image, sound, program, or document) that could be deemed offensive, derogatory, harassing, based on:

- Race,
- Gender,
- National Origin,
- Sexual Orientation,
- Religion,
- Political Belief,
- Disability,
- Age.

Uploading, downloading, printing, transmitting, and viewing any information (document, image, sound, or program) containing the following without Town and/or the author's authorization:

- Trade Secrets,
- Copyrighted Materials,
- Trademark Materials,
- Patented Materials,
- Other Confidential, Private or Proprietary Information or Materials, including all non-public Client material.

Using Town computers to:

- Forge (or attempt to forge) electronic mail messages,
- Obtain unauthorized access or conduct tampering of the electronic mail of others,
- Send harassing, obscene and/or other threatening e-mail to others,
- Send unsolicited junk mail, "for-profit" messages, or chain letter messages,
- Gain unauthorized access to any computer system, including remote computers or other systems in any way,
- Damage, alter, or disrupt any computer system, including remote computers or other systems in any way,
- Participate in illegal activities,
- Decrypt system or user passwords from any computer system, including remote computers or other systems in any way,
- Copy system files from any computer system, including remote computers or other systems in any way,
- Copy copyrighted materials, such as third-party software, without the expressed written permission of the owner or the proper license,
- Intentionally attempt to "crash" Network systems or programs,

- Attempt to secure a higher level of privilege on the Network,
- Willfully introduce computer programs into the organization Network or into external Networks,
- Willfully introduce computer viruses into the organization Network or into external Networks.
- Solicit business, sell products, or otherwise engage in commercial activities other than those required by their job responsibilities.
- Use anyone's code or password without authorization,
- Allow system access to non-Town personnel without supervisor's and Information Technology's permission,
- Jeopardize or breach the security of the Town computer systems in any way,
- Excessively use internet for non-Town related matters,
- Tamper with any of Town computer systems in any way.

INFORMATION SECURITY

INFORMATION OWNERSHIP

All information, data and documentation gathered by, generated by, or provided by Town staff, in the course of their employment and/or utilizing organization owned assets for the Town's business purposes, are the property of the Town.

The Town of Loxahatchee Groves has legal ownership of, or rights to, the contents of all files, information, and messages stored or transmitted on its computer and network systems, and reserves the right to examine all data stored in or transmitted by its computer and communications systems, without prior notice, whenever there is a business need which includes, but is not limited to, any investigation of unauthorized or inappropriate use of the systems or other investigation conducted with a business purpose. There should be no expectation of privacy associated with the information stored in or sent through Town systems.

The use of encryption, the labeling of an email or document as private, the deletion of an email or document, or any other such process or action, shall not diminish the organization's rights to examine and review such information in any manner, as stated above. Unauthorized use of passwords/encryption to prevent Town management from gaining access to a computer related resource is prohibited.

INFORMATION SECURITY INCIDENT REPORTING

Town staff must immediately report all suspected information security problems, vulnerabilities, unauthorized activity, and incidents to either their immediate manager or to the Town Manager's Office. All suspected information security incidents must be reported as quickly as possible to Town management.

ACCESS CONTROL AND AUTHENTICATION MECHANISMS ACCESS

PHILOSOPHY

Access to Town information must be granted only when a legitimate business need has been demonstrated and access has been approved in advance by the Town staff's authorized supervisor. Network and/or system privileges of all users must be restricted based on the need for access.

DEFAULT FACILITIES

Town staff that require access to network services will be granted basic information systems services such as electronic mail and word processing facilities. All other system capabilities and access to specific applications must be specifically requested and approved by the supervising manager. The existence of certain access privileges does not, in and of itself, mean that an individual is authorized to use these privileges. If Town staff have any questions about access control privileges, they must direct these questions to the Town Manager's Office.

DEPARTURES FROM THE TOWN OF LOXAHATCHEE GROVES

Any change in the employment status of Town staff must be immediately reported by management to the Town Manager's Office. When a Town staff member leaves the organization, all system privileges and access to Town information must cease immediately. Departed Town staff must not be permitted to continue to maintain an electronic mail account with the Town, unless specifically authorized by the Town Manager. All Town information disclosed to Town staff must be returned or destroyed. All work done by Town staff for the Town of Loxahatchee Groves is Town property and will remain with the Town when Town staff depart.

UNIQUE USER IDs

Each Town staff will be assigned a unique user ID. All user IDs on Town networks/applications must be constructed according to the Town user ID construction standard and must clearly indicate the responsible individual's name. This user ID follows an individual as they move through the organization. It must be permanently decommissioned when a user leaves the Town. Re-use of user IDs is not permitted, with the exception of re-hiring.

Users are responsible for all activity that takes place with their user ID and password or other authentication mechanisms. User IDs are linked to specific people, and are not associated with computer terminals, departments, or job titles. With the exception of internet pages, intranet pages, and other places where anonymous interaction is both generally understood and expected, anonymous and guest user IDs are not permitted unless approved in advance by the Town Manager's Office.

The system privileges granted to every employee must be reevaluated by the user's manager every 12 months to determine whether currently enabled system privileges are needed to perform the user's current job duties.

The access for contractors and temporary workers will be set to expire after three months by default. The privileges of these Town staff must be immediately revoked by the Town Manager's Office when the project is complete, or when the contractor or temporary worker stops working with the Town. The

relevant project manager must review the need for the continuing privileges of contractors and temporary workers every three months.

PASSWORD

- Every workstation must have a password-protected screen saver.
- Every user is held accountable of his / her activity when using a Town workstation or when connected to the Town network.
- Every user must keep his / her password confidential; it is forbidden to share user credentials to other users. All IT activity is traced by the Town Manager's Office.
- If a user detects his/ her credentials have been compromised, the user must immediately change his/ her password, and proceed to notify the Town Manager's Office of this event.
- User passwords must comply to the requirements below:
 - a. Password minimum length: eight (8) characters.
 - b. Password usage: must not be identical to the previous ten (10) passwords.
 - c. Password validity: Ninety (90) days
 - d. Password components restrictions: Password must contain at a minimum three of the following four items: alphanumeric characters (A-Z) upper case and/or lowercase, numeric characters (0-9), non-alphanumeric characters (symbols) ~!@#\$\$%A&*()_-+='\O\{}|!:"'<.>./

OPERATIONS MANAGEMENT COMPUTER

VIRUSES

All computers, servers, or network devices susceptible to computer virus infestation will be protected by corporate anti-virus programs. Virus screening software will be installed and enabled with real-time functionality on all Town local area network servers, and networked personal computers and will be configured to be automatically update virus definitions.

Any user who suspects infection by a virus must immediately shut-down the involved computer, disconnect from all networks, contact the Town Manager's Office, and make no attempt to eradicate the virus.

Users must not download software on any computer system property of the Town. Users must not install software on their workstation computers, network servers, or other machines without receiving advanced authorization to do so from the Town Manager's Office. Users will exercise extreme caution in downloading and executing any files attached to email.

CRITICAL DATA LOCATION

Town users must not store confidential or critical business information on workstation hard disk drives. This type of information must reside on security protected server shares.

SYSTEM LOGON BANNER

Logon screens for computers and/or network devices must include a special notice that must state that the system may only be accessed by authorized users, users who logons represent that they are authorized to do so, unauthorized system usage or abuse is subject to criminal prosecution, system usage will be monitored and logged, and by logging into the subject Computer and the Town of Loxahatchee Groves network, the user has read, understands, and will comply with the Town of Loxahatchee Groves Information Technology Policies and Procedure Manual.

AUDIT LOGS

All production application systems that handle critical Town information must generate logs that capture user-initiated logon attempts (successful or failed), addition, modification, and deletion transactions, user session activity including user IDs, logon date and time, logoff date and time, changes to the privileges of users, and system start-ups and shut-downs if the subject application system is able to produce such audit logs.

DATA BACKUPS

All critical business information and critical software resident on Town server systems must be periodically backed-up for recovery purposes. The rotation, recycling of the media used for backups, and the storage location used will be defined by the Town Manager's Office, as per the business requirements.

DISASTER RECOVERY PLAN

The Town Manager's Office will assist in the preparation, periodical update, and testing of a disaster recovery plan that will permit all critical computer and communication systems to be available in the event of a major loss such as may be caused by the event of nature or a catastrophe.

SECURITY INCIDENT RESPONSE POLICY PURPOSE

This document describes the Town of Loxahatchee Groves's overall plan for preparing and responding to both physical and electronic information security incidents. It defines the roles and responsibilities of participants, characterization of incidents, relationships to other policies and procedures, and reporting requirements. The goal of this Security Incident Response Plan is to prepare for, detect, and respond to security incidents. It provides a framework by which the Incident Response Team (IRT) shall determine the scope and risk of an incident, respond appropriately to that incident, communicate the results and risks to all stakeholders, and reduce the likelihood of an incident from occurring or reoccurring.

SCOPE

This plan applies to all physical locations, information systems, all Criminal Justice Information (CJI) data, Protected Health Information (PHI) data, Cardholder data, Personally Identifiable Information,

any other sensitive data type stored by the Town, networks of the Town of Loxahatchee Groves, and any person or device that gains access to these systems or data.

MAINTAINING CURRENCY

It is the responsibility of the Town Manager's Office to maintain and revise this policy to ensure that it is always in a ready state.

DEFINITIONS

Event: An exception to the normal operation of infrastructure, systems, or services. Not all events become incidents.

Incident: An event that, as assessed by the staff, violates the policies of the Town of Loxahatchee Groves as related to Information Security, Physical Security, or Acceptable Use; other Town of Loxahatchee Groves policies, standards, or code of conduct; or threatens the confidentiality, integrity, or availability of information systems or CJI event.

Incidents will be categorized according to their potential for the exposure of protected data or the criticality of the resource, using a four (4) level system of:

- 0- Low
- 1- Medium
- 2- High
- 3- Critical

Incidents can include, but are not limited to:

- Malware/viruses
- Ransomware
- Phishing
- Unauthorized electronic access
- Account compromise
- Breach of information
- Unusual, unexplained, or repeated loss of connectivity
- Unauthorized physical access
- Loss or destruction of physical files, etc.
- Denial of Service

Criminal Justice Information (CJI): As defined in the Federal Bureau of Investigation (FBI) Criminal Justice Information Services (CJIS) Security Policy and by the Florida Department of Law Enforcement.

Protected Health Information (PHI): The HIPAA Privacy Rule that provides federal protections for personal health information held by covered entities and gives patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.

Cardholder Data: As defined by the PCI Security Standards Council (PCI SSC), the body that administers the PCI DSS, defines cardholder data as "At a minimum, cardholder data consists of the full PAN. Cardholder data may also appear in the form of the full PAN plus any of the following: cardholder name, expiration date and/or service code [found on the magnetic stripe]. Sensitive Authentication Data are additional data elements that may be transmitted or processed (but not stored) as part of a payment transaction."

EVIDENCE PRESERVATION

The goal of any incident response is to reduce and contain the impact of an incident and ensure that information security related assets are returned to service in the timeliest manner possible. The need for a rapid response is balanced by the need to collect and preserve evidence in a manner consistent with state and federal laws, and to abide by legal and administrative requirements for documentation and chain-of-custody.

INCIDENT RESPONSE

In accordance with the FBI CJIS Security Policy, based off the National Institute of Standards and Technology (NIST) Special Publication 800-61 rev. 2, the Incident Response Life Cycle consists of a series of phases-distinct sets of activities that will assist in the handling of a security incident, from start to finish.

PREPARATION

Preparation includes those activities that enable the Town of Loxahatchee Groves to respond to an incident. These include a variety of policies, procedures, tools, as well as governance and communications plans.

The Town of Loxahatchee Groves utilizes several mechanisms to prevent, and prepare to respond to, an incident.

- **Security Awareness Training:** The Town of Loxahatchee Groves requires regular security awareness training provided through KnowBe4. This training covers additional ongoing threats to systems such as malware, phishing, social engineering, ransomware, and other threats as they become known. This training also performs regular phishing campaigns to evaluate the Town's security posture for this attack vector. All personnel with access to CJI data are required to take FBI CJIS Security Policy- compliant Security Awareness Training. This training must be updated at a minimum of every two years.
- **Malware/Antivirus/Spyware Protections:** All information system terminals, as well as key information flow points on the network, are protected by continuous defense against malware/antivirus/spyware and other known malicious attacks. These defense mechanisms are kept

up to date without the need for end user intervention, and end users are restricted from accessing, modifying, disabling, or making other changes to the defense mechanisms.

- Firewalls: Multiple firewalls are in place within the network to provide the necessary depth of defense. The Town Manager's Office keeps all firewalls up to date with the latest security patches and other relevant upgrades, as well as maintains an active backup of the latest security configuration.
- Personnel Security Measures: All Town staff with access to CJI or those areas in which CJI is accessed, stored, modified, transmitted, or maintained have been cleared to the required Personnel Security standards set forth in FBI CJIS Security Policy section 5.12.1 and FDLE requirements.
- Physical Security Measures: All locations within the Town of Loxahatchee Groves that house CJI or CJI-related information systems are secured to the required criteria set forth in FBI CJIS Security Policy section 5.9. Access to these secured areas and information systems is a need-to-know/need-to-share basis, requires agency authorized credentials for access, and is under the direct control and management of the Town of Loxahatchee Groves.
- Event Logs: Event logging is maintained at all applicable levels, capturing all the required events and content specified for CJI through FBI CJIS Security Policy sections 5.4.1.1 and 5.4.1.1.1, retained for the specified period, and reviewed weekly.
- Patching/Updating: Systems shall be patched and updated as new security patches and hot fixes are released. Any software or hardware product that reaches the end of the manufacturers service and support life for patching will be deemed out-of-compliance and replaced.

STAFFING

The Town of Loxahatchee Groves will strive to maintain adequate staff levels and third-party support to investigate each incident to completion and communicate its status to other parties while it continues to monitor the tools that detect new events.

TRAINING

No incident response capability can be effectively maintained over time without proper and ongoing training. The continuous improvement of incident handling processes implies that those processes are periodically reviewed, tested, and translated into recommendations for enhancements. All pertinent Town staff will be trained on a periodic basis in security awareness, procedures for reporting and handling incidents to ensure a consistent and appropriate response to an incident, and that post-incident findings are incorporated into policy and procedure.

DETECTION AND ANALYSIS

DETECTION

Detection is the discovery of an event with security tools or through notification by an inside or outside party about a suspected incident. The detection of an incident requires the immediate activation of the IRT as listed in Appendix A. The determination of a security incident can arise from one or several circumstances simultaneously.

Means by which detection can occur include:

- Trained personnel reviewing collected event data for evidence of compromise.
- Software applications analyzing events, trends, and patterns of behavior.
- Intrusion Protection/Intrusion Detection devices alerting to unusual network or port traffic.
- The observation of suspicious or anomalous activity within a Town of Loxahatchee Groves facility or on a computer system.

It is critical in this phase:

- To detect whether a security incident has occurred.
- To determine the method of attack.
- To determine the impact of the incident to the mission, systems, and personnel involved in the incident.
- To obtain or create intelligence products regarding attack modes and methods.

ANALYSIS

Analysis of the incident indicators will be performed in a manner consistent with the type of incident. In the event of a physical incident, appropriate steps will be taken to determine weaknesses in either the physical security of the facility, its monitoring tools, or its training programs to assess areas for process improvement or change. For an electronic incident, the Town will utilize the Town Manager's Office, its tools, vendors, and contractors to perform static and dynamic analysis of malicious code within their capability, a review of information system boundary protections, determination of source code if applicable, the depth and breadth of the attack, if the attack has migrated to other systems on or off the network, and any other tasks appropriate to the type of incident experienced. These analyses can be performed either manually or by utilizing automated tools dependent upon the situation, timeliness, and availability of resources.

INCIDENT CATEGORIES

An incident will be categorized as one of four severity levels. These severity levels are based on the impact to The Town of Loxahatchee Groves and can be expressed in terms of financial impact, impact to services and/or performance of our mission functions, impact to the Town's image, or impact to trust by the Town's customers and citizens, etc. The below table provides a listing of the severity levels and a definition of each severity level.

Severity Level	Description
0-Low	Incident where the impact is minimal. Examples may be e-mail SPAM, isolated virus infections, etc.
1- Medium	Incident where the impact is significant. Examples may be a delayed or limited ability to provide services, meet the Town's mission, delayed delivery of critical electronic mail or data transfers, etc.
2-High	Incident where the impact is severe. Examples may be a disruption to the services and/or performance of our mission functions. The Town's proprietary or

3- **Critical**

confidential information has been compromised, a virus or worm has become widespread and is affecting over 1 percent of employees, Public Safety systems are unavailable, or the Town's Executive management has been notified.

Incident where the impact is catastrophic. Examples may be ransomware, denial of service or a shutdown of all the Town's network services due to natural or manmade causes. The Town's proprietary or confidential information has been compromised and published in/on a public venue or site. Public safety systems are unavailable. Executive management must make a public statement.

INCIDENT REPORTING

If an incident involves or is suspected of involving Criminal Justice Information, the Information Security Officer (ISO) will be contacted and provided a CJS-016 "Information Security Officer (ISO) Security Incident Report" and should work with the Town's agency representatives for CJI compliance.

CONTAINMENT, ERADICATION, AND RECOVERY

CONTAINMENT

The Town Manager's Office is responsible for containment and will document all containment activities during an incident.

Containment activities for security incidents involve decision-making and the application of strategies to help control attacks and damage, cease attack activities, or reduce the impact or damage caused by the incident. This requires intelligence gathered by the detection and analysis phases of the incident - identification of affected hosts, identification of attacking hosts or attackers, identification of malware and its capabilities, and identification and monitoring of attacker communication channels. In most cases, it is important to introduce containment solutions all at once, as attackers may escalate their attack activity if deployment of the strategy is delayed.

ERADICATION

The Town Manager's Office is responsible for eradication and will document all eradication activities during an incident.

Eradication efforts for a security incident involve removal of latent threats from systems (such as malware on the system and user accounts that may have been created), identifying and mitigating potential vulnerabilities or misconfigurations that may have been exploited, and identification of other hosts that may have been affected within the organization.

RECOVERY

The Town Manager's Office is responsible for recovery and will document all recovery activities during an incident.

Recovery efforts for incidents will involve the restoration of affected systems to normal operation. This is dependent upon the type of incident experienced but may include actions such as restoring systems from backups, rebuilding systems from an agency approved baseline, replacing compromised files with clean versions, installing patches, changing passwords, and increasing network perimeter and host-based security.

POST-INCIDENT ACTIVITY

The Town Manager's Office is responsible for documenting and communicating post-incident activity.

Post-incident activities will occur after the detection, analysis, containment, eradication, and recovery from a security incident. One of the most important phases of incident response, post-incident activities involve the reflection, compilation, and analysis of the activities that occurred leading to the security incident, and the actions taken by those involved in the security incident, including the incident response team. Important items to be reviewed and considered for documentation are:

- i. Exactly what happened, and at what times?
- ii. How well did staff and management perform in dealing with the incident?
- iii. What information was needed sooner?
- iv. Were any steps or actions taken that might have inhibited the recovery?
- v. What should be done differently the next time a similar incident occurs?
- vi. How could information sharing with other organizations have been improved?
- vii. What corrective actions can prevent similar actions in the future?
- viii. What precursors or indicators should be watched for in the future to detect similar incidents?
- ix. What additional tools or resources are needed to detect, analyze, and mitigate future incidents?

Post-incident activities will be incorporated into future training opportunities for all parties involved in the incident, from victims to system administration personnel to incident responders.

ESCALATION

The escalation process will be initiated to involve other appropriate resources as the incident increases in scope and impact. Incidents should be handled at the lowest escalation level that can respond to the incident with as few resources as possible to reduce the total impact and maintain limits on cyber-incident knowledge. The table below defines the escalation levels with the associated team members involvement.

Severity	Response Team Member Involvement	Description
0-Low	IT Technical Support Staff or vendor Local Agency Security Officer LASO	Normal Operations
1 - Medium	IT technical support staff or vendor LASO Town Manager's Office	The Town is aware of a potential or actual threat and is responding to that threat.
2- High	IT technical support staff or vendor LASO Town Manager's Office Town Management/Controller	An obvious threat has impacted business operations. Determine course of action for containment and eradication. Message staff of required actions and operational acts if necessary.
3 - Critical	IT technical support staff or vendor LASO Town Manager's Office Finance Director Legal Contact	Threat is widespread with significant impact. Determine course of action for containment, mitigation, and eradication. Message staff and officials. Prepare for legal action. Prepare for a public statement.



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 4

TO: Town Council of Town of Loxahatchee Groves

FROM: Francine Ramaglia, Town Manager

DATE : March 21, 2023

SUBJECT: Presentation of the FY 21 Audit

Background:

Attached is the completed Audit for Fiscal Year 2021. Chris Wallace from Munilytics, who are currently acting as the Town's Director, will make a brief presentation relative to the 2021 audit. The Town has retained new auditors and it is anticipated the 2022 and future year's audits will be completed in a more timely fashion.

Recommendation:

Receive and File.

TOWN OF LOXAHATCHEE GROVES, FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2021

TOWN OF LOXAHATCHEE GROVES, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

PREPARED BY:
THE TOWN OF LOXAHATCHEE GROVES

TOWN OF LOXAHATCHEE GROVES, FLORIDA
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INTRODUCTORY SECTION



Town of Loxahatchee Groves

155 F Road, Loxahatchee Groves, FL • 33470 (561) • 793-2418 Fax (561) 793-2420
www.loxahatcheegrovesfl.gov

March 8, 2023

To: Honorable Mayor and Members of the Town Council
155 F Road
Loxahatchee Groves, Florida 33470

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the Town of Loxahatchee Groves, Florida, for the fiscal year ended September 30, 2021, pursuant to Section 218.39 of the Florida Statutes, Chapter 10.550 of the Rules of the Auditor General of the State of Florida, and the Town Charter. The financial statements included in this report conform to generally accepted accounting principles in the United States of America ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. The financial statements have been audited by Nowlen, Holt & Miner, P.A., Certified Public Accountants. The independent auditor issued an unmodified opinion that this report fairly represents the financial position of the Town in conformity with GAAP. Management's Discussion & Analysis (MD&A) immediately follows the independent auditor's report and provides narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal, it should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The Town of Loxahatchee Groves (the "Town") is a political subdivision of the State of Florida located in Palm Beach County (the "County"), initially incorporated in November 2006. The Town has a population estimated at 3,379 for the year 2021 from the University of Florida, Bureau of Economic and Business Research ("BEBR") residents living within 12.5 square miles. The Town is a rural-residential-agricultural community with a very limited commercial district primarily along SR-80 (Southern Boulevard).

The Town operates under a Council-Manager form of government in which the Town elects five council members, one of whom is appointed Mayor. Council members are elected for staggered three-year terms. The Town Council determines policies that guide Town operations, hiring a Town Manager and Attorney to administer these policies on a full-time basis. From incorporation through May 2019, the Town functioned under a "Contract Form of Government" with a private management company supplying employees, services and Town administration management under the legislative direction and policies of the Town Council. The Town Attorney also serves the Town pursuant to contract rather than as an employee.

On June 26, 2018, the Loxahatchee Groves Water Control District became a dependent special district of the Town with \$1,269,175 of fund balance transferred to the Roads and Drainage special revenue fund as of that date. The transition to a traditional full service, albeit small, local government model

is a multi-year all-encompassing endeavor including but not limited to a shift in service delivery models, revisiting Town standards, evaluating all contract services, establishing and updating policies & procedures, implementing new processes, and so on in an effort to better serve the community. The Town's continued focus is addressing deferred maintenance and infrastructure needs; developing and implementing a comprehensive Capital Improvements Program (CIP) and related funding mechanisms; automating and streamlining administrative functions; increasing transparency and accountability; and achieving financial sustainability.

The annual budget serves as the foundation for the Town's financial planning and control. All departments of the Town are required to submit proposed budgets to the Town Manager, who then makes any necessary revisions. The Town Manager then presents to the Town Council for their review, a budget estimate of the expenditures and revenues of all the Town's departments. Two public hearings are then conducted to inform taxpayers of the proposed and final budget, to receive their comments, and respond to their questions on the budget. A majority affirmative vote of the quorum is needed to adopt the budget, which is legally enacted prior to October 1st by the passage of a Resolution. The Town's budget is approved at the department function object.

Balancing competing needs drives the budget process which is a continuous cycle of predicting both long and short-term needs. Budgetary needs are constantly prioritized with choices made within the framework of established policies and resources. Necessities like delivery of basic operational and maintenance services, personnel costs, insurance coverage, and debt service usually take initial priority whether provided in-house, inter-governmentally, and/or contractually. The Town strives to constantly address issues critical to serving our residents, maintaining or improving quality of life and preserving richness of community character.

The Town Council must approve all budget amendments as well as any supplemental appropriations. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to future appropriations. Warrants (transfers) of funds assessed between the Town and its dependent district are approved by Council.

ECONOMIC CONDITION AND OUTLOOK

The growth and development of the Town of Loxahatchee Groves is dependent upon the economic environment of South Florida and particularly that of Palm Beach County and in the surrounding western communities. The major economic influences in this area are the housing market, the regional job market, new construction, weather events, any future tax reform and/or other legislative mandates.

Positive signs about the national and local economies are evidenced by the continuing annual increases in average residential market values and influx of new residents the Town has experienced for the last number of years along with relatively stable employment in the area which remains higher than national averages. Also, the equestrian community and industry play a major role in the economy of the western communities as approximately two-thirds of Palm Beach County's equestrian industry is located in the region including horse farms, stables and a variety of equestrian venues.

On March 11, 2021, the American Recovery Plan Act (ARPA) State & Local Fiscal Recovery Funds (SLFRF) was signed into law to promote a response to the pandemic and economic recovery. Pursuant to ARPA, the Town received non-entitlement funding of approximately \$1.8 million in total over FY 2020-21 and FY 2021-22.

For the fiscal year ending September 30, 2021, the Town Council adopted a rate of 3.0000 mills, the same rate as in prior years, resulting in total tax levy of \$1,042,008 which is an increase of \$69,609 or 7% from FY2020. The benefit of the continued increase is to begin “rebuilding” the Town and its critical infrastructure and to properly position the Town for the future by building reserves. This is critical as the Town’s tax base is primarily residential, with considerable agricultural exemptions and little commercial property, and future property tax growth limited to the annual growth rate of per capita personal income, which is currently minimal, plus the value of new construction.

LONG TERM FINANCIAL PLAN

The Town adopted a Comprehensive Plan. Within this plan, the Town will examine the growth opportunities for the Town over the next 10 years. Management will continue to review revenues received from other sources to verify that, as a new government, the Town is receiving those revenues to which it is entitled. The Town will also continue to pursue new revenue streams which will have as little impact on the residents as possible. In addition, the Town will continue to contract certain municipal services to maintain low operational costs and the best opportunity to keep taxes as low as possible. Maintaining appropriate reserves will enable the Town to absorb the increased costs of contracted services.

FINANCIAL INFORMATION

Town Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management. In addition, the Town maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Council. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the department function object level.

The Town’s *accounting system* is organized on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The type of funds used are generally determined by the Town Council upon the recommendations of the Town Manager which is based upon established and accepted accounting policies and procedures as well as the number of funds required.

INDEPENDENT AUDIT

In accordance with Florida Statutes Section 218.39, the Town has engaged the firm of Nowlen, Holt & Miner, P.A., to perform the independent audit of the Town's financial statements for the year ended September 30, 2021. The Independent Certified Public Auditor's report is presented in the financial section of this Comprehensive Annual Financial Report.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Town and its auditing firm, Nowlen, Holt & Miner, P.A., as well as key independent financial professional contractors. We wish to express our appreciation to the staff for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

In closing, it is an honor to serve the Town, its residents and landowners. The leadership and support of the Mayor and Town Council have made the accomplishments and anticipated successes noted in this report possible and provide a strong foundation for the Town's future.

Respectfully submitted,



Francine Ramaglia
Town Manager

TOWN OF LOXAHATCHEE GROVES

List of Elected Town Officials

September 30, 2021

Council-Manager Form of Government

TOWN COUNCIL

Robert Shorr, Mayor (Seat 4)

Laura Danowski, Vice Mayor (Seat 2)

Phillis Maniglia, Council Member (Seat 1)

Marianne Miles, Council Member (Seat 3)

Margaret Herzog, Council Member (Seat 5)

ADMINISTRATION

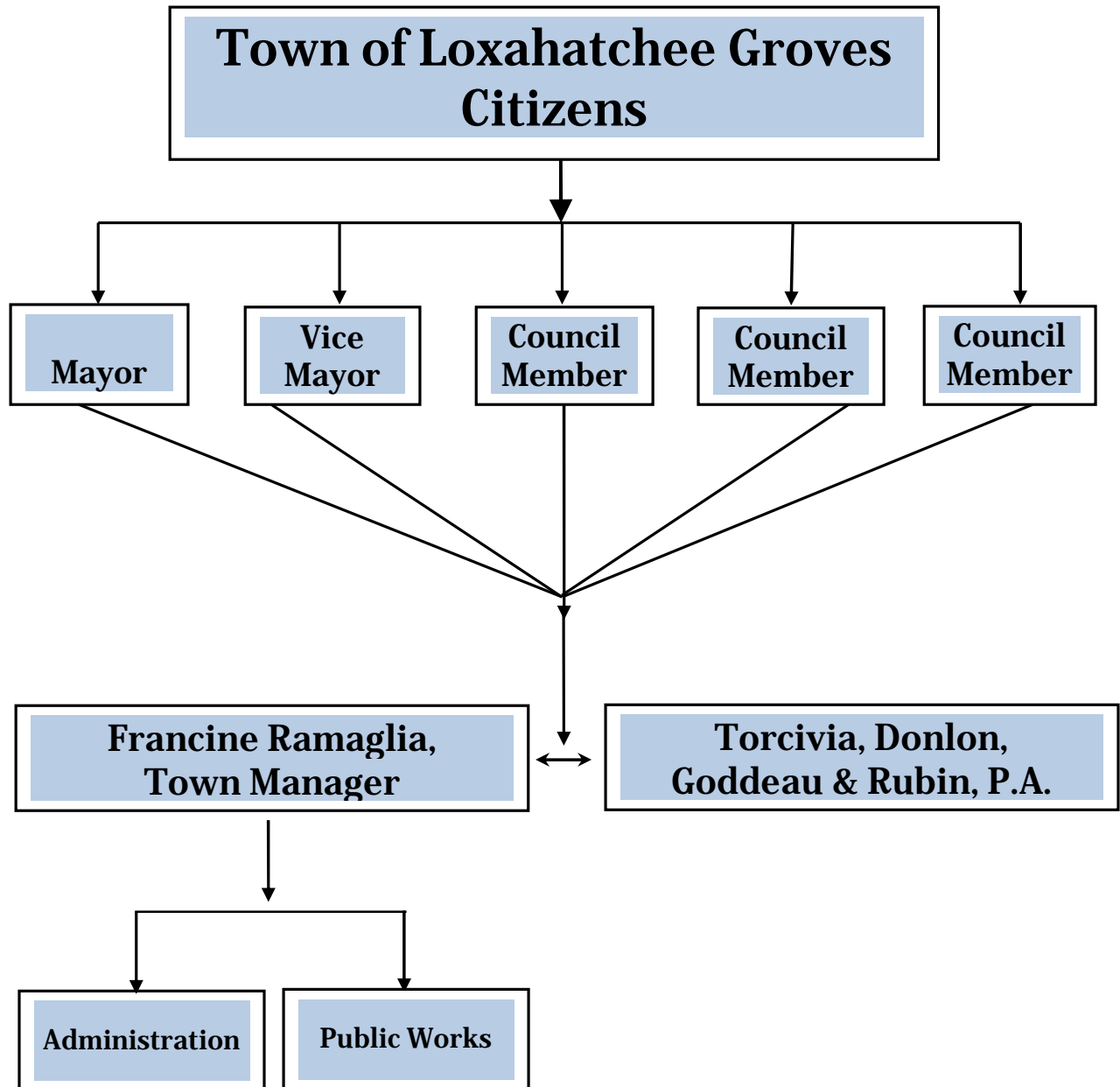
Town Manager, Francine L. Ramaglia, CPA

Elizabeth Lenihan of Torcivia, Donlon, Goddeau & Rubin, P.A., Town Attorney

Town Clerk, Lakisha Q. Burch

Director of Public Works, Larry A. Peters, P.E.

Town of Loxahatchee Groves Organizational Chart



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



NOWLEN, HOLT & MINER, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

WEST PALM BEACH OFFICE
NORTHBRIDGE CENTRE
515 N. FLAGLER DRIVE, SUITE 1700
POST OFFICE BOX 347
WEST PALM BEACH, FLORIDA 33402-0347
TELEPHONE (561) 659-3060
FAX (561) 835-0628
WWW.NHMCAPA.COM

Item 4.

EVERETT B. NOWLEN (1930-1984), CPA
EDWARD T. HOLT, CPA
WILLIAM B. MINER, RETIRED
ROBERT W. HENDRIX, JR., CPA
JANET R. BARICEVICH, RETIRED, CPA
TERRY L. MORTON, JR., CPA
N. RONALD BENNETT, CVA, ABV, CFF, CPA
ALEXIA G. VARGA, CFE, CPA
EDWARD T. HOLT, JR., PFS, CPA
BRIAN J. BRESCHIA, CFP®, CPA

MARK J. BYMASTER, CFE, CPA
RYAN M. SHORE, CFP®, CPA
WEI PAN, CPA
WILLIAM C. KISKER, CPA
RICHARD E. BOTTIS, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the Town Council
The Town of Loxahatchee Groves, Florida

BELLE GLADE OFFICE
333 S.E. 2nd STREET
POST OFFICE BOX 338
BELLE GLADE, FLORIDA 33430-0338
TELEPHONE (561) 996-5612
FAX (561) 996-6248

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Loxahatchee Groves, Florida as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Loxahatchee Groves, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Loxahatchee Groves, Florida as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of Error

As described in Note 11 to the financial statements, beginning net position of the Governmental Activities and the beginning fund balance of the Roads and Drainage fund were restated to correct the recording of accounts payable. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 15, and budgetary comparison information on pages 59 through 63 and the pension schedules on pages 64 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Loxahatchee Groves, Florida's basic financial statements. The Introductory Section, Statistical Section, and Other Information Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Introductory Section, Statistical Section, and Other Information Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated March 8, 2023, on our consideration of the Town of Loxahatchee Groves, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Loxahatchee Groves, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Loxahatchee Groves, Florida's internal control over financial reporting and compliance.

Nowlen, Holt & Mimer, P.A.

West Palm Beach, Florida
March 8, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Management's Discussion and Analysis
September 30, 2021

As management of the Town of Loxahatchee Groves, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Loxahatchee Groves (the Town) for the fiscal year ended September 30, 2021. Readers are encouraged to consider the information presented here in conjunction with the auditors' reports, the basic financial statements, the notes to the financial statements, and the supplementary information.

FINANCIAL HIGHLIGHTS

- Ø At September 30, 2021, the assets plus deferred outflows of the Town of Loxahatchee Groves exceeded its liabilities plus deferred inflows by \$9,727,446 of which \$6,675,748 was the net invested in capital assets and \$1,995,173 was restricted by law or agreements. The Town had \$1,056,525 (*unrestricted net position*) which may be used to meet the Town's ongoing obligations to citizens and creditors.
- Ø During the fiscal year 2021, net position decreased by \$65,430 from current year operations.
- Ø At September 30, 2021, the Town of Loxahatchee Groves' General Fund reported an ending fund balance of \$1,487,619, an increase of \$428,193 as compared with the prior year. Of the total fund balance, 83% is available for spending at the government's discretion (*unassigned fund balance*). The unassigned fund balance represents 49% of total General Fund operating expenditures and transfers.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements* and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the Town

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the Town's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements.
- The *governmental funds* statements show how general government services such as public safety were financed in the short term as well as what remains for future spending.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information*, which further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and are related to one another.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets deferred outflows/inflows, and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The government activities of the Town include public works, police, and general administration services. The Town has one business-type activity for the provision of garbage and trash collection services.

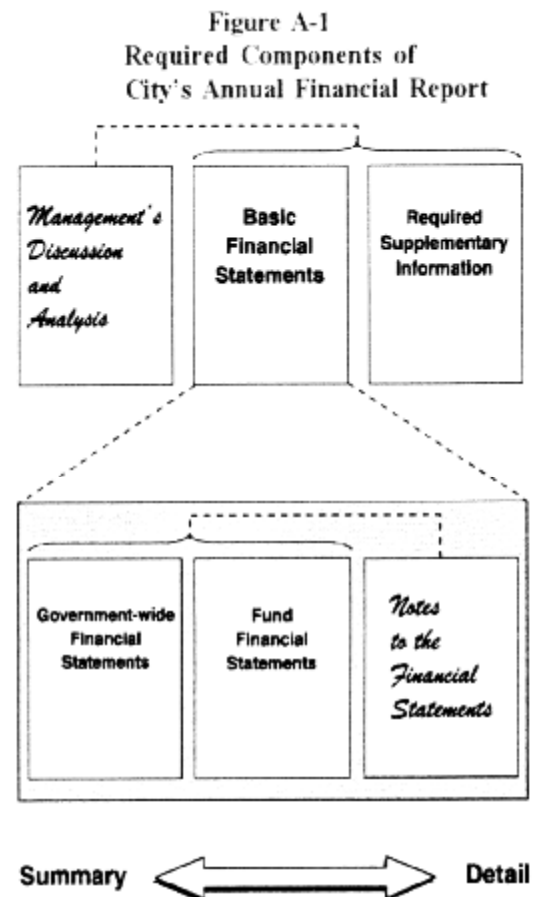
The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Most of the Town's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs.

The Town maintains five governmental funds; the General Fund, the Roads and Drainage Fund, the Transportation Fund, the Local Option Sales Tax Fund, and the Capital Improvement Fund.

The Town adopts an annual appropriated budget for the General Fund, the Roads and Drainage Fund, the Transportation Fund, and the Local Option Sales Tax Fund. A budgetary comparison statement has been provided for the General Fund, the Roads and Drainage Fund, the Transportation Fund, and the Local Option Sales Tax Fund to demonstrate compliance with the budget.



The basic governmental fund financial statements can be found on pages 18 thru 23 of this report.

Enterprise funds. The Town has one enterprise fund, the Sanitation Fund, which charges customers for the services provided. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The basic proprietary fund financial statements can be found on pages 24-26 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-58 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, governmental activity assets plus deferred outflows exceeded liabilities plus deferred inflows by \$9,515,563. Business-type activity liabilities exceeded assets by \$211,883. The Town-wide total net position was \$9,727,446 at the close of the fiscal year ended September 30, 2021. The Statement of Net Position is on page 16 of this report.

The Town's investment in capital assets (e.g., land, buildings, equipment and vehicles, less any related debt used to acquire those assets that is still outstanding) was \$6,675,748 or 69% of total net position at September 30, 2021. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the net position \$1,995,173 or 21% represents resources that are subject to external restrictions on how they may be used. The unrestricted net position of \$1,056,525 or 11% may be used to meet the government's ongoing obligations to citizens and creditors. The following table reflects the condensed Statement of Net Position for the current year as compared to the prior year.

Table 1
Town of Loxahatchee Groves
Summary of Net Position

	Governmental Activities		Business Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 4,705,186	\$ 4,553,057	\$ 270,404	\$ 180,964	\$ 4,975,590	\$ 4,734,021
Capital assets	6,675,748	4,793,434	-	-	6,675,748	4,793,434
Total assets	11,380,934	9,346,491	270,404	180,964	11,651,338	9,527,455
Deferred outflows of resources	613,152	822,460	-	-	613,152	822,460
Liabilities:						
Long-term liabilities	383,945	1,130,611	-	-	383,945	1,130,611
Other liabilities	1,302,314	634,133	58,521	51,657	1,360,835	685,790
Total liabilities	1,686,259	1,764,744	58,521	51,657	1,744,780	1,816,401
Deferred inflows of resources	792,264	321,786	-	-	792,264	321,786
Net position:						
Net investment in capital assets	6,675,748	4,793,434	-	-	6,675,748	4,793,434
Restricted	1,995,173	2,675,011	-	-	1,995,173	2,675,011
Unrestricted	844,642	613,976	211,883	129,307	1,056,525	743,283
Total net position	\$ 9,515,563	\$ 8,082,421	\$ 211,883	\$ 129,307	\$ 9,727,446	\$ 8,211,728

Governmental Activities.

- Ø During the fiscal year 2021, net position improved markedly when compared to the prior year, increasing by \$1,433,142 from current year operations.

Business Activities.

- Ø The funding for the Town's solid waste operation is derived from an assessment placed up residential properties within the Town's jurisdiction.
- Ø The Town assesses approximately 1,500 residential units \$450 per year for both the collection and disposal of solid waste.
- Ø Palm Beach County Property Appraiser notifies all affected property owners of the amount, public hearing date, and location of the meeting when the Town will adopt the Tentative Assessment.
- Ø Palm Beach County Tax Collector receives all Town ad valorem tax and assessment payments and remits the funds to the Town.

The following is a summary of the changes in net position for the years ended September 30, 2021 and 2020. Key indicators, including revenues and expenditures by category are presented herein for review:

Table 2
Town of Loxahatchee Groves
Changes in Net Position

	Governmental Activities		Business Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 1,858,323	\$ 1,736,377	\$ 653,665	\$ 645,523	\$ 2,511,988	\$ 2,381,900
Grants and contributions	132,547	90,741	50,272	103,893	182,819	194,634
General revenues:						
Property taxes	1,042,008	972,399	-	-	1,042,008	972,399
Local option sales tax	272,580	233,775	-	-	272,580	233,775
Franchise fees	372,660	321,674	-	-	372,660	321,674
Utility taxes	442,871	442,683	-	-	442,871	442,683
Intergovernmental	834,038	754,758	-	-	834,038	754,758
Investment/other income	35,356	50,641	-	-	35,356	50,641
Total revenues	4,990,383	4,603,048	703,937	749,416	5,694,320	5,352,464
Expenses:						
General Government	1,129,525	1,111,638	-	-	1,129,525	1,111,638
Public safety	1,119,128	1,002,044	-	-	1,119,128	1,002,044
Physical environment	1,227,929	2,411,632	-	-	1,227,929	2,411,632
Sanitation	-	-	699,311	703,481	699,311	703,481
Interest	2,709	26,973	-	-	2,709	26,973
Total expenses	3,479,291	4,552,287	699,311	703,481	4,178,602	5,255,768
Increase (decrease) in net position before transfers	1,511,092	50,761	4,626	45,935	1,515,718	96,696
Transfers:	(77,950)	-	77,950	-	-	-
Increase (decrease) in net position	1,433,142	50,761	82,576	45,935	1,515,718	96,696
Net position, beginning (1)	8,082,421	8,031,660	129,307	83,372	8,211,728	8,115,032
Net position, ending	\$ 9,515,563	\$ 8,082,421	\$ 211,883	\$ 129,307	\$ 9,727,446	\$ 8,211,728

(1) Beginning net position was restated for a prior period error and the 2020 balances were restated.

Governmental Activities.

Ø For fiscal year 2021, total revenues improved noticeably from the prior year, increasing by \$341,856.

Ø Total expenses decreased by \$1,077,166 or 21%, primarily due to a decrease in Physical Environment expenses.

Business Activities.

- Ø Revenue earned by business-type activities is primarily generated by charges for services for the Town's solid waste collection and recycling services totaled \$653,665. Operating revenues remained consistent with the prior year increasing by \$8,142. The rates charged to residents remained the same or at \$450 per residential unit for the past two fiscal years despite contracted increases in hauler rates.
- Ø Expenses of business-type activities arise from the Town's solid waste collection and recycling services contract which totaled \$699,311 in fiscal year 2021. Total expense decreased by \$4,170.

Figure A-2
Town of Loxahatchee Groves
Revenues by Source – Governmental Activities
For the Fiscal Year Ended September 30, 2021

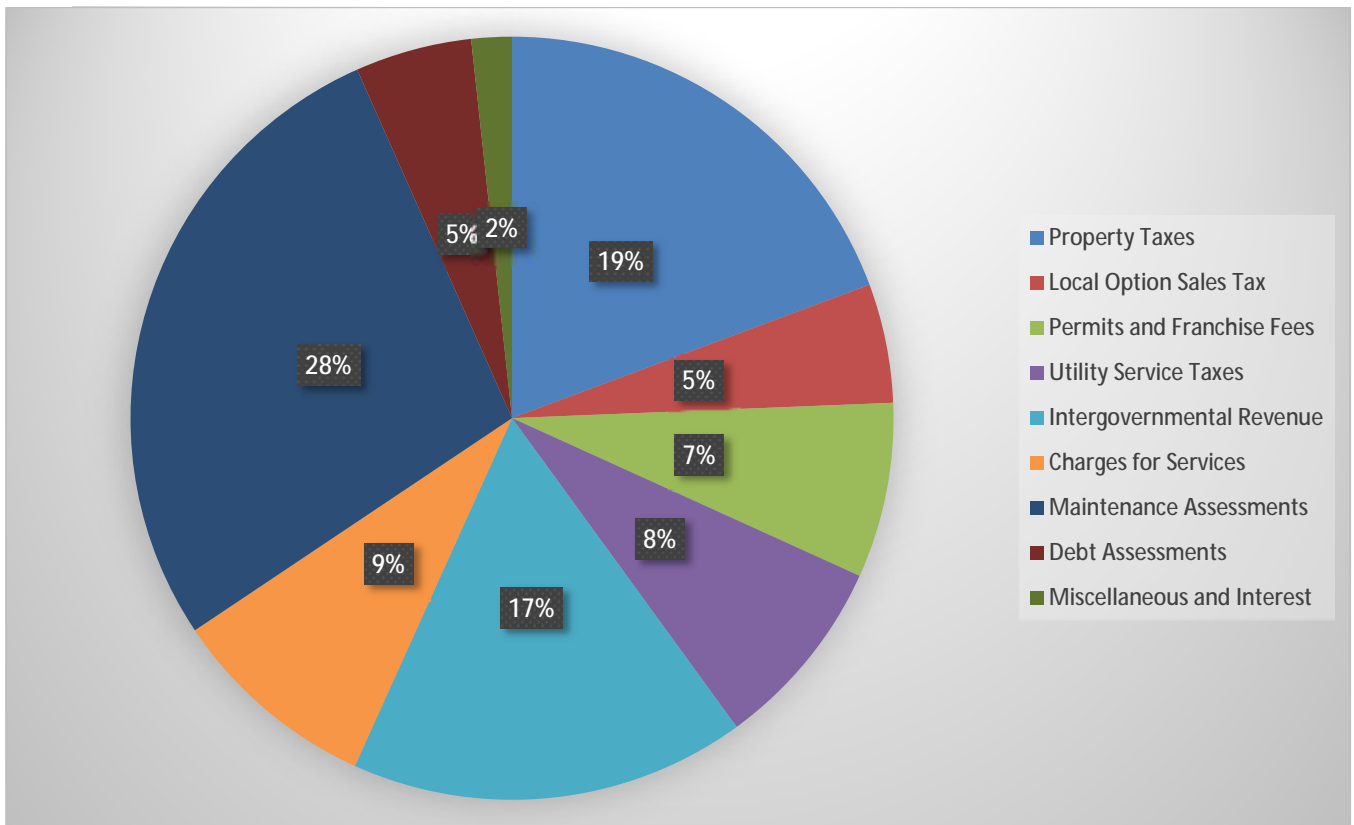
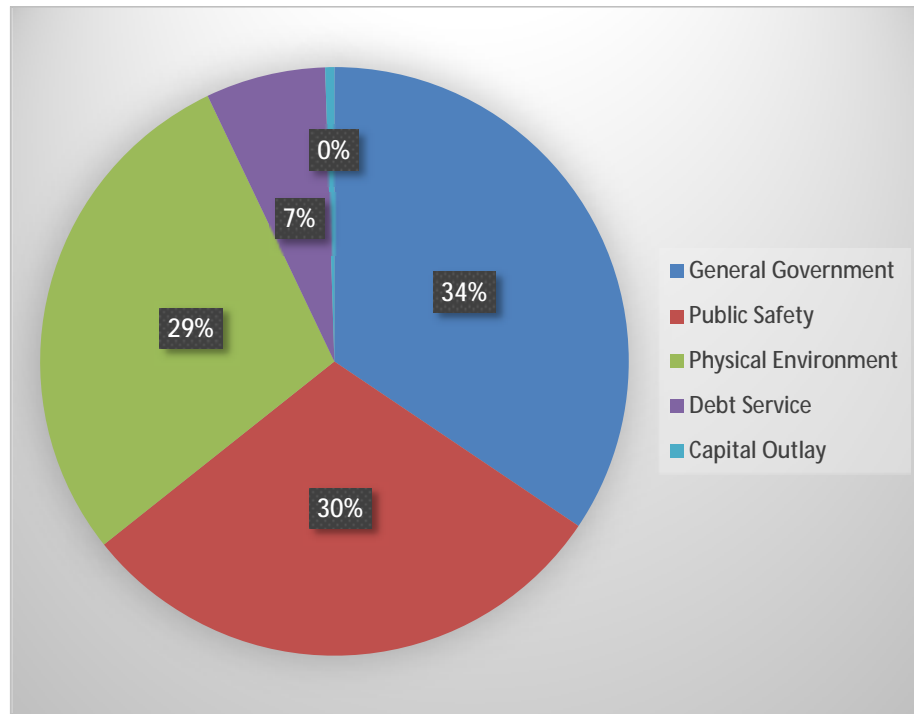


Figure A-3
Town of Loxahatchee Groves
Expenses – Governmental Activities
For the Fiscal Year Ended September 30, 2021



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The Town maintains five governmental funds; the General Fund, the Roads and Drainage Fund, the Transportation Fund, the Local Option Sales Tax Fund and the Capital Improvement Fund.

The Town adopts an annual appropriated budget for the General Fund, the Roads and Drainage Fund, the Transportation Fund, and the Local Option Sales Tax Fund. The General Fund provides revenues and resources for basic governmental services. The Roads and Drainage Fund is funded thru special assessments and accounts for the operations of the Town's dependent special district. The Transportation Fund is funded through a dedicated local option gas tax and can only be used for allowable transportation related expenses such as road, street maintenance, and construction. Likewise, the Local Option Sales Tax Fund is funded through an additional local option sales tax dedicated for infrastructure projects to occur over the next decade.

As noted earlier, the Town of Loxahatchee Groves uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's ***governmental funds*** is to provide information on near-term inflows, outflows and balances of ***spendable*** resources. Such information is useful in assessing the Town's financing requirements. In particular, the ***unassigned fund balance*** may serve as a useful measure of the government's net resources available for spending at the end of a fiscal year.

General Fund. The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, the Town's General Fund reported an unassigned fund balance of \$1,235,611, an increase of \$176,185 in comparison with the prior fiscal year.

A summary of the General Fund's condensed balance sheet and statement of revenues, expenditures and changes in fund balance for September 30, 2021 and 2020 is shown below:

Table 3
Town of Loxahatchee Groves
Summary of General Fund Balance Sheet

	2021	2020	Change	% Change
Assets	<u>\$ 2,772,731</u>	<u>\$ 1,428,054</u>	<u>\$ 1,344,677</u>	94%
Liabilities	<u>\$ 1,232,230</u>	<u>\$ 298,322</u>	<u>\$ 933,908</u>	313%
Deferred inflows	<u>52,882</u>	<u>70,306</u>	<u>(17,424)</u>	-25%
Fund balance				
Nonspendable fund balance	1,623	62,342	(60,719)	-23%
Restricted fund balance	233,635	213,635	20,000	184%
Assigned fund balance	16,750	53,803	(37,053)	100%
Unassigned fund balance	<u>1,235,611</u>	<u>729,646</u>	<u>505,965</u>	69%
Total fund balance	<u>1,487,619</u>	<u>1,059,426</u>	<u>428,193</u>	40%
Total liabilities, deferred inflows, and fund balance	<u>\$ 2,772,731</u>	<u>\$ 1,428,054</u>	<u>\$ 1,344,677</u>	94%

During the fiscal year 2021, the General Fund assets increased by \$1,344,677 or 94%. The increase is mainly due to increases in cash as a result of the current year's operations generating a positive budget variance and federal grant revenue. Liabilities increased by \$933,908 or 313% mainly due to deferred grant revenues received but not yet earned. Total fund balance increased by \$428,193 or 40% due to revenues exceeding expenditures and transfers.

Table 4
Town of Loxahatchee Groves
Summary of General Fund Statement of Revenues,
Expenditures, and Changes in Fund Balance

	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>% Change</u>
Revenues	\$ 2,924,015	\$ 2,564,535	\$ 359,480	14%
Expenditures	2,417,872	2,210,559	207,313	9%
Transfers out	<u>77,950</u>	<u>90,683</u>	<u>(12,733)</u>	-14%
Net change in fund balance	428,193	263,293	164,900	63%
Fund balance, beginning	<u>1,059,426</u>	<u>796,133</u>	<u>263,293</u>	33%
Fund balance, ending	<u><u>\$ 1,487,619</u></u>	<u><u>\$ 1,059,426</u></u>	<u><u>\$ 428,193</u></u>	40%

The Town of Loxahatchee Groves General Fund revenues increased over the prior year by \$359,480 or 14%. Total expenditures increased over the prior year by \$207,313 or 9%.

General Fund

The Town adopts annual budgets by fund, department function and object in compliance with Florida State Statute Section 200.065 (commonly referred to as the Truth-in Millage Legislation). The law requires municipal organizations to prepare and adopt annual operating budgets for the General, Special Revenue and Debt Service Funds following uniform time frames related to property tax levies. The balanced budgets may be revised throughout the year. The Town's code allows for department level budget transfers without Council approval; however, fund total changes require Council approved budget amendments adopted by resolution.

The Town's policy is to adopt the budget following the second public hearing of each fiscal year, held in September for an October 1st year. Budget amendments may be presented to Council at any time during the fiscal year.

Over the course of the year, the Town did amend the General Fund budget. The fiscal year final 2021 budget was \$2.5 million as opposed to the \$2.2 million originally adopted budget. The actual revenues were greater than the final amended budgeted revenues by \$395,217 while spending was \$41,378 less than the final amended budget and, accordingly, reserves increased.

Budget versus actual schedules are presented on page 59 for the General Fund.

Roads and Drainage Special Revenue Fund

The Loxahatchee Groves Water Control District became a dependent special district on June 26, 2018, and the operations have since been reported as the Roads and Drainage Special Revenue Fund. The actual revenues were greater than budgeted revenues by \$22,924, primarily due to miscellaneous. The Town amended the Roads and Drainage Fund expenditure budget. The final amended expenditure budget was unchanged from the originally adopted budget.

Budget versus actual schedules are presented on page 60 for the Roads and Drainage Special Revenue Fund.

Transportation Special Revenue Fund

The fund balance of the Transportation Special Revenue Fund decreased by \$329,747 which was due to increased investment in road maintenance and capital projects.

Local Option Sales Tax Special Revenue Fund

In 2016, a one-cent infrastructure surtax or Local Option Sales Tax was approved by the voters in Palm Beach County for no more than ten years. The distribution is 50% for the School Board, 30% for the County, and 20% to be distributed to the Municipalities. Accordingly, the Town established the Local Option Sales Tax Fund to account for these funds which will enable the Town to initiate at least a portion of long-overdue roadway improvement projects. In 2021, the total funds received were \$272,668. During the year, \$1,134,195 was transferred out from this fund to the Capital Improvement Fund for infrastructure improvements.

Capital Improvement Fund

The Capital Improvement Fund had an ending fund balance of \$375,352, which was a decrease of \$408,925 reflecting the increased spending during the year for capital projects.

Capital Assets

As of September 30, 2021, the Town's capital assets amounted to \$6,675,748 (net of accumulated depreciation). More details relating to capital assets can be found on Note 4 of the Notes to the Financial Statements.

Long Term Debt

During the year, the Town extinguished any remaining long-term debt, all of which was in the special revenue fund for the Water Control District.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The State of Florida, by constitution, does not have a state personal income tax and therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely upon property taxes and a limited array of permitted other taxes (sales, telecommunication, gasoline, utilities services, etc.) and fees (franchise, building permits, occupational license, etc.) for funding of their governmental activities. In addition, there are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments.

During 2007 the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments. The maximum tax levy allowed by a majority vote of the governing body is based on a percentage reduction applied to the prior year property tax revenue. The percentage reduction is calculated based on the compound annual growth rate in the per capita property taxes levied. The law allows local governments to adopt a higher millage rate based on the following approval of the governing body: 1) a majority vote to adopt a rate equal to the prior year rolled-back millage rate, plus an adjustment for growth in per capita personal income; 2) a two-thirds vote to adopt a rate equal to the prior year adjusted millage rate plus 10%; or 3) any millage rate approved by unanimous vote or referendum. Future property tax growth is limited to the annual growth rate of per capita personal income, which is currently 3% to 4%, plus the value of new construction.

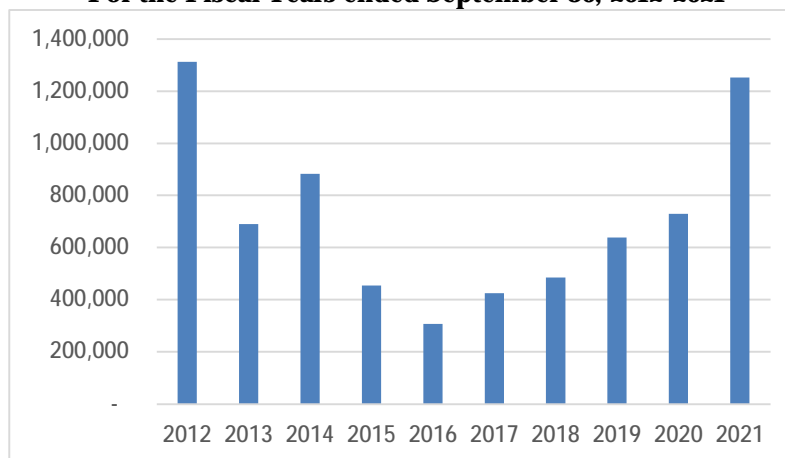
On January 29, 2008 the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption by another \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. Since the new \$25,000 homestead exemption does not apply to school district taxes, this effectively amounts to a \$15,000 increase to the existing homestead exemption. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property. Amendment 1 became effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which became effective on January 1, 2009.

Additional tax relief bills were introduced at the 2018 legislative session which could further limit the extent to which municipalities can levy taxes. Along with all Florida municipalities, the Town faces the unknown negative financial impact of a proposed constitutional amendment on the November 8, 2018 ballot which was approved, which created an additional \$25,000 exemption for homestead properties for the purposes of non-school (city, county and special district) property taxes. It has been estimated that the new homestead exemption will have a collective negative fiscal impact on all Florida cities, counties and special districts of roughly \$750 million in the first year growing to nearly \$820 million by the fifth year.

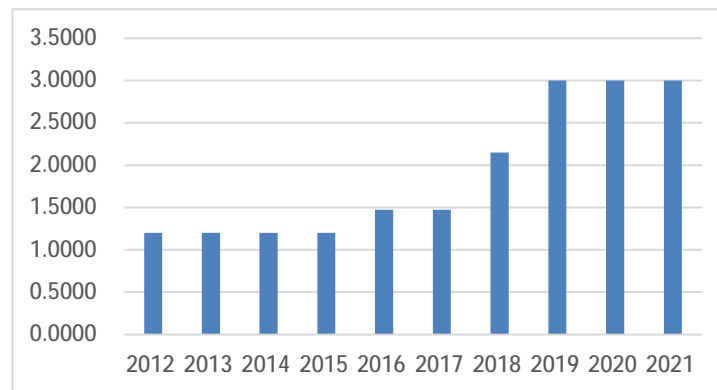
- Ø In setting its fiscal 2021-2022 and 2022-2023 budgets, the Town adopted a millage rate of 3.0000.
- Ø The Town of Loxahatchee Groves enjoyed increases in total assessed property value of over 14.7% for 2022.
- Ø Final revenues in the FY 2022 adopted General Fund budget were \$2.7 million (not including ARPA grant revenues of about \$1 million) about the same as the FY2021 actual revenues of \$2.9 million. Fiscal year 2022 budgeted expenditures increased in the same manner.

**General Fund Unassigned Surplus
For the Fiscal Years ended September 30, 2012-2021**



In 1995, the state of Florida limited all local governments' ability to increase property assessments of homestead property in any given year to 3 percent or cost of living, whichever is lower. The graph below shows the millage rates since 2012. The Town, just like many cities across the country, has to face the challenge of keeping taxes and service charges as low as possible while providing residents with the level of service they have come to expect.

**Town of Loxahatchee Groves Millage
For the Fiscal Years ended September 30, 2012-2021**



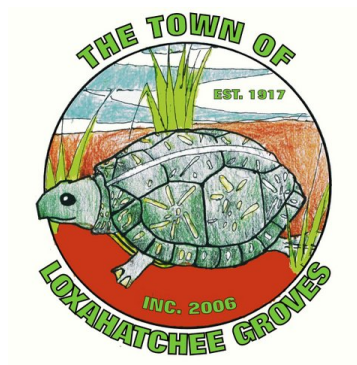
The operating millage rate for tax year 2021, which is collected in fiscal year 2022, is 3.0000 or \$3.00 per thousand dollars of taxable value. The operating millage rate remained the same as the prior fiscal year and resulted in a total property tax budget of \$1,119,902, an increase of \$77,894, or 7.0% from the property tax budget for the prior year due to increased property values. Historically, the rollback rate has always been lower than the existing rate. The Roads & Drainage Assessment and the Solid Waste Assessment rates have also remained unchanged for the past three fiscal years at \$200 per unit and \$450 per unit, respectively.

While property taxes are important, they represent only 21% of governmental funds revenue, excluding other financing sources and uses. Another 38% comes from local option taxes, utility service taxes, communication services taxes, franchise fees and state revenue sharing. Local business tax receipts, permits and fees, charges for services, fines and forfeitures, investment income and miscellaneous income total 39%, and grants total another 2%. To meet the demand of its residents as well as to comply with regulatory requirements, the Town leverages all of its resources and determines the need for operational changes and/or fee increases accordingly. The federal government, through its American Rescue Plan Act (ARPA) provided the Town nearly \$1.8 million in one-time funding that can be used for any traditional governmental purpose.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Loxahatchee Groves' finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager, 155 F Road, Loxahatchee Groves, Florida 33470.

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BASIC FINANCIAL STATEMENTS

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Statement of Net Position
September 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,276,873	\$ 220,132	\$ 3,497,005
Investments	968,751		968,751
Receivables			
Planning and zoning	268,221		268,221
Franchise and utility taxes	88,146		88,146
Due from other governments	101,572	50,272	151,844
Prepays	1,623		1,623
Capital assets			
Non-depreciable	564,282		564,282
Depreciable (net of depreciation)	6,111,466		6,111,466
Total assets	11,380,934	270,404	11,651,338
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	613,152		613,152
LIABILITIES			
Accounts payable	180,601	58,521	239,122
Due to other governments	43,029		43,029
Deferred revenue	899,784		899,784
Deposits for planning and zoning	119,903		119,903
Accrued interest payable			
Noncurrent liabilities			
Due within one year	58,997		58,997
Due in more than one year	383,945		383,945
Total liabilities	1,686,259	58,521	1,744,780
DEFERRED INFLOWS OF RESOURCES			
Pension related items	739,382		739,382
Unearned revenues	52,882		52,882
Total deferred inflows of resources	792,264		792,264
NET POSITION			
Net position			
Net investment in capital assets	6,675,748		6,675,748
Restricted for:			
Tree mitigation	153,635		153,635
Transportation	850,176		850,176
Roads and drainage	991,362		991,362
Unrestricted	844,642	211,883	1,056,525
Total net position	\$ 9,515,563	\$ 211,883	\$ 9,727,446

See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Statement of Activities
For the Year Ended September 30, 2021

Function / Program Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 1,129,525	\$ 337,781	\$ 40,141	\$	\$ (751,603)	\$	\$ (751,603)
Public safety	1,119,128				(1,119,128)		(1,119,128)
Physical environment	1,227,929	1,520,542		92,406	385,019		385,019
Interest expense	2,709				(2,709)		(2,709)
Total governmental activities	3,479,291	1,858,323	40,141	92,406	(1,488,421)		(1,488,421)
Business-type activities							
Sanitation	699,311	653,665	50,272			4,626	4,626
Total	\$ 4,178,602	\$ 2,511,988	\$ 90,413	\$ 92,406	(1,488,421)	4,626	(1,483,795)
General revenues							
Property taxes					1,042,008		1,042,008
Local option sales tax					272,580		272,580
Franchise fees					372,660		372,660
Utility taxes					442,871		442,871
Intergovernmental (unrestricted)					834,038		834,038
Miscellaneous revenue					31,020		31,020
Interest					4,336		4,336
Transfers					(77,950)	77,950	
Total general revenues and transfers					2,921,563	77,950	2,999,513
Change in net position					1,433,142	82,576	1,515,718
Net position, beginning of year, as restated					8,082,421	129,307	8,211,728
Net position, end of year					\$ 9,515,563	\$ 211,883	\$ 9,727,446

See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA

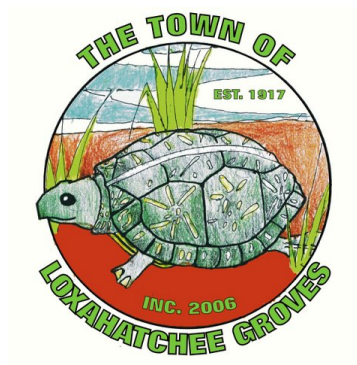
Balance Sheet
Governmental Funds
September 30, 2021

	Major Funds			
	General	Roads and Drainage	Transportation	Local Option Sales Tax
ASSETS				
Cash and cash equivalents	\$ 1,376,387	\$ 1,412,449	\$ 112,685	\$
Investments	140,423			828,328
Receivables				
Planning and zoning	268,221			
Franchise and utility taxes	88,146			
Due from other governments	41,356		31,969	28,247
Due from other funds	856,575			
Prepaid items	1,623			
Debt assessments receivable				
Total assets	<u>\$ 2,772,731</u>	<u>\$ 1,412,449</u>	<u>\$ 144,654</u>	<u>\$ 856,575</u>
LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 132,942	\$ 5,637	\$	\$
Accrued expenses	36,572	5,450		
Due to other funds				856,575
Due to other governments	43,029			
Deferred revenue	899,784			
Deposits for planning and zoning	119,903			
Total liabilities	<u>1,232,230</u>	<u>11,087</u>		<u>856,575</u>
Deferred inflows of resources				
Unearned revenue	52,882			
Total deferred inflows of resources	<u>52,882</u>			
Fund balances				
Nonspendable:				
Prepaid items	1,623			
Restricted for:				
Tree mitigation	153,635			
Transportation	80,000	410,000	144,654	
Roads and drainage		991,362		
Assigned for capital projects				
Assigned for subsequent year's budget	16,750			
Unassigned	1,235,611			
Total fund balances	<u>1,487,619</u>	<u>1,401,362</u>	<u>144,654</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,772,731</u>	<u>\$ 1,412,449</u>	<u>\$ 144,654</u>	<u>\$ 856,575</u>

Capital Improvement	Total
\$ 375,352	\$ 3,276,873
	968,751
	268,221
	88,146
	101,572
	856,575
	1,623
<u>\$ 375,352</u>	<u>\$ 5,561,761</u>
\$	\$ 138,579
	42,022
	856,575
	43,029
	899,784
	119,903
	<u>2,099,892</u>
	<u>52,882</u>
	<u>52,882</u>
	1,623
	153,635
215,522	850,176
	991,362
159,830	159,830
	16,750
	1,235,611
<u>375,352</u>	<u>3,408,987</u>
<u>\$ 375,352</u>	<u>\$ 5,561,761</u>

See notes to the financial statements

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TOWN OF LOXAHATCHEE GROVES
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position
September 30, 2021

Fund balances total governmental funds		\$ 3,408,987
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	\$ 10,870,907	
Less accumulated depreciation	<u>(4,195,159)</u>	6,675,748
Revenues earned but not collected within 60 days are not current financial resources and therefore, are not reported in the governmental fund.		
Unavailable revenue		
Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities at year end consist of:		
Net pension liability	(375,000)	
Compensated absences	<u>(67,942)</u>	(442,942)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:		
Pension related deferred outflows	613,152	
Pension related deferred inflows	<u>(739,382)</u>	<u>(126,230)</u>
Net position of governmental activities		<u><u>\$ 9,515,563</u></u>

See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended September 30, 2021

	Major Funds			
	General	Roads and Drainage	Transportation	Local Option Sales Tax
Revenues				
Property taxes	\$ 1,042,008	\$	\$	\$
Local option sales tax				272,580
Permits and franchise fees	401,256			
Utility service taxes	442,871			
Intergovernmental revenues	527,182		377,738	
Charges for services	479,185			
Maintenance assessments		1,496,476		
Debt assessments		266,441		
Miscellaneous revenue	31,020	57,158		
Interest	493	3,714	15	87
Total revenues	<u>2,924,015</u>	<u>1,823,789</u>	<u>377,753</u>	<u>272,667</u>
Expenditures				
Current				
General government	1,289,923			
Public safety	1,119,128			
Physical environment		1,071,158		
Debt service				
Principal		242,375		
Interest		3,945		
Capital outlay	8,821	10,345		
Total expenditures	<u>2,417,872</u>	<u>1,327,823</u>		
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>506,143</u>	<u>495,966</u>	<u>377,753</u>	<u>272,667</u>
Other financing sources				
Transfers in		210,000		
Transfers out	(77,950)		(707,500)	(1,134,195)
Total other financing sources	<u>(77,950)</u>	<u>210,000</u>	<u>(707,500)</u>	<u>(1,134,195)</u>
Net change in fund balances	428,193	705,966	(329,747)	(861,528)
Fund balances, beginning of year, as restated	<u>1,059,426</u>	<u>695,396</u>	<u>474,401</u>	<u>861,528</u>
Fund balances, end of year	<u>\$ 1,487,619</u>	<u>\$ 1,401,362</u>	<u>\$ 144,654</u>	<u>\$</u>

Capital Improvement	Total
\$	\$ 1,042,008
	272,580
	401,256
	442,871
	904,920
	479,185
	1,496,476
	266,441
	88,178
27	4,336
27	5,398,251
	1,289,923
	1,119,128
	1,071,158
	242,375
	3,945
2,040,647	2,059,813
2,040,647	5,786,342
(2,040,620)	(388,091)
1,631,695	1,841,695
	(1,919,645)
1,631,695	(77,950)
(408,925)	(466,041)
784,277	3,875,028
\$ 375,352	\$ 3,408,987

See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance of the Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2021

Net change in fund balances - total governmental funds \$ (466,041)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	\$ 2,049,263	
Donated land	35,248	
Less: current year depreciation	<u>(202,197)</u>	1,882,314

Revenues earned but not collected within 60 days are not current financial resources and therefore, are not reported in the governmental fund.

Grant revenues reported in current year		
Grant revenues reported in prior year	(30,741)	
Assessments reported in prior year	<u>(242,375)</u>	(273,116)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments on debt		242,375
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest	1,236	
Change in net pension liability and related deferred amounts	31,227	
Change in long-term compensated absences	<u>15,147</u>	<u>47,610</u>

Change in net position		<u><u>\$ 1,433,142</u></u>
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See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Statement of Net Position
Proprietary Fund
September 30, 2021

	<u>Sanitation Fund</u>
ASSETS	
Cash and cash equivalents	\$ 220,132
Due from other governments	<u>50,272</u>
Total assets	<u>270,404</u>
LIABILITIES AND NET POSITION	
Liabilities	
Accounts payable	<u>58,521</u>
Total liabilities	<u>58,521</u>
Net Position	
Unrestricted	<u><u>\$ 211,883</u></u>

See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Fund
For the Year Ended September 30, 2021

	Sanitation Fund
	<u> </u>
Operating revenues	
Charges for services	<u>\$ 653,665</u>
Operating expenses	
Solid waste contractor	691,960
Other expenses	7,351
Total operating expenses	<u>699,311</u>
Operating income	(45,646)
Nonoperating revenues	
Grant income	<u>50,272</u>
Income before transfers	4,626
Transfers in	<u>77,950</u>
Change in net position	82,576
Net position, beginning of year	<u>129,307</u>
Net position, end of year	<u><u>\$ 211,883</u></u>

See notes to the financial statements

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Statement of Cash Flows
Proprietary Fund
For the Year Ended September 30, 2021

	Sanitation Fund
Cash flows from operating activities:	
Receipts from customers and users	\$ 653,665
Payments to suppliers	(692,447)
Operating grants	93,288
Net cash from by operating activities	<u>54,506</u>
Cash flows from non-capital financing activities:	
Payments from other funds	<u>77,950</u>
Net increase in cash and cash equivalents	132,456
Cash and cash equivalents, beginning of year	<u>87,676</u>
Cash and cash equivalents, end of year	<u><u>\$ 220,132</u></u>
Cash flows from operating activities	
Operating loss	\$ (45,646)
Operating grants	50,272
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in due from other governments	43,016
Increase in accounts payable	<u>6,864</u>
Net cash used by operating activities	<u><u>\$ 54,506</u></u>

See notes to the financial statements

NOTES TO BASIC FINANCIAL STATEMENTS

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Loxahatchee Groves, Florida (the “Town”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town’s significant accounting policies are described below.

Reporting Entity

The Town was incorporated on November 1, 2006, as a municipal corporation, in accordance with Chapter 2006-328 under the Laws of the State of Florida, and was established to conduct a government, perform municipal functions, and provide services to its citizens, as provided by the Constitution of the State of Florida. The Town operates under a Council-Manager form of government. The Town Council is responsible for legislative and fiscal control of the Town. A Town Manager is appointed by the Town Council and is responsible for the administration of all Town affairs placed in the manager's charge by charter or action of the Town Council.

As required by generally accepted accounting principles, these financial statements include the Town (the primary government) and its component units. Component units are legally separate entities for which the Town is financially accountable. The Town is financially accountable if:

1. it appoints a voting majority of the organization’s governing board and (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town,
- or
2. the organization is fiscally dependent on the Town and (1) there is a potential for the organization to provide specific financial benefits to the Town or (2) impose specific financial burdens on the Town.

Organizations for which the Town is not financially accountable are also included when doing so is necessary in order to prevent the Town’s financial statements from being misleading.

Based upon application of the above criteria, the Town of Loxahatchee Groves has determined that the Loxahatchee Groves Water Control District of Palm Beach County, Florida (District) is the only legally separate entities to consider as a potential component unit.

Although the District is legally separate from the Town, effective June 26, 2018, the District became a dependent district of the Town of Loxahatchee Groves, Florida with the Town Council acting as the Board of Supervisors, therefore the District meets the first test of financial accountability. The District does not issue separate financial statements and is reported as a blended component unit as the Roads and Drainage Fund, a special revenue fund type.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements, except for inter-fund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. The Town does not accrue property tax revenues since the collection of these taxes coincides with the fiscal year in which levied, and since the Town consistently has no material uncollected property taxes at year end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough afterwards to pay liabilities of the current period.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental Funds (Continued)

The Town considers revenues collected within 60 days of the year end to be available to pay liabilities of the current period.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relating to compensated absences and claims and judgments are recorded only when payment is due. Property taxes, franchise taxes, licenses, interest revenue, intergovernmental revenues, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

The Town reports the following special revenue funds. The Transportation Fund accounts for revenues that are restricted for transportation related expenditures. The Local Option Sales Tax Fund accounts for local option sales taxes that are restricted for infrastructure related expenditures. The Roads and Drainage Fund accounts for the operations of the Town's dependent special district.

The Capital Improvement Fund is a capital projects fund to account for long-term capital projects of the Town.

Proprietary Fund

The Town reports one major proprietary fund the Sanitation Fund to account for the Town's garbage and trash collection services, which are financed primarily by user charges.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's Sanitation Fund are charges to customers for sales and services. Operating expenses for the Enterprise Fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include amounts on deposit in demand accounts, money market accounts and certificate of deposits.

Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers all short-term investments that are highly liquid to be cash equivalents. Cash equivalents are readily convertible to a known amount of cash, and at the day of purchase, have a maturity date no longer than three months.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items in governmental funds are accounted for using the consumption method.

Interfund Transactions

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to” or “due from other funds”. Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Transfers and interfund balances totally within governmental activities and those that are totally within business-type activities are eliminated and not presented in the government-wide financial statements. Transfers and balances between governmental and business-type activities are presented in the government-wide financial statements.

Capital Assets

Capital assets are reported in the government-wide financial statements. Capital assets, excluding infrastructure assets, are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value.

Depreciation has been provided over the useful lives using the straight line method. The estimated useful lives are as follows:

Equipment	4 to 10 years
Buildings	15 to 40 years
Infrastructure	5 to 50 years

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

It is the Town's policy to permit employees to accumulate, within certain limits, earned but unused paid time off benefits, which will be paid to employees upon separation from the Town's service. The Town uses the vesting method to accrue paid time off for employees who are eligible to receive payments upon separation, as well as those expected to become eligible in the future. A liability for accrued compensated absences of the governmental activities is not reported in the balance sheet of the governmental funds and, accordingly, represents a reconciling item between the fund and government-wide presentations.

Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental fund only if they have matured.

Deferred Outflow of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows for pension items in connection with its participation in the Florida Retirement System in the government-wide statement of net position. These deferred pension charges are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods.

Deferred Inflow of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. There are three types of items that qualify for reporting in this category:

1. Pension items in connection with the Town's participation in the Florida Retirement System are reported in the government-wide statement of net position. These deferred pension charges are amortized in a systematic and rational method as pension expense in future periods.
2. Business tax receipts that are received by the Town prior to the period for which the taxes are levied are reported as deferred inflows on both the government-wide statement of net position and on the governmental funds balance sheet.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflow of Resources (Continued)

3. Special assessments that are not received within 60 days of the end of the fiscal year do not meet the availability criterion of the modified accrual basis of accounting, and therefore are reported as deferred inflows only on the governmental funds balance sheet.

Assessments

Maintenance assessments are non-ad valorem assessments on all platted lots within the District. Assessments are levied each November 1 on property as of the previous January 1 to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Debt assessments are non-ad valorem assessments on certain benefited property within the District. Debt assessments were levied over ten years to pay for the debt service related to the Series 2011 Note which was issued to pay for four roadway pavement projects and a roadway bridge culvert crossing. Debt assessments receivable recorded in the Roads and Drainage Fund represent the balance of outstanding assessments levied by the Town to repay the outstanding debt. Debt assessments receivable are collected in annual installments in amounts sufficient to meet the annual debt service requirements in the same manner as maintenance assessments. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts of assets, deferred outflows and inflows, liabilities, disclosure of contingent liabilities, revenues, and expenditures/expenses reported in the financial statements and accompanying notes. These estimates include assessing the collectability of receivables and the useful lives of capital assets. Although those estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

Net position is the residual of all other elements presented in a statement of financial position. Net position is displayed in three categories: 1) net investment in capital assets, 2) restricted, 3) unrestricted. Net position invested in capital assets consist of capital assets reduced by accumulated depreciation. Net position is reported as restricted when there are legal limitations imposed on their use by Town legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net position consist of all net position that does not meet the definition of either of the other two components.

Fund Equity

There are five possible classifications of fund balance:

- Nonspendable fund balance represents amounts that are not in spendable form or are legally or contractually required to be maintained intact.
- Restricted fund balance represents amounts that can be spent only for specific purposes stipulated by external providers (e.g. creditors, grantors, contributor, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance represents amounts that can be used only for the specific purposes pursuant to constraints imposed by Town Council by the adoption of an ordinance, the Town's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by the adoption of an ordinance.
- Assigned fund balance includes spendable fund balance amounts that are intended to be used for specific purposes that are considered neither restricted nor committed. In accordance with the Town's fund balance policy, the Town Council or Town Manager may make assignments.
- Unassigned fund balance is the residual fund balance classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. The Town will first use committed fund balance, then assigned fund balance, and then unassigned fund balance when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned Fund Balance/Unrestricted Net Position

Maintaining an adequate fund balance or net position is essential to the Town's financial health. The unassigned fund balance and unrestricted net position will be considered adequate between a minimum of 25% and a maximum of 30% of the current year's operating appropriations, including transfers, for the General Fund; and minimum of 0% and a maximum of 25% of the current year's operating appropriations, including transfers, will be considered adequate unrestricted net position for the Enterprise Funds.

In the event that sufficient unassigned fund balance/unrestricted net position targets are not met, a proposed revenue enhancement and/or service level reduction plan to achieve the target will be submitted to the Council for the subsequent year budget consideration. The replenishment to the expected minimum level shall be completed within five years.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Data

The Town follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 1, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of two resolutions – one establishing a milage rate and another adopting the final budget.
4. The Town prepares and adopts budgets for the General Fund, Roads and Drainage Fund, Local Option Sales Tax Fund, and Transportation Fund. No differences exist between the budgetary and GAAP basis of accounting. Budgeted amounts are as originally adopted, or as amended by the Town Council. If, at any time during the fiscal year, it appears probable to the Town Manager that the revenues available will be insufficient to meet the amount appropriated, the Town Manager shall report to the Council without delay, indicating the estimated amount of the deficit, any remedial action taken, and recommendations as to any other steps that should be taken. The Council shall then take such further action as it deems necessary to prevent or minimize any deficit and, for that purpose, the council may by resolution reduce one or more appropriations accordingly.

TOWN OF LOXAHATCHEE GROVES, FLORIDA

Notes to the Financial Statements

September 30, 2021

Item 4.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Data (Continued)

The legal level of control (level of which expenditures may not exceed the budget) is at the fund level for the General Fund, Roads and Drainage Fund, Local Option Sales Tax Fund, and Transportation Fund.

5. Appropriations along with encumbrances lapse on September 30.
6. During the fiscal year ended September 30, 2021, there was one supplemental appropriation.

At September 30, 2021, there were \$16,750 of encumbrances in the General Fund and \$16,750 in the Roads and Drainage Fund.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide.

The tax levy of the Town is established by the Town Council prior to October 1 of each year, and the Palm Beach County Property Appraiser incorporates the Town's millages into the total tax levy, which includes Palm Beach County and Palm Beach County School Board tax requirements. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax rate for the Palm Beach County Fire/Rescue Municipal Service Taxing Unit (MSTU) is included in the 10 mills. On September 30, 2021, the MSTU millage rate was 3.4581 mills and the millage rate assessed by the Town was 3.0 for a total of 6.4581 mills (\$6.4581 per \$1,000 of taxable assessed valuation).

All property is reassessed according to its fair market value January 1 of each year, which is also the lien date. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuations for Ad Valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all the appropriate requirements of state statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. Taxes may be paid less a discount beginning November 1. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Property Taxes (Continued)

The taxes paid in March are without discount. All unpaid taxes become delinquent on April 1, following the year in which they are assessed. On or prior, to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After the sale, tax certificates bear interest of 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five year statute of limitations.

NOTE 3 - CASH AND INVESTMENTS

Deposits

As of September 30, 2021, the carrying amounts of the Town's deposits were \$3,496,704 and the bank balances totaled \$4,388,340. All cash deposits are covered by FDIC insurance or the multiple financial institution collateral pool administered by the State of Florida. The collateral pool was created pursuant to the Florida Security for Deposits Act, Chapter 280, Florida Statutes. The Town also had \$300 of petty cash.

The collateral pool consists of assets pledged to the State Treasurer by financial institutions that comply with the requirements of Florida Statutes and have been thereby designated as "qualified public depositories". Therefore, the Town's entire bank balance \$4,388,340 is insured either by Federal depository insurance or is collateralized with securities pursuant to the Florida Security for Public Deposits Act. The Town's deposits at year end are considered insured for custodial credit risk purposes.

Investments

The Town adopted an investment policy on August 5, 2008, which is consistent with the requirements of State Statute 218.415. In accordance with Section 218.415 of the Florida Statutes, the Town is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities and in the Local Government Surplus Trust Funds administered by the State Board of Administration (SBA). The policy was subsequently amended to include the Florida Municipal Investment Trust administered by the Florida League of Cities.

The Florida Municipal Investment Trust (FMIVT) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 3 - CASH AND INVESTMENTS (Continued)

Investments (Continued)

The FMIvT is a Local Government Investment Pool and is considered an external investment pool for GASB reporting purposes. The Town reports its investment in the FMIvT at fair value in accordance with the GASB 72 fair value hierarchy.

GASB 72 requires governments to disclose the fair value hierarchy for each type of asset or liability measured at fair value in the notes to the financial statements. The standard also requires governments to disclose a description of the valuation techniques used in the fair value measurement and any significant changes in valuation techniques. GASB 72 establishes a three-tier fair value hierarchy. The hierarchy is based on valuation inputs used to measure the fair value as follows:

- Level 1: Inputs are directly observable, quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs are other than quoted prices included within Level 1 that are for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means.
- Level 3: Inputs are unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable.

The level in which an asset is assigned is not indicative of its quality but an indication of the source of valuation inputs.

As of September 30, 2021, the Town had \$968,751 invested in the FMIvT 0-2 Year High Quality Bond Fund, which was categorized as Level 2 and was valued using a matrix pricing technique. Matrix pricing values securities based on the securities relationship to benchmark quoted prices. The weighted average maturity was 0.8 years and the fund was rated AAAs/S1 by Fitch.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town's investment policy states that interest rate risk will be minimized by:

1. Structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 3 - CASH AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk (Continued)

2. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021, was as follows:

Primary Government Governmental Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 529,034	\$ 35,248	\$	\$ 564,282
Construction in progress	1,250,594	52,589	(1,303,183)	
Capital assets being depreciated:				
Buildings	563,256			563,256
Equipment	1,159,934	19,166		1,179,100
Infrastructure	5,283,578	3,280,691		8,564,269
Total at historical cost:	8,786,396	3,387,694	(1,303,183)	10,870,907
Less accumulated depreciation for:				
Buildings	(131,623)	(14,581)		(146,204)
Equipment	(809,456)	(74,221)		(883,677)
Infrastructure	(3,051,883)	(113,395)		(3,165,278)
Total accumulated depreciation	(3,992,962)	(202,197)		(4,195,159)
Governmental activities capital assets, net	\$ 4,793,434	\$3,185,497	\$(1,303,183)	\$ 6,675,748

Depreciation expense of \$16,156 was charged to the general government function and \$186,041 was charged to the physical environment functions of the Town.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 5 – LONG-TERM LIABILITIES

Series 2011

On December 20, 2011, the District issued a \$2.6 million Special Assessment Promissory Note, Series 2011, to BankUnited. The Note bears interest at 3.06% and is secured by all of the pledged assessments from the benefiting properties. Interest will accrue on this Note and shall be payable on February 1 and August 1 of each year, commencing February 1, 2012. Principal will be payable in ten annual installments on August 1 of each year, commencing August 1, 2013. The proceeds of the Note will be used to fund four roadway pavement projects, a roadway bridge culvert crossing, and the cost of issuing the Note (the “Project”).

On August 14, 2012, the District and BankUnited entered into the first amendment to the Loan Agreement, whereby it was determined that the Benefited Property will be benefited by each of the five subprojects. Therefore, the District covenants that it has and will cause the Special Assessments to be levied and collected each year, commencing with the fiscal year beginning October 1, 2012 in such amounts as shall produce an amount at least sufficient to pay the principal and interest on the Note as they become due and payable. The District may, however, also use funds received from other sources to pay debt service; however, the receipt of such moneys by the District shall not diminish, or otherwise affect the assessment of benefits against each parcel of the benefited property or the District’s obligation under the loan agreement. Assessments to service the debt were levied for current fiscal year and included on the tax roll.

The final payment was made in the current fiscal year.

Changes in Long-Term Liabilities

The following is a summary of changes in the long-term liabilities during the fiscal year.

	October 1, 2020	Additions	Deletions	September 30, 2021	Current
Note payable	\$ 242,375	\$	\$ (242,375)	\$	\$
Compensated absences	83,089	45,427	(60,574)	67,942	58,997
Net pension liability	1,072,696		(697,696)	375,000	
	<u>\$ 1,398,160</u>	<u>\$ 45,427</u>	<u>\$ (1,000,645)</u>	<u>\$ 442,942</u>	<u>\$ 58,997</u>

Compensated absences and net pension liabilities are expected to be paid out of the General and Roads and Drainage funds.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 6 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

At September 30, 2021, the amount of OPEB liabilities of the Town were not significant, therefore no liability or expense was recorded.

NOTE 7 – FLORIDA RETIREMENT SYSTEM

General Information

All full-time employees participate in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees.

The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the Florida Retirement System Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost sharing multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or calling toll free at 877-377-1737. The report is also available at the Florida Department of Management Services web site www.dms.myflorida.com.

Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRSP) and the Florida Retirement System Health Insurance Subsidy Program and additions to/deduction from the FRSP and HIS fiduciary net position have been determined on the same basis as they are reported by FRSP and HIS.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Significant Accounting Policies (Continued)

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension Plan

Plan Description

The FRS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class
- Senior Management Service Class

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service.

Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Benefits Provided (Continued)

The following table shows the percentage value for each year of service credit earned:

Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Special Risk Class	
Service from December 1, 1970 through September 30, 1974	2.00%
Service on or after October 1, 1974	3.00%
Senior Management Service Class	2.00%

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Contributions (Continued)

The employer contribution rates by job class For the fiscal year ended September 30, 2021 were as follows:

Class	10/1/20 through 6/30/21	07/01/21 through 09/30/21
Regular Class	10.00%	10.82%
Senior Management Service Class	27.29%	29.01%
Special Risk Class	24.45%	25.89%
DROP	16.98%	18.34%

Except for the DROP, the employer contribution rates include a 1.66% HIS Plan subsidy. The rates also include 0.06% for administrative costs of the Public Employee Optional Retirement Program.

For the fiscal year ended September 30, 2021, the Town made contributions of \$39,460 to the Pension Plan and the Town's employees made contributions of \$7,777, for total contributions of \$47,237.

Pension Liabilities and Pension Expense

At September 30, 2021, the Town reported a liability of \$146,815 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The Town's proportionate share of the net pension liability was based on the Town's 2020-2021 plan year contributions relative to the 2020-2021 plan year contributions of all participating members. At June 30, 2021, the Town's proportionate share was 0.001943573 percent, which was an increase of 0.000026825 percent from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the Town recognized pension expense of \$36,864 related to the Plan.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Deferred Outflows and Inflows of Resources Related to Pensions

The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Outflows of Resources	Inflows of Resources
Difference between expected and actual experience	\$ 25,164	\$ -
Change of assumptions	100,458	
Net difference between projected and actual earnings on Pension Plan investments		512,200
Change in proportion and differences between Town Pension Plan contributions and proportionate share of contributions	293,490	125,074
Pension Plan contributions subsequent to the measurement date	25,437	
Total	\$ 444,549	\$ 637,274

The deferred outflows of resources totaling \$25,437 resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2022	\$ (30,929)
2023	(39,686)
2024	(61,364)
2025	(88,045)
2026	1,862
Thereafter	-
	\$ (218,162)

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2021
Measurement date	June 30, 2021
Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation
Mortality	PUB2010 base table varies by member category and sex Projected generationally with Scale MP-2018
Actuarial cost method	Individual Entry Age

The actuarial assumptions used in the July 1, 2021, valuation were based on the certain results of an actuarial experience study of the FRS for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return assumption of 6.80% consists of two building block components: 1) a real return of 4.30%, consistent with the capital market outlook model developed during 2021 by the outside investment consultant to the Florida State Board of Administration; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2021 by the FRS Actuarial Assumption Conference.

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	(1) Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate (Property)	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
Total	<u>100.0%</u>			
Assumed Inflation - Mean			2.40%	1.20%

(1) As outlined in the Pension Plan's investment policy

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.80%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Proportionate share of the net pension liability	\$ 656,566	\$ 146,815	\$ (279,280)

Pension Plan Fiduciary Net Position

Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan

At September 30, 2021, the Town did not have a payable for outstanding contributions to the Pension Plan for the fiscal year ended September 30, 2021.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program

Plan Description

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the HIS contribution was 1.66%. The Town contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Town's contributions to the HIS Plan totaled \$11,906 for the fiscal year ended September 30, 2021.

Pension Liabilities and Pension Expense

At September 30, 2021, the Town reported a liability of \$228,185 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Pension Liabilities and Pension Expense (Continued)

The Town's proportionate share of the net pension liability was based on the Town's 2020-2021 plan year contributions relative to the 2020-2021 plan year contributions of all participating members. At June 30, 2021, the Town's proportionate share was 0.001860232 percent, which was a decrease of 0.000121355 percent from its proportionate share measured as of June 30, 2021.

For the fiscal year ended September 30, 2021, the Town recognized pension expense of \$22,889.

Deferred Outflows and Inflows of Resources Related to Pensions

In addition the Town reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Outflows of Resources	Inflows of Resources
Difference between expected and actual experience	\$ 7,636	\$ 96
Change of assumptions	17,930	9,402
Net difference between projected and actual earnings on Pension Plan investments	238	
Change in proportion and differences between Town Pension Plan contributions and proportionate share of contributions	138,948	92,610
Pension Plan contributions subsequent to the measurement date	3,851	
Total	<u>\$ 168,603</u>	<u>\$ 102,108</u>

The deferred outflows of resources totaling \$3,851 resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2021.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2022	\$ 11,241
2023	7,888
2024	9,938
2025	14,601
2026	16,100
Thereafter	2,876
	<u>\$ 62,644</u>

Actuarial Assumptions

The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2020
Measurement date	June 30, 2021
Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.16%
Long-term expected rate of return	N/A
Mortality	Generational PUB-2020 with Projection Scale MP-2018
Actuarial cost method	Individual Entry Age

For the July 1, 2021 valuation date the municipal bond rate changed from 2.21% to 2.16%.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 2.16%, which decreased from the discount rate of 2.21% as of June 30, 2020. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date.

Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the Town's proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Proportionate share of the net pension liability	\$ 263,804	\$ 228,185	\$ 199,004

Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan

At September 30, 2021, the Town did not have a payable for outstanding contributions to the HIS Plan for the fiscal year ended September 30, 2021.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Summary Data

The following table provides a summary of significant information related to the Florida Retirement System defined benefit plans for the year ended September 30, 2021.

Description	Pension Plan	HIS Plan	Total
Proportionate share of total pension liability	\$ 4,074,430	\$ 236,605	\$ 4,311,035
Proportionate share of plan fiduciary net position	3,927,615	8,420	3,936,035
Proportionate share of net pension liability	146,815	228,185	375,000
Proportionate share of deferred outflows of resources	444,549	168,603	613,152
Proportionate share of deferred inflows of resources	637,274	102,108	739,382
Pension expense	36,864	22,889	59,753

Investment Plan

Plan Description

The Florida Retirement System Investment Plan is a defined contribution retirement plan qualified under Section 401(a) of the Internal Revenue Code. The Florida Legislature enacted the Plan during the 2000 legislative session, and amendments to the Plan can only be made by an act of the Florida Legislature. The Plan is administered by the State Board of Administration of Florida. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Town employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

TOWN OF LOXAHATCHEE GROVES, FLORIDA

Notes to the Financial Statements

September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Investment Plan (Continued)

Funding Policy

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Officers, etc.), as the defined benefit Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

Participating employers are required to make contributions based upon statewide contributions rates. The contribution rates by job class for the Town's employees for the fiscal year ended September 30, 2021, are as follows:

Class	10/1/20 through 6/30/21	07/01/21 through 09/30/21
Regular Class	10.00%	10.82%
Senior Management Service Class	27.29%	29.01%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Town.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump sum distribution, leave the funds invested for future distribution, or any combination of these options.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Investment Plan (Continued)

Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Town's Investment Plan pension expense totaled \$56,938 for the fiscal year ended September 30, 2021.

NOTE 8 - INTERFUND ACTIVITY

Due from/to other funds

The due to General Fund of \$856,575 from the Local Option Sales Tax Fund are for cash flow purpose.

Transfers

Interfund transfers during the year ended September 30, 2021, are as follows:

The \$77,920 from the General Fund to the Sanitation fund was for cash flow purposes. The \$210,00 from the Transportation Fund to the Roads and Drainage Fund, the \$497,500 from the Transportation Fund to the Capital Improvement Fund, and the \$1,134,195 to the Capital Improvement Fund were all to fund projects.

NOTE 9 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town has joined with other municipalities in the State participating in the Florida League of Cities Municipal Self Insurance Program, (the Program) a public entity risk pool currently operating as a common risk management and insurance program. The inter-local agreement with the Florida League of Cities Municipal Self Insurance Program provides that the Program will be self-sustaining through member premiums and will reinsure through commercial companies.

Florida Statutes limit the Town's maximum loss for most liability claims to \$200,000 per person and \$300,000 per occurrence under the Doctrine of Sovereign Immunity. However, under certain circumstances, a plaintiff can seek to recover damages in excess of statutory limits by introducing a claims bill to the Florida Legislature. The limits addressed in Florida Statutes do not apply to claims filed in Federal courts. There have been no significant reductions in insurance coverage in the prior year. No settlements exceeded insurance coverage for the past three years.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 9 - RISK MANAGEMENT (Continued)

The Town is a defendant in various lawsuits arising in the ordinary course of normal operations. Although the ultimate outcome of these lawsuits cannot be determined at the present time, it is the opinion of legal counsel that the likelihood of unfavorable outcome and the amounts of potential losses cannot be reasonably determined for all claims at this time.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Interlocal Agreements with Palm Beach County

In 2007, the Town entered into two interlocal agreements with Palm Beach County (the County) for zoning services and land development services within the municipal limits of the Town. The County will provide the same level of service to the Town as it provides its unincorporated areas and collect fees and surcharges from applicants for the services. Oversight of the County's performance of these public services will be performed by the Town Manager. Both agreements automatically renew each year unless either party notifies the other, in writing, of the other party's desire to terminate all or part of the agreements six months in advance, but no later than April 1 of the previous fiscal year.

Agreement with Palm Beach County for Law Enforcement Services

On June 6, 2017, the Town executed a new agreement with Palm Beach County for law enforcement services, for an annual amount of \$610,000 for the fiscal year ending September 30, 2018. Absent a notice of termination, the agreement renews annually subject to the costing proposal by the Sheriff. Effective October 1, 2018, the first amendment to the contract was for an annual amount of \$622,200 for the fiscal year ending September 30, 2020. The second amendment was approved September 27, 2019 for an additional twelve months at the same amount. The third amendment was approved September 8, 2020 for an additional twelve months at the same amount. The fourth amendment was approved August 8, 2021 for an additional twelve months at the same amount.

Fire Protection and Emergency Medical Services

The Town has opted into the County's Fire-Rescue Municipal Services Taxing Unit ("MSTU") for the provision of fire rescue, fire protection, and related services from the County. The tax for the MSTU is included in the maximum 10 mills the Town is legally allowed to assess. On September 30, 2021, the MSTU millage rate was 3.4581 mills.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 10 - COMMITMENTS AND CONTINGENCIES (Continued)

Solid Waste and Recycling Collection Franchise Agreement

In September 2019, the contract for waste and recycling collection services was awarded to Coastal Waste & Recycling of Palm Beach County, LLC effective October 1, 2019 through December 31, 2026. There are two renewal options in this agreement each for an additional two-year period. The contract also grants the contractor the exclusive right to provide service directly to commercial operations. The contract provides for the ability to adjust rates; accordingly, commercial rates were increased to market values based on local rates for commercial solid waste services in neighboring municipalities effective October 1, 2021 resulting in a corresponding decrease in residential rates to \$425 per unit effective January 1, 2022.

Lines of Credit

On December 10, 2020, the Town entered into a \$500,000 Emergency Revolving Line of Credit with Bank United, at a variable interest rate equal to Prime Rate, but not less than 3.25% adjusted on the 1st day of each month. The Emergency Revolving Line of Credit is to provide emergency funds until such time as FEMA or State proceeds are received or is to be repaid by budgeted non-ad valorem revenues. The Emergency Revolving Line of Credit is valid for twelve months unless renewed. There have been no draws on the line of credit.

On June 7, 2022, the line was renewed for an additional thirty-six months at an interest rate of the Bank United Prime Rate.

Approved Bonds

On March 15, 2017, a referendum to use gas tax funds and if necessary, infrastructure sales tax funds, in support of issuing bonds in an amount not to exceed \$6,000,000 for new road construction was approved. On June 6, 2017, the Town Council approved Resolution No. 2017-31 authorizing the issuance of Roadway Improvement Revenue Bonds not exceeding \$6,000,000 and pledging the Town's Gas Tax Revenues and Sales Surtax Revenues; however, no Bonds have been issued as of March 8, 2023.

On March 12, 2019, a referendum authorizing the issuance of Bonds not to exceed \$4,000,000 to finance the fifty percent owner contribution portion of the costs of roadway improvements to be repaid by special assessments from the affected property owners, known as the 50% bonds; however, no Bonds have been issued as of March 8, 2023.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 10 - COMMITMENTS AND CONTINGENCIES (Continued)

Building and Code Services

The Town entered into a contract with SAFEbuilt effective August 1, 2021 to provide “turnkey” building and code services, replacing the interlocal agreement with Palm Beach County for building permitting and inspections as of January 3, 2022. In order for the Town to establish its own permitting and inspection’s function, the Town adopted the Florida Building Code as well as local amendments allowed by Section 553.73(4)(a), Florida Statutes. The local amendments included in the ordinance are generally those adopted by Palm Beach County, along with inclusion by reference of certain Town codes significant to the building function such as Agricultural Uses, Floodplain Management, Tree Mitigation and Land Clearing. Concurrent with adoption of the building code, the Town also adjusted and amended its schedule of rates, fees and charges for planning, zoning, permitting, code enforcement and other services to encompass all services provided by the Town, including those previously provided by the County. The contract with SAFEbuilt provides for payment to be made to the contractor for permitting services based on 90% of revenues while code services are at an hourly rates of \$75 per hour for annualized estimated net total cost of approximately \$133,000 in the first year.

Subsequent Events

The Town entered major agreements or commitments exceeding \$200,000 each with various vendors or various projects, each paid from budgeted funds subsequent to fiscal year end. Summary of the agreements and the amount committed or actually spent through March 8, 2023, are as follows:

Vendor	Amount Spent or Committed	Nature of Commitment or Expenditure	Date Commitment Began
Ranger Construction	1,105,385	Roadway Resurfacing	11/1/2022
Bank United	500,000	Emergency Letter of Credit	6/7/2022
Hardrives	447,267	OGEM Repair and Overlay Program	10/5/2021
Wynn and Sons			
Environmental Construction			
Company, Inc	421,600	Speed tables and strping	11/1/2022
Johnson Davis Inc	391,700	Culvert Replacement	11/1/2022
Dobbs Equipment	238,690	Road Grader	6/7/2022
		Building and Code Services	4/5/2022 and
Safebulit Florida LLC	232,390		12/6/22
		Road Rock	10/18/2021 and
Palm Beach Aggregatess	230,732		12/6/22

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 11 – PRIOR PERIOD ADJUSTMENTS

The beginning net position of the Governmental Activities and the beginning fund balance of the Roads and Drainage fund were restated to correct \$38,240 which was overstatement of accounts payable and expenses. This adjustment increased the change in net position and change in fund balance by \$38,240 for the prior year and had no impact on the current year change in net position.

	Balance as previously reported	Restatement	Balance as restated
Net position of Governmental Activities	\$ 8,044,181	\$ 38,240	\$ 8,082,421
Fund balance of Roads and Drainage fund	\$ 657,156	\$ 38,240	\$ 695,396

NOTE 12 – NEW ACCOUNTING STANDARDS

A brief description of the new accounting pronouncement that might have a significant impact on the Town's financial statements is presented below. Management is currently evaluating the impact of adoption of this statement in the Town's financial statements.

In May 2017 the GASB issued Statement No. 87, Leases. This Statement will increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting that is based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement is effective for the fiscal year ending September 30, 2022.

In January 2020 the GASB issued Statement No. 92, Omnibus 2020. This Statement will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. This Statement addresses a variety of topics. The requirements of this Statement related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The remaining requirements are effective for the fiscal year ending September 30, 2022.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Notes to the Financial Statements
September 30, 2021

Item 4.

NOTE 12 – NEW ACCOUNTING STANDARDS (Continued)

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement is effective for the fiscal year ending September 30, 2023.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years ending September 30, 2024, and all reporting periods thereafter. Earlier application is encouraged

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The requirements of this Statement are effective for fiscal years ending September 30, 2025, and all reporting periods thereafter. Earlier application is encouraged.

REQUIRED SUPPLEMENTARY INFORMATION

(Other Than MD&A)

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplementary Information (RSI)
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended September 30, 2021

	Budget Amounts		Actual	
	Original	Final Revised	Amounts	Variance
Revenues				
Property taxes	\$ 1,031,798	\$ 1,031,798	\$ 1,042,008	\$ 10,210
Permits and franchise fees	327,000	377,000	401,256	24,256
Utility service taxes	387,000	407,000	442,871	35,871
Intergovernmental revenues	324,500	324,500	527,182	202,682
Charges for services	86,500	356,500	479,185	122,685
Fines and forfeitures	17,000	17,000		(17,000)
Miscellaneous revenue	10,000	10,000	31,020	21,020
Interest	5,000	5,000	493	(4,507)
Total revenues	2,188,798	2,528,798	2,924,015	395,217
Expenditures				
General government				
Town council	129,950	175,950	158,860	17,090
Town manager	690,500	771,500	730,750	40,750
Financial services	180,100	180,100	73,043	107,057
Legal services		35,000	175,829	(140,829)
Communications and Technology	100,000	68,000	38,826	29,174
Other general government	96,500	86,500	121,436	(34,936)
Total general government	1,197,050	1,317,050	1,298,744	18,306
Public safety				
Police	624,000	622,200	622,200	
Planning and zoning	208,000	510,000	397,176	112,824
Code enforcement	10,000	10,000	99,752	(89,752)
Total public safety	842,000	1,142,200	1,119,128	23,072
Total expenditures	2,039,050	2,459,250	2,417,872	41,378
Excess (deficiency) of revenues over (under) expenditures	149,748	69,548	506,143	436,595
Other financing sources				
Transfers out	(149,748)	(69,548)	(77,950)	(8,402)
Total other financing sources	(149,748)	(69,548)	(77,950)	(8,402)
Net change in fund balance	\$	\$	428,193	\$ 428,193
Fund balance, beginning of year			1,059,426	
Fund balance, end of year			\$ 1,487,619	

TOWN OF LOXAHATCHEE GROVES
Required Supplementary Information (RSI)
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Roads and Drainage Fund
For Year Ended September 30, 2021

	Budget Amounts		Actual	
	Original	Final Revised	Amounts	Variance
Revenues				
Maintenance assessments	\$ 1,483,165	\$ 1,483,165	\$ 1,496,476	\$ 13,311
Debt assessments	310,000	310,000	266,441	(43,559)
Miscellaneous revenue	2,000	2,000	57,158	55,158
Interest	5,700	5,700	3,714	(1,986)
Total revenues	<u>1,800,865</u>	<u>1,800,865</u>	<u>1,823,789</u>	<u>22,924</u>
Expenditures				
Current				
Physical environment	1,539,865	1,539,865	1,071,158	468,707
Debt service	306,000	306,000	246,320	59,680
Capital outlay	155,000	155,000	10,345	144,655
Total expenditures	<u>2,000,865</u>	<u>2,000,865</u>	<u>1,327,823</u>	<u>673,042</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(200,000)</u>	<u>(200,000)</u>	<u>495,966</u>	<u>695,966</u>
Other financing sources				
Transfers in	200,000	200,000	210,000	10,000
Total other financing sources	<u>200,000</u>	<u>200,000</u>	<u>210,000</u>	<u>10,000</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	705,966	<u>\$ 705,966</u>
Fund balance, beginning of year, as restated			<u>695,396</u>	
Fund balance, end of year			<u>\$ 1,401,362</u>	

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplementary Information (RSI)
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Transportation Fund
For the Year Ended September 30, 2021

	Budget Amounts		Actual	
	Original	Final Revised	Amounts	Variance
Revenues				
Intergovernmental revenues	\$ 307,500	\$ 307,500	\$ 377,738	\$ 70,238
Interest and other			15	15
Total revenues	<u>307,500</u>	<u>307,500</u>	<u>377,753</u>	<u>70,253</u>
Expenditures				
Physical environment				
Roads and streets				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>307,500</u>	<u>307,500</u>	<u>377,753</u>	<u>70,253</u>
Other financing sources				
Transfers out	(307,500)	(707,500)	(707,500)	
Appropriated fund balance		400,000		(400,000)
Total other financing sources	<u>(307,500)</u>	<u>(307,500)</u>	<u>(707,500)</u>	<u>(400,000)</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	(329,747)	<u>\$ (329,747)</u>
Fund balance, beginning of year			<u>474,401</u>	
Fund balance, end of year			<u>\$ 144,654</u>	

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplementary Information (RSI)
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Local Option Sales Tax Fund
For Year Ended September 30, 2021

	Budget Amounts		Actual	
	Original	Final Revised	Amounts	Variance
Revenues				
Local option sales tax	\$ 195,000	\$ 195,000	\$ 272,580	\$ 77,580
Interest and other			87	87
Total revenues	<u>195,000</u>	<u>195,000</u>	<u>272,667</u>	<u>77,667</u>
Expenditures				
Physical environment				
Roads and streets				
Excess (deficiency) of revenues over (under) expenditures	<u>195,000</u>	<u>195,000</u>	<u>272,667</u>	<u>77,667</u>
Other financing sources				
Transfers out	(493,000)	(937,000)	(1,134,195)	(197,195)
Transfer to fund balance	<u>298,000</u>	<u>742,000</u>		<u>(742,000)</u>
Total other financing sources	<u>(195,000)</u>	<u>(195,000)</u>	<u>(1,134,195)</u>	<u>(939,195)</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	<u>\$ (861,528)</u>	<u>\$ (861,528)</u>
Fund balance, beginning of year			<u>861,528</u>	
Fund balance, end of year			<u>\$</u>	

TOWN OF LOXAHATCHEE GROVES, FLORIDA

Notes to the Required Supplementary Information (RSI)

September 30, 2021

Note 1 - Basis of Accounting

Budgetary comparison schedules are presented for the General, Local Option Sales Tax, and Transportation Funds, as required by generally accepted accounting principles. The budgetary process is described in Note 2 to the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Note 2 - Stewardship, Compliance, and Accountability

Appropriations are legally controlled at the fund level for all funds. Expenditures may not legally exceed budgeted appropriations at that level. For the year ended September 30, 2021, there were no expenditures in excess of the budget.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplemental Information
Schedule of Employer Contributions
Florida Retirement System - Pension Plan

Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required FRS contribution	\$ 32,722	\$ 34,576	\$ 10,252	\$ 7,440	\$ 18,804
FRS contributions in relation to the contractually required contribution	<u>(32,722)</u>	<u>(34,576)</u>	<u>(10,252)</u>	<u>(7,440)</u>	<u>(18,804)</u>
FRS contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Town's covered payroll	\$ 251,455	\$ 226,503	\$ 172,507	\$ 101,638	\$ 194,113
FRS contributions as a percentage of covered payroll	13.01%	15.27%	5.94%	7.32%	9.69%
	<u>2020</u>	<u>2021</u>			
Contractually required FRS contribution	\$ 31,920	\$ 39,460			
FRS contributions in relation to the contractually required contribution	<u>(31,920)</u>	<u>(39,460)</u>			
FRS contribution deficiency (excess)	<u>\$</u>	<u>\$</u>			
Town's covered payroll	\$ 208,324	\$ 259,237			
FRS contributions as a percentage of covered payroll	15.32%	15.22%			

This schedule is intended to present data for 10 years. For years prior to 2015, data is unavailable. Additional years will be presented as they become available. The Loxahatchee Water Control District become a dependent special district of the Town effective June 26, 2018, fiscal year 2018 and earlier are for the District as the Town did not have any employees.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplemental Information
Schedule of Proportionate Share of Net Pension Liability
Florida Retirement System - Pension Plan

Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Proportion of the FRS net pension liability	0.135400%	0.001291%	0.001154%	0.000988%	0.000639%
Proportionate share of the FRS net pension liability	\$ 174,891	\$ 326,010	\$ 341,211	\$ 297,710	\$ 220,163
Town's covered payroll	\$ 248,765	\$ 246,765	\$ 172,507	\$ 137,170	\$ 126,272
Town's proportionate share of the FRS net pension liability as a percentage of covered payroll	70.30%	132.11%	197.80%	217.04%	174.36%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	84.88%	83.89%	84.26%	82.61%
Assumption Changes Discount Rate	7.65%	7.60%	7.10%	7.00%	6.90%
	2020	2021			
Proportion of the FRS net pension liability	0.001917%	0.001944%			
Proportionate share of the FRS net pension liability	\$ 830,747	\$ 146,815			
Town's covered payroll	\$ 164,358	\$ 186,642			
Town's proportionate share of the FRS net pension liability as a percentage of covered payroll	505.45%	78.66%			
FRS Plan fiduciary net position as a percentage of the total pension liability	78.85%	96.40%			
Assumption Changes Discount Rate	6.80%	6.80%			

NOTE: The above amounts are as of the plan fiscal year, which ends on June 30.

This schedule is intended to present data for 10 years. For years prior to 2015, data is unavailable. Additional years will be presented as they become available. The Loxahatchee Water Control District become a dependent special district of the Town effective June 26, 2018, fiscal year 2018 and earlier are for the District as the Town did not have any employees. The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Comprehensive Annual Financial Report.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplemental Information
Schedule of Employer Contributions
Florida Retirement System
Retiree Health Insurance Subsidy Program

Last Ten Fiscal Years

Retiree Health Insurance Subsidy Program	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required HIS contribution	\$ 4,174	\$ 3,760	\$ 2,863	\$ 4,666	\$ 7,696
HIS contributions in relation to the contractually required contribution	<u>(4,174)</u>	<u>(3,760)</u>	<u>(2,863)</u>	<u>(4,666)</u>	<u>(7,696)</u>
HIS contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Town's covered payroll	\$ 251,455	\$ 226,503	\$ 172,507	\$ 281,084	\$ 463,608
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%
	<u>2020</u>	<u>2021</u>			
Contractually required HIS contribution	\$ 11,377	\$ 11,906			
HIS contributions in relation to the contractually required contribution	<u>(11,377)</u>	<u>(11,906)</u>			
HIS contribution deficiency (excess)	<u>\$</u>	<u>\$</u>			
Town's covered payroll	\$ 685,328	\$ 717,238			
HIS contributions as a percentage of covered payroll	1.66%	1.66%			

This schedule is intended to present data for 10 years. For years prior to 2015, data is unavailable. Additional years will be presented as they become available. The Loxahatchee Water Control District become a dependent special district of the Town effective June 26, 2018, fiscal year 2018 and earlier are for the District as the Town did not have any employees.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Required Supplemental Information
Schedule of Proportionate Share of Net Pension Liability
Florida Retirement System
Retiree Health Insurance Subsidy Program

Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Proportion of the HIS net pension liability	0.001407%	0.001433%	0.001379%	0.001063%	0.000925%
Proportionate share of the HIS net pension liability	\$ 143,455	\$ 167,037	\$ 147,409	\$ 112,557	\$ 103,460
Town's covered payroll	\$ 248,765	\$ 246,765	\$ 172,507	\$ 347,343	\$ 305,943
Town's proportionate share of the HIS net pension liability as a percentage of it covered payroll	57.67%	67.69%	85.45%	32.41%	33.82%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.97%	1.64%	2.15%	2.63%
Assumption Changes Discount Rate	3.80%	2.85%	3.58%	3.87%	3.50%
	2020	2021			
Proportion of the HIS net pension liability	0.001982%	0.001860%			
Proportionate share of the HIS net pension liability	\$ 241,949	\$ 228,185			
Town's covered payroll	\$ 530,083	\$ 503,314			
Town's proportionate share of the HIS net pension liability as a percentage of it covered payroll	45.64%	45.34%			
HIS Plan fiduciary net position as a percentage of the total pension liability	3.00%	3.56%			
Assumption Changes Discount Rate	2.21%	2.16%			

NOTE: The above amounts are as of the plan fiscal year, which ends on June 30.

This schedule is intended to present data for 10 years. For years prior to 2015, data is unavailable. Additional years will be presented as they become available. The Loxahatchee Water Control District become a dependent special district of the Town effective June 26, 2018, fiscal year 2018 and earlier are for the District as the Town did not have any employees. The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Comprehensive Annual Financial Report.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Town of Loxahatchee Groves' comprehensive annual financial report presents detailed unaudited information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the Town's overall financial health.

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TOWN OF LOXAHATCHEE GROVES, FLORIDA

Net Position By Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2012	2013	2014	2015	2016
Governmental activities:					
Net investment in capital assets	\$ 55,475	\$ 1,538,853	\$ 1,492,795	\$ 1,856,215	\$ 3,165,292
Restricted	642,359	896,886	1,076,147	1,266,673	1,035,067
Unrestricted	2,334,787	2,132,881	2,150,361	1,633,875	2,101,301
Total governmental activities net position	<u>\$ 3,032,621</u>	<u>\$ 4,568,620</u>	<u>\$ 4,719,303</u>	<u>\$ 4,756,763</u>	<u>\$ 6,301,660</u>
Business-type activities					
Unrestricted	<u>\$ 31,689</u>	<u>\$ 37,058</u>	<u>\$ 38,959</u>	<u>\$ 29,594</u>	<u>\$ 28,097</u>
Primary government:					
Net investment in capital assets	\$ 55,475	\$ 1,538,853	\$ 1,492,795	\$ 1,856,215	\$ 3,165,292
Restricted	642,359	896,886	1,076,147	1,266,673	1,035,067
Unrestricted	2,366,476	2,169,939	2,189,320	1,663,469	2,129,398
Total primary government net position	<u>\$ 3,064,310</u>	<u>\$ 4,605,678</u>	<u>\$ 4,758,262</u>	<u>\$ 4,786,357</u>	<u>\$ 6,329,757</u>
	2017	2018	2019	2020	2021
Governmental activities:					
Net investment in capital assets	\$ 3,962,198	\$ 4,652,258	\$ 4,989,272	\$ 4,793,434	6,672,748
Restricted	1,163,010	1,973,806	2,481,866	2,675,011	1,995,173
Unrestricted	1,302,320	331,416	560,522	575,736	844,642
Total governmental activities net position	<u>\$ 6,427,528</u>	<u>\$ 6,957,480</u>	<u>\$ 8,031,660</u>	<u>\$ 8,044,181</u>	<u>\$ 9,512,563</u>
Business-type activities					
Unrestricted	<u>\$ (20,435)</u>	<u>\$ (8,655)</u>	<u>\$ 83,372</u>	<u>\$ 129,307</u>	<u>\$ 211,883</u>
Primary government:					
Net investment in capital assets	\$ 3,962,198	\$ 4,652,258	\$ 4,989,272	\$ 4,793,434	6,672,748
Restricted	1,163,010	1,973,806	2,481,866	2,675,011	1,995,173
Unrestricted	1,281,885	322,761	643,894	705,043	1,056,525
Total primary government net position	<u>\$ 6,407,093</u>	<u>\$ 6,948,825</u>	<u>\$ 8,115,032</u>	<u>\$ 8,173,488</u>	<u>\$ 9,724,446</u>

The Loxahatchee Groves Water Control District became a dependent special district on June 26, 2018, transferring in \$1,269,175 of net position as of that date.

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016
EXPENSES					
Governmental activities:					
General government	\$ 580,508	\$ 744,933	\$ 675,546	\$ 916,445	\$ 914,583
Public safety (1)	274,911	275,243	280,515	285,459	290,048
Physical environment	342,238	366,296	454,398	402,114	1,061,666
Interest expense					
Total governmental activities	<u>1,197,657</u>	<u>1,386,472</u>	<u>1,410,459</u>	<u>1,604,018</u>	<u>2,266,297</u>
Business-type activities:					
Sanitation	<u>429,196</u>	<u>479,497</u>	<u>419,256</u>	<u>440,786</u>	<u>435,614</u>
Total primary government expenses	<u>1,626,853</u>	<u>1,865,969</u>	<u>1,829,715</u>	<u>2,044,804</u>	<u>2,701,911</u>
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General government	107,895	56,392	56,635	132,333	204,519
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	49,813	1,600,044	40,000	-	1,997,697
Total governmental activities program revenues	<u>157,708</u>	<u>1,656,436</u>	<u>96,635</u>	<u>132,333</u>	<u>2,202,216</u>
Business-type activities:					
Charges for services-Sanitation	464,987	347,557	421,157	431,421	339,620
Operating grants and contributions	-	-	-	-	-
Total business-type program revenues	<u>464,987</u>	<u>347,557</u>	<u>421,157</u>	<u>431,421</u>	<u>339,620</u>
Total primary government program revenues	<u>622,695</u>	<u>2,003,993</u>	<u>517,792</u>	<u>563,754</u>	<u>2,541,836</u>
Net (expense) revenue					
Governmental activities	(1,039,949)	269,964	(1,313,824)	(1,471,685)	(64,081)
Business-type activities	35,791	(131,940)	1,901	(9,365)	(95,994)
Total primary government net (expenses) revenue	<u>(1,004,158)</u>	<u>138,024</u>	<u>(1,311,923)</u>	<u>(1,481,050)</u>	<u>(160,075)</u>
General revenues and Other Changes in Net Position:					
Governmental activities:					
Property taxes	214,645	210,005	208,173	229,355	315,454
Local option sales tax	-	-	-	-	-
Utility taxes	341,596	342,478	355,879	349,103	353,221
Franchise fees based on gross receipts	193,270	192,552	220,245	221,246	312,064
Unrestricted intergovernmental revenue	648,838	655,888	677,061	709,241	722,300
Interest and other	1,191	2,421	3,149	200	436
Transfers	-	(137,309)	-	-	(94,497)
Total governmental activities	<u>1,399,540</u>	<u>1,266,035</u>	<u>1,464,507</u>	<u>1,509,145</u>	<u>1,608,978</u>
Business-type activities:					
Interest and other	-	-	-	-	-
Transfers	-	137,309	-	-	94,497
Total business-type activities	<u>-</u>	<u>137,309</u>	<u>-</u>	<u>-</u>	<u>94,497</u>
Total primary government	<u>1,399,540</u>	<u>1,403,344</u>	<u>1,464,507</u>	<u>1,509,145</u>	<u>1,703,475</u>
Change in Net Position					
Governmental activities	359,591	1,535,999	150,683	37,460	1,544,897
Business-type activities	35,791	5,369	1,901	(9,365)	(1,497)
Total primary government	<u>\$ 395,382</u>	<u>\$ 1,541,368</u>	<u>\$ 152,584</u>	<u>\$ 28,095</u>	<u>\$ 1,543,400</u>

(1) In 2020 Code Enforcement and Planning and Zoning were moved from General Government to Public Safety.

2017	2018	2019	2020	2021
\$ 963,530	\$ 1,042,085	\$ 1,452,992	\$ 1,111,638	\$ 1,129,525
294,621	610,000	622,412	1,002,044	1,119,128
805,928	1,030,000	1,417,732	2,449,872	1,227,929
	9,272	33,024	26,973	2,709
<u>2,064,079</u>	<u>2,691,357</u>	<u>3,526,160</u>	<u>4,590,527</u>	<u>3,479,291</u>
553,265	814,671	550,288	703,481	699,311
<u>2,617,344</u>	<u>3,506,028</u>	<u>4,076,448</u>	<u>5,294,008</u>	<u>4,178,602</u>
110,820	104,397	160,658	181,640	337,781
-	-	-	-	-
-	-	1,543,093	1,554,737	1,520,542
-	45,178	-	70,741	40,141
260,404	-	92,897	20,000	92,406
<u>371,224</u>	<u>149,575</u>	<u>1,796,648</u>	<u>1,827,118</u>	<u>1,990,870</u>
357,835	364,869	642,315	645,523	653,665
54,351	51,582	-	103,893	50,272
<u>412,186</u>	<u>416,451</u>	<u>642,315</u>	<u>749,416</u>	<u>703,937</u>
783,410	566,026	2,438,963	2,576,534	2,694,807
(1,692,855)	(2,541,782)	(1,729,512)	(2,763,409)	(1,488,421)
(141,079)	(398,220)	92,027	45,935	4,626
<u>(1,833,934)</u>	<u>(2,940,002)</u>	<u>(1,637,485)</u>	<u>(2,717,474)</u>	<u>(1,483,795)</u>
361,816	612,844	913,924	972,399	1,042,008
160,446	219,920	244,142	233,775	272,580
372,182	388,641	474,036	442,683	442,871
262,181	214,497	321,215	321,674	372,660
741,009	748,944	755,583	754,758	834,038
13,636	27,713	94,792	50,641	35,356
(92,547)	(410,000)	-	-	(77,950)
<u>1,818,723</u>	<u>1,802,559</u>	<u>2,803,692</u>	<u>2,775,930</u>	<u>2,921,563</u>
-	-	-	-	-
92,547	410,000	-	-	77,950
<u>92,547</u>	<u>410,000</u>	<u>-</u>	<u>-</u>	<u>77,950</u>
1,911,270	2,212,559	2,803,692	2,775,930	2,999,513
125,868	(739,223)	1,074,180	12,521	1,433,142
(48,532)	11,780	92,027	45,935	82,576
<u>\$ 77,336</u>	<u>\$ (727,443)</u>	<u>\$ 1,166,207</u>	<u>\$ 58,456</u>	<u>\$ 1,515,718</u>

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016
General Fund					
Nonspendable-prepays	\$ 22,899	\$ 42,604	\$ 47,425	\$ 26,562	\$ 28,293
Restricted for tree mitigation					
Restricted for transportation					
Assigned for capital projects					
Assigned for subsequent year's budget					
Unassigned	1,311,888	690,277	882,923	454,232	307,413
Total general fund	<u>\$ 1,334,787</u>	<u>\$ 732,881</u>	<u>\$ 930,348</u>	<u>\$ 480,794</u>	<u>\$ 335,706</u>
All other governmental funds					
Nonspendable-prepays					\$ -
Restricted for infrastructure	\$ -	\$ -	\$ -	\$ -	-
Restricted for transportation	642,359	896,886	1,076,147	1,266,673	1,035,067
Restricted for roads and drainage					
Restricted for debt service					
Assigned for capital projects	1,000,000	1,400,000	1,220,013	1,153,081	1,119,740
Total all other governmental funds	<u>\$ 1,642,359</u>	<u>\$ 2,296,886</u>	<u>\$ 2,296,160</u>	<u>\$ 2,419,754</u>	<u>\$ 2,154,807</u>
	2017	2018	2019	2020	2021
General Fund					
Nonspendable-prepays	\$ 3,750	\$ -	\$ 82,256	\$ 62,342	\$ 1,623
Restricted for tree mitigation			75,635	153,635	153,635
Restricted for transportation				60,000	80,000
Assigned for capital projects					
Assigned for subsequent year's budget				53,803	16,750
Unassigned	425,225	485,224	638,242	729,646	1,235,611
Total general fund	<u>\$ 428,975</u>	<u>\$ 485,224</u>	<u>\$ 796,133</u>	<u>\$ 1,059,426</u>	<u>\$ 1,487,619</u>
All other governmental funds					
Nonspendable-prepays	\$ -	\$ -	\$ 50,000	\$ 100,298	\$ -
Restricted for infrastructure	160,446	380,366	624,508	861,528	-
Restricted for transportation	1,002,564	886,474	1,007,764	1,244,226	770,176
Restricted for roads and drainage		608,773	670,368	242,271	991,362
Restricted for road resurfacing					-
Restricted for debt service		103,927	107,943	114,587	-
Assigned for capital projects	862,642	162,667	162,668	214,452	159,830
Total all other governmental funds	<u>\$ 2,025,652</u>	<u>\$ 2,142,207</u>	<u>\$ 2,623,251</u>	<u>\$ 2,777,362</u>	<u>\$ 1,921,368</u>

The Loxahatchee Groves Water Control District became a dependent special district on June 26, 2018, transferring in \$1,185,017 of restricted fund balance as of that date.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016
REVENUES					
Property taxes	\$ 214,645	\$ 210,005	\$ 208,173	\$ 229,355	\$ 315,454
Local option sales tax	-	-	-	-	-
Utility taxes	341,596	342,478	355,879	349,103	353,221
Franchise fees	193,270	192,552	220,245	221,246	312,064
Intergovernmental revenue	648,838	655,888	677,061	709,241	722,300
Charge for services	61,650	45,117	15,322	105,179	158,546
Licenses and permits	10,518	9,564	31,666	20,140	34,622
Fines and forfeitures	35,727	1,711	9,647	7,014	11,351
Contributions from private sources	49,813	-	40,000	-	926,942
Interest and other	1,191	2,421	3,149	200	436
Total revenues	1,557,248	1,459,736	1,561,142	1,641,478	2,834,936
EXPENDITURES					
Current:					
General government	578,987	744,225	675,104	909,330	900,292
Public safety	274,911	275,243	280,515	285,459	290,048
Physical environment	340,971	250,338	213,725	150,995	768,167
Capital outlay	50,663	0	195,057.00	621,654	1,191,967
Total expenditures	1,245,532	1,269,806	1,364,401	1,967,438	3,150,474
OTHER FINANCING SOURCES (USES)					
Transfers in	-	541,844	55,070	40,000	378,638
Transfers out	-	(679,153)	(55,070)	(40,000)	(473,135)
	-	(137,309)	-	-	(94,497)
Net change in fund balances	\$ 311,716	\$ 52,621	\$ 196,741	\$ (325,960)	\$ (410,035)
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%
	2017	2018	2019	2020	2021
REVENUES					
Property taxes	\$ 361,816	\$ 612,844	\$ 913,924	\$ 972,399	1,042,008
Local option sales tax	160,446	219,920	244,142	233,775	272,580
Utility taxes	372,182	388,641	474,036	442,683	442,871
Franchise fees	262,181	214,497	321,214	321,674	337,993
Intergovernmental revenue	741,009	748,944	790,155	805,363	904,920
Charge for services	64,727	43,258	240,539	322,544	479,185
Licenses and permits	23,524	51,897	39,209	28,596	63,263
Special assessments			1,814,093	1,825,737	1,762,917
Fines and forfeitures	22,569	9,242	36,911	500	
Contributions	260,404			47,908	88,178
Interest and other	4,686	27,713	187,689	22,733	4,336
Total revenues	2,273,544	2,316,956	5,061,912	5,023,912	5,398,251
EXPENDITURES					
Current:					
General government	948,468	1,027,261	1,576,510	1,208,515	1,289,923
Public safety	294,621	610,000	622,412	1,002,044	1,119,128
Physical environment	454,017	672,401	1,440,482	1,472,757	1,071,158
Capital outlay	519,777	322,842	313,525	280,303	2,059,813
Debt service:					
Principal		263,000	271,000	611,000	242,375
Interest		21,227	34,406	30,089	3,945
Other debt service costs		2,438	11,625	1,800	0
Total expenditures	2,216,883	2,919,169	4,269,960	4,606,508	5,786,342
OTHER FINANCING SOURCES (USES)					
Transfers in	0	1,086,898		490,683	1,644,500
Transfers out	(92,547)	(1,496,898)		(490,683)	(1,722,450)
	(92,547)	(410,000)	-	-	(77,950)
Net change in fund balances	\$ (35,886)	\$ (1,012,213)	\$ 791,952	\$ 417,404	\$ (466,041)
Debt service as a percentage of noncapital expenditures	0.0%	12.4%	8.7%	17.5%	7.1%

TOWN OF LOXAHATCHEE GROVES, FLORIDA
 General Governmental Revenues by Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Ad-Valorem Taxes General Purpose</u>	<u>Local Option Sales Tax (1)</u>	<u>Utility Tax</u>	<u>Intergovernmental</u>	<u>Franchise Tax</u>
2012	214,645	-	341,596	648,838	193,270
2013	210,005	-	342,478	655,888	192,552
2014	208,173	-	355,879	677,061	220,245
2015	229,355	-	349,103	709,241	221,246
2016	315,454	-	353,221	722,300	312,064
2017	361,816	160,446	372,182	741,009	262,181
2018	612,844	219,920	388,641	748,944	214,497
2019	913,924	244,142	474,036	790,155	321,214
2020	972,399	233,775	442,683	805,363	321,674
2021	1,042,008	272,580	442,871	904,920	337,993

(1) The tax was started in 2017 and it will last ten years with the proceeds restricted for Infrastructure expenditures

Charges for Service	License and Permits	Special Assessments	Fines and Forfeitures	Contributions	Interest/ Other	Total
61,650	10,518	-	35,727	49,813	1,191	1,557,248
45,117	9,564	-	1,711	-	2,421	1,459,736
31,666	15,322	-	9,647	40,000	3,149	1,561,142
105,179	20,140	-	7,014	-	200	1,641,478
158,546	34,622	-	11,351	926,942	436	2,834,936
64,727	23,524	-	22,569	260,404	4,686	2,273,544
43,258	51,897	-	9,242	-	27,713	2,316,956
240,539	39,209	1,814,093	36,911	-	187,689	5,061,912
322,544	28,596	1,825,737	500	47,908	22,733	5,023,912
479,185	63,263	1,762,917	-	13,686	78,828	5,398,251

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property				Personal Property	Net Assessed Value
	Residential Property	Commercial Property	Agricultural Property	Gov't/Institutional Property		
2012	140,860,901	13,939,039	61,640,848	-	12,048,183	228,488,971
2013	135,879,337	19,406,534	63,669,330	-	12,887,438	231,842,639
2014	115,303,596	15,012,230	57,596,934	1,343,527	8,583,515	197,839,802
2015	118,838,958	15,012,230	55,282,018	1,339,377	13,930,600	204,403,183
2016	161,229,749	21,299,409	63,489,636	1,308,383	15,502,799	262,829,976
2017	161,247,624	38,232,930	78,706,972	1,528,433	13,364,823	293,080,782
2018	160,049,414	37,400,435	78,664,760	2,360,928	13,380,833	291,856,370
2019	182,223,067	40,739,695	92,887,986	1,676,098	15,010,899	332,537,745
2020	188,930,066	53,869,260	97,564,863	1,787,150	16,638,356	358,789,695
2021	(1)	(1)	(1)	(1)	(1)	362,034,457

Note: Property in the Town is reassessed each year. State law requires the Property Appraiser to appraise property at 100% of market value. The Florida Constitution was amended, effective January 1, 1995, to limit annual increases in assessed value of property with homestead exemption to 3% per year or the amount of the Consumer Price Index, whichever is less. The increase is not automatic since no assessed value shall exceed market value. Tax rates are per \$1,000 of assessed

(1) Information Unavailable at time of publication

Total Direct Tax Rate	Estimated Actual Value	Net Assessed Value as a Percentage of Estimated Actual Value
1.2000	313,377,456	72.91%
1.2000	308,896,937	75.06%
1.2000	374,606,234	52.81%
1.2000	361,603,906	56.53%
1.4718	320,014,496	82.13%
1.4718	356,117,093	82.30%
2.1500	373,032,241	78.24%
3.0000	425,594,621	78.13%
3.0000	455,495,454	78.77%
3.0000	458,271,465	79.00%

TOWN OF LOXAHATCHEE GROVES, FLORIDA

Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

OVERLAPPING RATES

<u>Fiscal Year</u>	<u>Town Operating Millage</u>	<u>Palm Beach County School District</u>	<u>Palm Beach County General Government</u>	<u>Palm Beach County Debt Service</u>	<u>Palm Beach County Fire Rescue</u>
2012	1.2000	8.1800	4.7815	0.2110	3.4581
2013	1.2000	7.5860	4.7815	0.2037	3.4581
2014	1.2000	7.5940	4.7815	0.1914	3.4581
2015	1.2000	7.5120	4.7815	0.1462	3.4581
2016	1.4718	7.0700	4.7815	0.1327	3.4581
2017	1.4718	6.7690	4.7815	0.1208	3.4581
2018	2.1500	6.5720	4.7815	0.1165	3.4581
2019	3.0000	7.1640	4.7815	0.0765	3.4581
2020	3.0000	7.0100	4.7815	0.0309	3.4581
2021	3.0000	6.8750	4.7815	0.0334	3.4581

Note: All millage rates are based are per \$1,000 of assessed value.

Source: Town of Loxahatchee Groves Finance Department and Palm Beach Property Appraiser's Office.

OVERLAPPING RATES

Palm Beach County Health Care District	Palm Beach County Library System	South Florida Water Management District	Children's Services Council	Florida Inland Navigation District	Total Direct and Overlapping Rates
1.1451	0.6081	0.5346	0.7513	0.0345	20.9042
1.1250	0.6065	0.3739	0.7475	0.0345	20.1167
1.0800	0.6024	0.3523	0.7025	0.0345	19.9967
1.0800	0.5985	0.3842	0.6745	0.0345	19.8695
1.0426	0.5933	0.3551	0.6677	0.0320	19.6048
0.7808	0.5891	0.3100	0.6590	0.0320	18.9721
0.7261	0.5901	0.2936	0.6403	0.0320	19.3602
0.7261	0.5870	0.2795	0.6497	0.0320	20.7544
0.7261	0.5833	0.2675	0.6497	0.0320	20.5391
0.7261	0.5824	0.2572	0.6233	0.0320	20.3690

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Principal Property Taxpayers
Last year and nine years ago

2021				2012			
<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Total Assessed Valuation</u>	<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Total Assessed Valuation</u>
ATLANTIC LAND INVESTMENTS LLC	16,673,233	1	4.61%				
SOLAR SPORTSYSTEMS INC	3,817,403	2	1.05%				
GROVES MEDICAL PLAZA LLFLORIDA POWER & LIGHT (4,492,634	3	1.24%	GROVES MEDICAL PLAZA LLC	13,199,999	1	5.78%
R BROKE NOW LLC	3,513,627	4	0.97%				0.00%
GROVES MEDICAL PLAZA LLC	3,500,000	5	0.97%	R BROKE NOW LLC	2,800,805	4	1.23%
DBE UTILITY SERVICES	3,652,145	6	1.01%				
LOXAHATCHEE EQUESTRIAN PARTNERS LLC	3,396,276	7	0.94%	YEES CORP	2,859,843	3	1.25%
YEES CORP	2,865,122	8	0.79%				
BW SOUTHERN BINKS LLC	3,105,930	9	0.86%	EVERGLADES FARM EQUIP CO	1,997,435	5	0.87%
DUCK PUDDLE SOUTH LP	434,249	10	0.12%				
				ZDARSKY CONSTANTIN	3,258,760	2	1.43%
				SOUTHERN MANAGEMENT CORP	1,793,950	6	0.79%
				SUNSPORT GARDENS	1,390,479	7	0.61%
				ROYALS OK LUNCH INC	1,138,974	8	0.50%
				ACKERMAN LORI	1,132,494	9	0.50%
				JACA BUSINESS CORP	1,100,396	10	0.48%
	<u>\$ 45,450,619</u>		<u>12.56%</u>		<u>\$ 30,673,135</u>		<u>13.42%</u>

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Taxes Levied for Fiscal Year	Collected Within the Fiscal Year		Collections in Subsequent Years	Total Collections to Date	
		of Levy			Amount	Percent of Levy
		Amount	Percent of Levy			
2012	219,578	214,645	97.75%	n/a	214,645	97.75%
2013	215,284	210,006	97.55%	n/a	210,006	97.55%
2014	215,752	208,173	96.49%	n/a	208,173	96.49%
2015	235,147	229,355	97.54%	n/a	229,355	97.54%
2016	311,616	315,454	101.23%	n/a	315,454	101.23%
2017	374,285	361,093	96.48%	n/a	361,093	96.48%
2018	627,445	612,844	97.67%	n/a	612,844	97.67%
2019	939,870	913,924	97.24%	n/a	913,924	97.24%
2020	1,000,138	972,399	97.23%	n/a	972,399	97.23%
2021	1,079,361	1,042,008	96.54%	n/a	1,042,008	96.54%

iser and Town of Loxahatchee Groves Finance Department

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Household Income (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2012	3,173	85,476	29,342	3.1%
2013	3,262	82,772	28,856	4.9%
2014	3,183	91,254	33,986	6.8%
2015	3,180	90,428	32,209	7.2%
2016	3,271	93,063	31,639	10.0%
2017	3,342	97,669	31,369	11.1%
2018	3,384	99,332	33,041	not available
2019	3,593	105,473	34,251	not available
2020	3,661	114,497	41,645	8.63%
2021	3,426	124,771	43,184	7.23%

(1) Population estimate as published by the University of Florida, Bureau of Economic and Business Research.

(2) American Community Surveys, U.S. Census Bureau

(3) American Community Survey, DP03

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Direct and Overlapping Governmental Activities Debt
Fiscal year ended September 30, 2021

<u>Government Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable(1)</u>	<u>Amount Applicable to Town of Loxahatchee Groves</u>
Debt repaid with property taxes:			
Palm Beach County School Board	\$ 5,379,000	0.17%	\$ 9,144
Palm Beach County	<u>\$ 35,700,000</u>	0.17%	<u>\$ 60,690</u>
Subtotal, overlapping debt	<u>\$ 41,079,000</u>		<u>\$ 69,834</u>
Other debt:			
Town of Loxahatchee Groves direct debt	\$ -	100.00%	\$ -
Total direct and overlapping debt	<u><u>\$ 41,079,000</u></u>		<u><u>\$ 69,834</u></u>

Sources: FY2021 Comprehensive Annual Financial Reports

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Loxahatchee Groves. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values by taking the value that is within the Town's boundaries and dividing it by the County's and School Boards total taxable assessed value. This approach was also used for the other debt.

TOWN OF LOXAHATCHEE GROVES, FLORIDA

Principal Employers - Palm Beach County

Last year and nine years ago

September 30, 2021

Employer	2021			2012		
	EMPLOYEES	RANK	Percentage of Total County Employment	EMPLOYEES	RANK	Percentage of Total County Employment
Palm Beach County School District	22,600	1	3.30%	21,495	1	3.49%
Tenet Healthcare Corp.	6,505	2	0.95%	6,100	3	0.99%
Palm Beach County Government	5,686	3	0.83%	11,381	2	1.85%
NextEra Energy (Florida Power & Light)	5,119	4	0.75%	3,635	4	0.59%
Florida Atlantic University	3,113	5	0.45%	2,706	7	0.44%
Boca Raton Regional Hospital	3,052	6	0.45%	2,250	9	0.37%
Veterans Health Administration	3,000	7	0.44%	-		
Hospital Corporation of America (HCA)	2,806	8	0.41%	2,714	6	0.44%
The Breakers	2,300	9	0.34%			
Bethesda Memorial Hospital	2,282	10	0.33%	2,391	8	0.39%
G4s(Wachenhut Corp)				3,000	5	0.49%
Office Depot				2,250	10	0.37%
	<u>56,463</u>		<u>8.25%</u>	<u>57,922</u>		<u>9.42%</u>

Source: Business Development Board of Palm Beach County

Note: The Town is not a significant area for employment but rather a residential community. Therefore, Palm Beach County statistics were used.

TOWN OF LOXAHATCHEE GROVES, FLORIDA
 Full-Time Equivalent Town Government Employees by Function
 Last Ten Fiscal Years

Function	2012	2013	2014	2015	2016
Legislative	(1)	(1)	(1)	(1)	(1)
Clerk	(1)	(1)	(1)	(1)	(1)
General government	(1)	(1)	(1)	(1)	(1)
Community Development	(1)	(1)	(1)	(1)	(1)
Public Works	(1)	(1)	(1)	(1)	(1)
Parks	(1)	(1)	(1)	(1)	(1)
Public Safety: Police	(2)	(2)	(2)	(2)	(2)

Function	2017	2018	2019	2020	2021
Legislative	(1)	(1)	-	-	-
Clerk	(1)	(1)	1	1	1
General government	(1)	(1)	4	4	4
Community Development	(1)	(1)	2	2	2
Public Works	(1)	4, (1)	5	7	7
Parks	(1)	(1)	-	-	-
Public Safety: Police	(2)	(2)	(2)	(2)	(2)

(1) - Town Manager and Town Clerk as well as other managerial services are provided by a private management company.

(2) - Police services contracted through Palm Beach County.

Source: Town of Loxahatchee Groves Finance Department

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Operating Indicators by Function
Last Ten Fiscal Years (1)

Function/Program	2012	2013	2014	2015	2016
Public Safety					
Police:					
Number of emergency calls for service	(1)	(1)	(1)	(1)	(1)
Number of non-emergency calls for service	(1)	(1)	(1)	(1)	(1)
Number of arrests	(1)	(1)	(1)	(1)	(1)
Number of uniformed officers	(1)	(1)	(1)	(1)	(1)
Building and Zoning:	(1)	(1)	(1)	(1)	(1)
Number of building permits issued	(1)	(1)	(1)	(1)	(1)
Number of certificates of use issued	(1)	(1)	(1)	(1)	(1)
Number of occupational licenses issued	(1)	(1)	(1)	(1)	(1)
Culture and Recreation					
Number of parks	(2)	(2)	(2)	(2)	(2)
Function/Program	2017	2018	2019	2020	2021
Public Safety					
Police:					
Number of emergency calls for service	(1)	(1)	(1)	(1)	(1)
Number of non-emergency calls for service	(1)	(1)	(1)	(1)	(1)
Number of arrests	(1)	(1)	(1)	(1)	(1)
Number of uniformed officers	(1)	(1)	(1)	(1)	(1)
Building and Zoning:	(1)	(1)	(1)	(1)	(1)
Number of building permits issued	(1)	(1)	(1)	(1)	(1)
Number of certificates of use issued	(1)	(1)	(1)	(1)	(1)
Number of occupational licenses issued	(1)	(1)	(1)	(1)	(1)
Culture and Recreation					
Number of parks	(2)	(2)	(2)	(2)	(2)

(1) - The Town contracts with the County for these services.

(2) - The Town does not own any parks at this time.

Source: Town Clerk

OTHER INFORMATION SECTION

TOWN OF LOXAHATCHEE GROVES, FLORIDA
Information Required by Section 218.39(3)(c), Florida Statutes
For the Fiscal Year Ended For the Fiscal Year Ended September 30, 2021
Unaudited

As required by Section 218.39(3)(c), Florida Statutes, the Loxahatchee Groves Water Control District of Palm Beach Counth, Florida reported

Required Information		Reported
The total number of district employees compensated in the last pay period of the District's fiscal year 2021:		4
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year 2021:		33
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency for fiscal year 2021:		\$ 472,367
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency for fiscal year 2021:		403139
Each construction project with a total cost of at least \$65,000 approved by the District that was scheduled to begin on or after October 1 of the fiscal year 2021, together with the total expenditures for such project:		
Project	Budget	Expenditures
	210,000	210,000
A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year 2021 being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes:		See Page 60
The millage rate of ad valorem taxes imposed by the District for fiscal year 2021:		Not Applicable
The rate of non-ad valorem special assessments imposed by the District for fiscal year 2021:		200 to 827.16
The total amount of special assessments collected by or on behalf of the District for fiscal year 2021:		\$ 1,496,476
The total amount of outstanding bonds issued by the district and the terms of such bonds:		0

COMPLIANCE SECTION

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RYAN M. SHORE, CFP®, CPA
WEI PAN, CPA
WILLIAM C. KISKER, CPA
RICHARD E. DOTT, CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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BELLE GLADE, FLORIDA 33430-0338
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The Honorable Mayor and Members of the Town Council
Town of Loxahatchee Groves, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Loxahatchee Groves, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Loxahatchee Groves, Florida's basic financial statements and have issued our report thereon dated March 8, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Loxahatchee Groves, Florida's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Loxahatchee Groves, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Loxahatchee Groves, Florida's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented,

or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described below that we consider to be a material weakness.

Finding 2016-1 Updated Policies and Procedures Manual

Condition

On September 23, 2016, the Palm Beach County Office of Inspector General issued their report *2016-A-004 Town of Loxahatchee Groves Audit of Contracts, Vendors and Fixed Assets*. This report contained ten findings and twenty-two recommendations. Based on our audit procedures performed and reviewing the report's findings and recommendations the Town needs to revise its Policies and Procedures Manual. In the current fiscal year, the updated Policies and Procedures Manual was completed, approved by the Town Council and implemented. These revised procedures were not consistently applied during the fiscal year and there are additional areas where segregation of duties could be improved.

Criteria

Written procedures, instructions, and assignments of duties will prevent or reduce misunderstandings, errors, inefficiencies, duplicated or omitted procedures, and other situations that can result in inaccurate or untimely accounting records. A well-devised accounting manual can also help to ensure that all similar transactions are treated consistently, that accounting principles used are proper, and that records are produced in the form desired by management.

Effect

In the current fiscal year we noted the following:

- Bank reconciliations were not always being timely prepared and reviewed.
- Year end reconciliations and adjusting/closing entries were not timely made.

Recommendation

We recommend the Town follow the revised Policies and Procedures Manual and periodically update and monitor them to ensure the policies and procedures are still appropriate and are being followed.

Management's Response

Management continues the process of updating all policies and procedures, financial and otherwise, particularly because we are in process of automating and integrating all systems to reduce risk, to enhance controls and to provide more timely and detailed reporting. For instance, we have integrated payroll processing, established online portals for applications and vendor billing, and implemented remote deposits. Working with our IT provider, we will continue to use technology to increase efficiency and effectiveness and to compensate for segregation of duties. With respect to the specific items noted, we have re-assigned staff duties, increased cross-training and engaged an outside accountant to review/perform reconciliations and adjusting/closing entries. We are also in process of developing standard checklists and other SOPs for all operations of the Town. In Public Works, we are creating a variety of logging and tracking systems including individual project files and schedules for capital assets and other maintenance activities.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Loxahatchee Groves, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and is described below.

Finding: 2016-3 Annual Financial Report

Condition

We noted that the audit report and the Annual Financial Report filed with the Florida Department of Financial Services for the fiscal year ended September 30, 2021 was not filed timely.

Recommendation

We recommend that the Town review the financial reporting process and make any changes required to facilitate the timely preparation of financial reports.

Management Response

Management will work to provide timely preparation and review for the audited financial reports. Town staff has communicated with JLAC throughout the delinquent period. We are in process of the FY 2022 audit and anticipate no delays in filing.

Town of Loxahatchee Groves, Florida's Response to Findings

The Town of Loxahatchee Groves, Florida's response to the findings identified in our audit are described above. Town of Loxahatchee Groves, Florida's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

West Palm Beach, Florida
March 8, 2023

Nowlen, Holt & Mimer, P.A.

**NOWLEN, HOLT & MINER, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

WEST PALM BEACH OFFICE
NORTHBRIDGE CENTRE
515 N. FLAGLER DRIVE, SUITE 1700
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EDWARD T. HOLT, JR., PFS, CPA
BRIAN J. BRESCIA, CFP®, CPA

MARK J. BYMASTER, CFE, CPA
RYAN M. SHORE, CFP®, CPA
WEI PAN, CPA
WILLIAM C. KISKER, CPA
RICHARD E. BOTTS, CPA

MANAGEMENT LETTER IN ACCORDANCE WITH
THE RULES OF THE AUDITOR GENERAL
OF THE STATE OF FLORIDA

BELLE GLADE OFFICE
333 S.E. 2nd STREET
POST OFFICE BOX 338
BELLE GLADE, FLORIDA 33430-0338
TELEPHONE (561) 996-5612
FAX (561) 996-6248

The Honorable Mayor and Members of the Town Council
Town of Loxahatchee Groves, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Loxahatchee Groves, Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 8, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 8, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Findings 2016-1 and 2016-3 were applicable in the prior two years.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this Management Letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town of Loxahatchee Groves, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Town of Loxahatchee Groves, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes, during the fiscal year ended September 30, 2021.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Town of Loxahatchee Groves, Florida. It is management's responsibility to monitor the Town of Loxahatchee Groves, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. Our assessment was done as of the fiscal year end. The results of our procedures did not disclose any matters that are required to be reported.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes.

In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Town reported the required information in the Other Information Section on page 86.

Single Audits

The Town expended less than \$750,000 of federal awards and less than \$750,000 of state financial assistance for the fiscal year ended September 30, 2021 and was not required to have a federal single audit or a state single audit.

Town of Loxahatchee Groves, Florida's Response to Findings

The Town of Loxahatchee Groves, Florida's response to the finding identified in our audit are described above. Town of Loxahatchee Groves, Florida's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, the audit committee, Town Council, and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Nowlen, Holt & Mimer, P.A.

March 8, 2023
West Palm Beach, Florida

WEST PALM BEACH OFFICE
NORTHBIDGE CENTRE
515 N. FLAGLER DRIVE, SUITE 1700
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BRIAN J. BRESCHIA, CFP®, CPA

**INDEPENDENT ACCOUNTANT'S REPORT
ON COMPLIANCE WITH SECTION 218.415,
FLORIDA STATUTES**

MARK J. BYMASTER, CFE, CPA
RYAN M. SHORE, CFP®, CPA
WEI PAN, CPA
WILLIAM C. KISKER, CPA
RICHARD E. BOTTS, CPA

The Honorable Mayor and Members of the Town Council
Town of Loxahatchee Groves, Florida

BELLE GLADE OFFICE
333 S.E. 2nd STREET
POST OFFICE BOX 338
BELLE GLADE, FLORIDA 33430-0338
TELEPHONE (561) 996-5612
FAX (561) 996-6248

We have examined the Town of Loxahatchee Groves, Florida's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management of the Town of Loxahatchee Groves, Florida is responsible for the Town of Loxahatchee Groves, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on the Town of Loxahatchee Groves, Florida's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town of Loxahatchee Groves, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town of Loxahatchee Groves, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Town of Loxahatchee Groves, Florida's compliance with the specified requirements.

In our opinion, the Town of Loxahatchee Groves, Florida complied, in all material respects, with Section 218.415, Florida Statutes for the year ended September 30, 2021.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, applicable management, and the Town Council, and is not intended to be and should not be used by anyone other than these specified parties.

Nowlen, Holt & Miner, P.A.

West Palm Beach, Florida
March 8, 2023



155 F Road Loxahatchee Groves, FL 33470

Agenda # 5

TO: Town Council of Town of Loxahatchee Groves

FROM: Lakisha Burch, Town Clerk

VIA: Francine Ramaglia, Town Manager

DATE: March 21, 2023

SUBJECT: Meeting Minutes

Staff recommends approval of the attached meeting minutes.



**TOWN OF LOXAHATCHEE GROVES
TOWN COUNCIL MINUTES OF WORKSHOP/SPECIAL MEETING
JULY 19, 2022**

Meeting audio available in Town Clerk's Office

CALL TO ORDER

Mayor Shorr called the meeting to order at 6:38 p.m.

PLEDGE OF ALLEGIANCE

Mayor Shorr led the Pledge of Allegiance.

MOMENT OF SILENCE

Mayor Shorr led a prayer.

ROLL CALL

Mayor Robert Shorr, Vice Mayor Laura Danowski, Councilmembers Phillis Maniglia (6:38 p.m.), Marianne Miles, and Margaret Herzog, Town Manager Francine L. Ramaglia, Town Attorney Elizabeth Lenihan, Esq., Public Works Director Larry Peters, and Town Clerk Lakisha Burch.

ADDITIONS, DELETIONS AND MODIFICATIONS

Motion was made by Councilmember Miles seconded by Councilmember Herzog to approve the agenda as is; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, and Miles. Motion passed unanimously. Absent: Councilmember Maniglia.

COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

CONSENT AGENDA

1. Consideration of Meeting Minutes
 - a. March 30, 2021, Town Council Special Meeting Minutes
 - b. April 6, 2021, Town Council Regular Meeting Minutes
 - c. February 15, 2022, Community Workshop Meeting Minutes
 - d. March 1, 2022, Town Council Regular Meeting Minutes
 - e. April 5, 2022, Community Workshop Meeting Minutes
 - f. June 7, 2022, Community Workshop Meeting Minutes

2. Consideration of **Resolution No. 2022-38** accepting easement from Collier.

Motion was made by Vice Mayor Danowski seconded by Councilmember Herzog to approve the Consent Agenda; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, and Miles. Motion passed unanimously. Absent: Councilmember Maniglia.

REGULAR AGENDA

3. Consideration of **Resolution No. 2022-39** fifth addendum to the Law Enforcement Service Agreement (LESA).

Town Manager Ramaglia presented the item to Town Council regarding the fifth addendum to the Law Enforcement Service Agreement (LESA).

There was public comment made by Todd McLendon.

Motion was made Councilmember Miles seconded by Vice Mayor Danowski to approve Resolution No. 2022-39 authorizing the fifth addendum to the Law Enforcement Service Agreement (LESA) between the Town of Loxahatchee Groves and Sheriff Ric L. Bradshaw; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, and Councilmember Miles. Nyes: Councilmembers Herzog, and Maniglia. Motion passed 3-2.

4. Consideration of **Resolution No. 2022-40** regarding contract for legal services with Johnson, Anselmo et al.

Town Attorney Lenihan presented the item to Town Council stating that legal services with Johnson, Anselmo et al is needed to represent the Town's interest in the lawsuit regarding the defense of the case of John Pata, et al vs. Town of Loxahatchee Groves, Case No. 502021CA011838XXXMB.

Motion was made by Mayor Shorr seconded by Councilmember Miles to approve Resolution No. 2022-40 authorizing an agreement with Johnson, Anselmo, Murdoch, Burke, Piper & Hochman, P.A. for legal services; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, and Miles. Nay: Councilmember Maniglia. Motion passed 4-1.

5. Consideration of **Resolution No. 2022- 32** establishing the Town's preliminary ad valorem millage rate of 3 mills for Truth-in-Millage ("TRIM") purposes for the fiscal year 2023 beginning October 1, 2022, proposed at 3 mills which is the same rate as for FY 2022, the current year.

Town Manager Ramaglia presented the item to Town Council the Town's preliminary ad valorem millage rate of 3 mills for Truth-in-Millage ("TRIM") purposes for the fiscal year

2023 beginning October 1, 2022, proposed at 3 mills which is the same rate as for FY 2022, the current year.

There was public comment by Todd McLendon.

Motion was made Councilmember Maniglia seconded by Councilmember Miles to approve Resolution No. 2022-32 adopting a proposed operating millage rate of 3.000 for general operating budget purposes for fiscal year 2022/2023; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

6. Consideration of ***Resolution No.2022-33*** establishing the Town's preliminary non-ad valorem assessment rate for Solid Waste Collection and Recycling Services for the fiscal year 2023 beginning October 1, 2022, proposed at \$450/unit for residential curbside service which is the same rate as for FY 2022, the current year.

Town Manager Ramaglia presented the item to Town Council establishing the Town's preliminary non-ad valorem assessment rate for Solid Waste Collection and Recycling Services for the fiscal year 2023 beginning October 1, 2022, proposed at \$450/unit for residential curbside service which is the same rate as for FY 2022, the current year.

Motion was made by Councilmember Maniglia seconded by Councilmember Herzog to approve Resolution No. 2022-33 establishing the Town's preliminary non-ad valorem assessment rate for Solid Waste Collection and Recycling Services for the fiscal year 2023 beginning October 1, 2022, proposed at \$450/unit for residential curbside service which is the same rate as for FY 2022, the current year; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion was made passed unanimously.

Town Council recesses to convene as the Dependent Water Control District Board of Supervisors at 7:19 p.m.

Chair Danowski called the Dependent Water Control District Board meeting to order at 7:19 p.m.

7. Consideration of ***Resolution No. 2022-DD04*** regarding Contract for legal services with Johnson, Anselmo et al.

Town Attorney Lenihan presented the item to Town Council stating that legal services with Johnson, Anselmo et al is needed to represent the Town's interest in the lawsuit regarding the defense of the case of John Pata, et al vs. Town of Loxahatchee Groves, Case No. 502021CA011838XXXMB.

Motion was made by Mayor Shorr seconded by Councilmember Miles to approve Resolution No. 2022-DD04 authorizing an agreement with Johnson, Anselmo, Murdoch, Burke, Piper

& Hochman, P.A. for legal services; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, and Miles. Nay: Councilmember Maniglia. Motion passed 4-1.

8. Consideration of ***Resolution No. 2022-DD03*** establishing the district's preliminary Road & Drainage non-ad valorem assessment rate for the fiscal year 2023 beginning October 1, 2022, proposed at \$200/unit which is the same rate as for FY 2022, the current year.

Town Manager Ramaglia presented the item to Town Council establishing the district's preliminary Road & Drainage non-ad valorem assessment rate for the fiscal year 2023 beginning October 1, 2022, proposed at \$200/unit which is the same rate as for FY 2022, the current year.

There was public comment by Todd McLendon.

Motion was made by Board Member Maniglia seconded by Board Member Herzog to approve Resolution No. 2022-DD04 establishing the district's preliminary Road & Drainage non-ad valorem assessment rate for the fiscal year 2023 beginning October 1, 2022, proposed at \$200/unit which is the same rate as for FY 2022, the current year; it was voted as follows: Chair Danowski, Treasurer Herzog, Board Members Maniglia, Miles, and Shorr. Motion passed unanimously.

Motion was made by Chair Danowski seconded by Board Member Maniglia to adjourn the Dependent Water Control District Board of Supervisors meeting at 7:38 p.m.; it was voted as follows: Ayes: Chair Danowski, Treasurer Herzog, Board Members Maniglia, Miles, and Shorr. Motion passed unanimously.

Motion was made by Councilmember Maniglia seconded by Councilmember Miles to reconvene as Town Council, it was voted as follows: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

Motion was made by Maniglia seconded by Miles to recess to convene as the Selection Committee; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

9. Consideration of the Audit Request for Proposal (RFP) by Town Council sitting as Selection Committee.

Town Manager Ramaglia presented the item to the Town Council stating that the State of Florida Auditor General Guidelines for the selection of audit services requires that the auditor selection committee review the Request for Qualifications (RFP) prior to its release. These guidelines require at least one member of council to be a member of and to chair the selection committee; therefore, the Council voted for the full Town Council to serve as the auditor selection committee.

Motion was made by Councilmember Maniglia seconded by Councilmember Herzog to select Robert Shorr as Chair of the Audit Selection Committee; it was voted as follows: Ayes:

Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

Motion was made by Councilmember Maniglia seconded by Councilmember Miles to select Laura Danowski as Vice Chair of the Audit Selection Committee; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

Motion was made by Councilmember Maniglia seconded by Vice Mayor Danowski to approve the accompanying RFP for Auditing Services with corrections; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

Motion was made by Maniglia seconded by Herzog to adjourn the meeting and reconvene as Town Council; it was voted as follows: Ayes: Mayor Shorr, Vice Mayor Danowski, Councilmembers Herzog, Maniglia, and Miles. Motion passed unanimously.

10. Workshop Item: Discussion of Town Council's Priorities.

Town Manager Ramaglia presented the item to Town Council regarding Town Council's priorities, she also stated that Public Works have given their three-month projects, and she gave an update on communications, and the Town's website.

Public Works Director, Larry Peters, gave Town Council and update on Public Works pending and in progress projects.

TOWN STAFF COMMENTS

Town Manager

- SAFEbuilt is coming to the August meeting-courtesy notice for the last year, doing Notice of Violation (NOV)
- Grants-study for water system
- Public Works doing a clean up of the yard-Bring surplus at the next meeting and will bring CERT contract.
- Call from Indian Trail Improvement District (ITID)
- Meetings about manure-invite people to meet.
Spoke about the breakdown of trash truck. Called DEP and Coastal, cleaned up and will be out tomorrow to finish routes and make sure there is no more damage.

Town Attorney

No comment

Public Works Director

No comment

Town Clerk

- Scholarship applications due by July 25th at 5:00 p.m.
- Back to School Book Bag Give-away
- Announce and presented the Chili Cook-off winner to Councilmember Miles.

TOWN COUNCILMEMBER COMMENTS

Phillis Maniglia (Seat 1)

- Hoping to learn about water quality.
- Gave check to the Loxahatchee Groves' Scholarship Fund.

Marianne Miles (Seat 3)

- Chili cook off.
- Thank you to resident who have been cleaning beyond their property fence line. Much appreciated.
- Update on FPL - getting people underground T.M. Ramaglia responded that FPL will be here on August 16, 2022
- Update on the (bridge) culverts on "B" road getting done- have a vegetation issue.

Marge Herzog (Seat 5)

- Are we going to have to take down loitering signs. Town Attorney responded.
- Power blips- asked Pikes if it is related.
- Nice to see the 25 mph signs going up.
- Status of the Gruber culvert, Mr. Peters responded by stating it is a 3-week delivery - Mr. Matos responded tomorrow will find dirt and block both sides of the bridge.
- C road and Okeechobee - digging by some company

Laura Danowski (Seat 2)

- FPL has a program- surge protector - 12.95 a month.
- Backpack Drive
- Francine and staff - Happy about Code Red communication with the residents (great excuse) supportive of what Town Hall does. Need to reach out to get to the neighborhood
- Canals look great- Good job.

Mayor Robert Shorr (Seat 4)

- Water quality
- Thanked to Town staff for the list.
- Canal banks

ADJOURNMENT

There being no further business the meeting was adjourned at 9:37 p.m.

**TOWN OF LOXAHATCHEE GROVES,
FLORIDA**

ATTEST:

Lakisha Q. Burch, Town Clerk

Mayor Robert Shorr

Vice Mayor Laura Danowski

Councilmember Margaret Herzog

Council Member Maryann Miles

Council Member Phillis Maniglia



**TOWN OF LOXAHATCHEE GROVES
TOWN COUNCIL COMMUNITY WORKSHOP
FEBRUARY 21, 2023**

Meeting audio available in Town Clerk's Office

CALL TO ORDER

Mayor Shorr called the meeting to order at 6:00 p.m.

COMMENTS FROM THE PUBLIC

There was a public comment made by Cassie Suchy.

Cassie Suchy addressed the Council regarding the following:

- Timing of posting changes to the agenda for public notice
- Building @ Big Dog Ranch

Councilmember Maniglia asked the Town Attorney why the public could not speak on agenda items at the Community Workshop, Town Attorney Lenihan responded. Councilmember Maniglia also stated that she felt that there shouldn't be eating at the dais. She then asked about the Equestrian Bridge, she wanted to know who does the final inspection. Mr. Peters, Public Works Director, responded. Town Manager Ramaglia also responded. There continued to be discussion regarding this topic between Councilmember Maniglia and Town Staff. Councilmember Maniglia also spoke about capturing gators. Councilmember Maniglia also announced the loss of some long-time residents in the Town and expressed the need to check on our elderly residents.

ADJOURNMENT

The workshop was adjourned at 6:30 p.m.

**TOWN OF LOXAHATCHEE GROVES,
FLORIDA**

ATTEST:

Lakisha Burch, Town Clerk

Mayor Robert Shorr

Vice Mayor Laura Danowski

Council Member Marge Herzog

Council Member Marianne Miles

Council Member Phillis Maniglia



155 F Road Loxahatchee Groves, FL 33470

Agenda Item #

TO: Town Council of Town of Loxahatchee Groves

FROM: Lakisha Burch, Town Clerk

VIA: Francine Ramaglia, Town Manager

SUBJECT: Resolution No. 2023-27 Lisa El-Ramey's appointment to Planning Zoning Board

Background:

Ms. Lisa El-Ramey is being nominated as a regular voting member of the Planning and Zoning Board replacing Mr. William Bell.

Recommendations:

Staff recommends that the Town Council approves Resolution No. 2023-27 appointing Ms. Lisa El-Ramey to the Planning and Zoning Board.

RESOLUTION NO. 2023-27

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, APPOINTING REGULAR MEMBERS OF THE TOWN'S PLANNING AND ZONING BOARD AND UNIFIED LAND DEVELOPMENT CODE REVIEW COMMITTEE TO COMPLETE AN UNEXPIRED TERM, PROVIDING FOR CONFLICT, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Board is established under Chapter 34, Article II, Loxahatchee Groves Code to provide the Town Council with recommendations as an advisory board on planning and zoning related matters; and

WHEREAS, the Town Council, through adoption of Ordinance No. 2019-04, amended Section 34-1(a) of the Loxahatchee Groves Code, designating the Planning and Zoning Board as the Local Planning Agency for the Town of Loxahatchee Groves pursuant to Section 163.3174(1), Florida Statutes; and

WHEREAS, the Town Council, through adoption of Resolution No. 2016-28, as amended by Resolution No. 2020-03, established the Unified Land Development Code Review Committee to review the Town's Unified Land Development Code and advise the Town Council as to suggested revisions thereto; and

WHEREAS, pursuant to Resolution No. 2022-29 Town Council appointed members to the Planning and Zoning Board to serve the term from May 3, 2022, through May 1, 2023; and

WHEREAS, an appointed member has resigned; and

WHEREAS, it is the desire of the Town Council to appoint members of the Planning and Zoning Board, who also sit as the Local Planning Agency and the Unified Land Development Code Review Committee, for the term stated herein.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, THAT:

Section 1. The foregoing "WHEREAS" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution.

Section 2. The Town Council hereby appoints the following persons to serve as regular members of the Town's Planning and Zoning Board and Unified Land Development Code Review Committee to complete the unexpired term of May 3, 2022, through May 1, 2023:

Margaret Herzog, Councilmember

Lisa El-Ramey

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. If any clause, section, other part, or application of this Resolution is held by any court of competent jurisdiction to be unconstitutional or invalid, in part or application, it shall not affect the validity of the remaining portions or applications of this Resolution.

Section 5. This Resolution shall become effective immediately upon its passage and adoption.

Councilmember _____ offered the foregoing resolution. Councilmember _____ seconded the motion, and upon being put to a vote, the vote was as follows:

ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, THIS ____ DAY OF _____, 2023.

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>
ROBERT SHORR, MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LAURA DANOWSKI, VICE MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MARIANNE MILES, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PHILLIS MANIGLIA, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MARGARET HERZOG, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**TOWN OF LOXAHATCHEE GROVES,
FLORIDA**

ATTEST:

Robert Shorr, Mayor

Lakisha Burch, Town Clerk

Laura Danowski, Vice Mayor

APPROVED AS T LEGAL FORM:

Phillis Maniglia, Councilmember

Office of the Town Attorney

Marianne Miles, Councilmember

Margaret Herzog, Councilmember



Town of Loxahatchee Groves
Town Clerk's Office
155 F Road
Loxahatchee Groves, Florida 33470
Phone: (561) 793-2418 Fax: (561) 793-2420

Item 6.

BOARDS AND COMMITTEES APPLICATION

This information is for consideration of appointment to a Town Board. Please complete and return this form to the Town Clerk, along with your *resume and proof of residency such as a government issued identification or voter registration card.*

PLEASE NOTE: Florida Public Records Law is very broad. Documents relevant to town business is public records and is subject to public disclosure upon request. Your information provided within this application may therefore be subject to public disclosure.

NAME: LISA EL-RAMEY

HOME ADDRESS: 3828 B ROAD APT. NO. _____

EMAIL ADDRESS: oakhammockfarm@mac.com PHONE: 561-662-0519

PLEASE SELECT THE BOARD(S) / COMMITTEE(S) ON WHICH YOU ARE INTERESTED IN SERVING. (A description of the responsibilities of each Board is on the back of this application.)

_____ Finance Audit and Advisory X Planning Zoning Board/Local
Committee (FAAC) Planning Agency/Unified Land
Development Committee
(PZB/LPA/ULDC)

_____ Roadway, Equestrian Trails, Greenway _____ Other Board/Committee
Advisory Committee

PLEASE MARK YES OR NO FOR EACH OF THE FOLLOWING QUESTIONS:

Are you a resident of Loxahatchee Groves? Yes X No _____

Are you a registered voter in Loxahatchee Groves/Palm Beach County, FL? Yes X No _____

Are you currently serving on a Town Board? Yes _____ No X

Have you ever served on a Town Board/Committee? Yes X No _____

If so, please indicate the Board(s)/Committee(s)? TOWN COUNCIL Date of Service: 2019-20

Are you willing to attend monthly board meetings? In Person / Telecom Yes X No _____

Per Resolution, I understand any member absence from three (3) consecutive meetings will be considered as resignation from the board/committee. Yes X No _____

Please list any special talent, qualification, education, or professional experience that would contribute to your service on the Board/Committee you have selected?

23 year resident of the town. Developed my own property and continue to improve property for equestrian use. Served on Town Council and as Mayor 2019-2020

Item 6.

Please summarize your volunteer experience(s):

Serve as board member of non-profit Equestrians With Christ, Serve on United States Dressage Federation Region 3 Championship Committee. Serve on Loxahatchee Groves Landowners Assoc. Committees

Florida Law requires appointed members on the Planning and Board of Adjustment and Appeals Boards to file a Form 1 - Statement of Financial Interests Disclosure form on an annual basis.

The Town Council shall appoint a candidate to serve on each committee which will go before Town Council for final approval.

Palm Beach County Commission on Ethics requires appointed members to take the Code of Ethics Training every two (2) years.

I hereby certify that the statements and answers provided are true and accurate to the best of my knowledge.



Signature of Applicant

2/23/2023

Date

☐ Resume Attached.

TOWN OF LOXATCHEE GROVES, FLORIDA
DESCRIPTION OF BOARDS AND COMMITTEES

Item 6.

FINANCIAL AUDIT AND ADVISORY COMMITTEE

The Financial Audit and Advisory Committee is charged by the Town Council to conduct a review and analyses of projects assigned by Town Council, Town Manager, review financial activities of the Town and to make recommendations to Town Council.

MEETING: The Financial Audit and Advisory Committee meets quarterly or by the discretion of the Town Manager.

PLANNING ZONING BOARD/LOCAL PLANNING AGENCY AND UNIFIED LAND DEVELOPMENT COMMITTEE (QUASI-JUDICIAL)

The Planning Board acts in a decision-making capacity reviewing all matters of community planning, site *plan* reviews, plat reviews for subdivisions and any other division of land; and shall act in an advisory capacity making recommendations to the Town Commission pertaining to approval or denial of an application for development approval. It also serves as the local planning agency, pursuant to F.S. § 163.3161.

MEETINGS: The Planning Board/Local Planning Agency/Unified Land Development Committee meets on the third Thursday of the month at 5:30 pm, on an as-needed basis.



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 7

TO: Town Council of Town of Loxahatchee Groves

FROM: Francine Ramaglia, Town Manager

DATE : March 21, 2023

SUBJECT: Consideration of Resolution No. 2023-17 adopting the year end Budget Amendment (FY22)

Background:

Attached Resolution 2023-17 provides for budget amendments to the FY 2022 budget in the attached Exhibit A which includes the final budget amendment for FY 2022 which requires amendment for revenue adjustments, transfers between funds, and reclassification between line items.

Recommendation:

Motion to approve Resolution 2023-17 of the Town Council of the Town of Loxahatchee Groves, Florida, adopting a budget amendment for the Town's adopted budget for the fiscal years beginning October 1, 2021, and ending September 30, 2022.

TOWN OF LOXAHATCHEE GROVES

RESOLUTION NO. 2023-17

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, ADOPTING BUDGETS AMENDMENT FOR THE TOWN'S BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; PROVIDING FOR SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE.

WHEREAS, in accordance with Section 200.065, Florida Statutes, on September 21, 2021, the Town Council of the Town of Loxahatchee Groves (the "Town") adopted Resolution No. 2021-50 approving the Fiscal Year 2021- 2022 Budget; and

WHEREAS, the Town Management has concluded a review of the budgets and expenditures during the Fiscal Year beginning October 1, 2021, and ending September 30, 2022, and is recommending amendments to the Town's budgets as set forth in **Exhibit "A"** hereto.

WHEREAS, the Town Council finds it is in the best interest of the Town of Loxahatchee Groves and its residents to adopt this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, AS FOLLOWS:

Section 1. The foregoing "WHEREAS" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution.

Section 2. The Town's adopted budgets for the Fiscal Years beginning October 1, 2021, and ending September 30, 2022, is hereby amended as set forth in **Exhibit "A"** attached hereto and expressly made a part hereof.

Section 3. If any clause, section, or other part of this Resolution shall be held by any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part shall be considered as eliminated and shall in no way affect the validity of the remaining portions of this Resolution.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This Resolution shall be retroactively effective to October 1, 2021, upon its passage and adoption.

Council Member _____ offered the foregoing resolution. Council Member _____ seconded the motion, and upon being put to a vote, the vote was as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>
Robert Shorr, MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laura Danowski, VICE MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marge Herzog, COUNCIL MEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marianne Miles, COUNCIL MEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Phillis Maniglia, COUNCIL MEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE
GROVES, FLORIDA, THIS ____ DAY OF MARCH 2023.**

TOWN OF LOXAHATCHEE GROVES,
FLORIDA

ATTEST:

Mayor Robert Shorr

Lakisha Burch, Town Clerk

Vice Mayor Laura Danowski

APPROVED AS TO LEGAL FORM:

Council Member Margaret Herzog

Office of the Town Attorney

Council Member Marianne Miles

Council Member Phillis Maniglia

**Town of Loxahatchee Groves
FY2022 Final Budget**

General Fund			
	Original Budget	Change to Original Budget	Final Amended Budget
Revenues			
Property Taxes	1,108,155	11,747	1,119,902
Permits and Franchise Fees	521,000	380,439	901,439
Utility Service Taxes	425,000	44,441	469,441
Intergovernmental Revenue	353,000	1,155,676	1,508,676
Charges For Services	307,500	93,430	400,930
Fines and Forfeitures	22,000	(5,000)	17,000
Miscellaneous	5,000	10,689	15,689
Interest	1,000	850	1,850
Total Revenue	2,742,655	1,692,272	4,434,927
Expenditures			
General Government			
Town Council	76,000	31,947	107,947
Town Manager	810,791	(23,072)	787,719
Financial Services	93,000	(24,385)	68,615
Legal Services	164,000	142,070	306,070
Communications and Technology	50,000	18,473	68,473
Other	160,500	(23,265)	137,235
Total General Government	1,354,291	121,768	1,476,059
Public Safety			
Police	622,200	-	622,200
Planning and Zoning	206,800	235,494	442,294
Code Enforcement	140,000	1,342	141,342
Total Public Safety	969,000	236,836	1,205,836
Transfers Out	335,572	1,056,552	1,392,124
Total Expenditures	2,658,863	1,415,155	4,074,018
To Fund Balance	83,792	277,116	360,908

Transportation Fund

	Original Budget	Change to Original Budget	Final Amended Budget
Revenues			
Intergovernmental	383,000	13,107	396,107
Total Revenues	383,000	13,107	396,107
Expenditures			
Transfers Out	383,000	13,107	396,107
Total Expenditures	383,000	13,107	396,107
To Fund Balance	-	0	0

Local Option Sales Tax Fund

	Original Budget	Change to Original Budget	Final Amended Budget
Revenues			
Intergovernmental	251,000	64,075	315,075
Gains or Loss on Investments	-	(5,899)	(5,899)
Total Revenues	251,000	58,175	309,175
Expenditures			
Public Works	251,000	(251,000)	-
Total Expenditures	251,000	(251,000)	-
To Fund Balance	-	309,175	309,175

Water Control District Fund

	Original Budget	Change to Original Budget	Final Amended Budget
Revenues			
Assessments, Net of Discounts	1,481,620	20,794	1,502,414
Charges For Services	-	8,779	8,779
Interest and Investment Income	-	2,686	2,686
Miscellaneous	-	35,232	35,232
Tranfers In	231,164	-	231,164
Total Revenues	1,712,784	67,492	1,780,276
Expenditures			
Physical Environment	1,685,931	(391,095)	1,294,836
Debt Service	6,750	(3,750)	3,000
Capital Outlay	125,000	190,198	315,198
Total Expenditures	1,817,681	(204,647)	1,613,034
To Fund Balance	(104,897)	272,139	167,242

CIP Fund

	Original Budget	Change to Original Budget	Final Amended Budget
Revenues			
Transfers In	487,556	1,069,511	1,557,067
Total Revenues	<u>487,556</u>	<u>1,069,511</u>	<u>1,557,067</u>
Expenditures			
Physical Environment Capital	487,556	1,557,067	1,557,067
Total Expenditures	<u>-</u>	<u>1,557,067</u>	<u>1,557,067</u>
To/From Fund Balance	<u>487,556</u>	<u>(487,556)</u>	<u>0</u>

Solid Waste Fund

	Original Budget	Change to Original Budget	Final Amended Budget
Revenues			
Assessments, net of Discounts	650,350	6,857	657,207
Intergovernmental	-	(675)	(675)
Miscellaneous	3,000	689	3,689
Transfers In	47,650	-	47,650
Total Revenues	<u>701,000</u>	<u>6,871</u>	<u>707,871</u>
Expenses			
Physical Environment	701,000	(27,797)	673,203
Total Expenses	<u>701,000</u>	<u>(27,797)</u>	<u>673,203</u>
To Fund Balance	<u>-</u>	<u>34,668</u>	<u>34,668</u>

TOWN OF LOXAHATCHEE GROVES

155 F Road Loxahatchee Groves, FL 33470

**AGENDA MEMO****Agenda Item # 8****TO: Town Council of Town of Loxahatchee Groves****FROM: Larry A. Peters, P.E., Public Works Director****DATE: March 21, 2023****SUBJECT: Johnson-Davis Change Order for Gruber and D Road Bridge Culvert**

Background:

Town Council approved an emergency replacement of a failed bridge culvert at Gruber and D Road with the condition that the cost of the work not to exceed \$100,000.00. Town Council adopted Resolution No. 2022-46 and entered into an agreement with Johnson-Davis, Inc. to complete the required work for \$95,750.00. A purchase order was issued, and the culvert was replaced.

There were existing Gruber Lane roadway drainage culverts that needed to be replaced in order not to interfere with Bridge Culvert embankments. The Town Public Works Department normally would perform the work to replace these drainage culverts, however, due to the reduction in manpower, Public Works requested that Johnson-Davis replace the drainage culverts and add Rip-Rap rubble around the extended culverts and to provide an extended berm with sod on each side of the new Bridge Culvert.

A request for a change order in the amount of \$16,890.43 was submitted by Johnson-Davis for the additional work. The additional work has been completed.

Recommendations:

Approve change order in the amount of \$16,890.43 for Johnson-Davis.

TOWN OF LOXAHATCHEE GROVES

RESOLUTION NO. 2023-24

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA AUTHORIZING CHANGE ORDER TO AGREEMENT WITH JOHNSON-DAVIS, INC. FOR CULVERT REPLACEMENT AT GRUBER AND D ROAD AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on August 16, 2022, the Town Council of the Town of Loxahatchee Groves (“Town”) approved an Agreement with Johnson-Davis, Inc. (“Contractor”) for emergency culvert replacement; and

WHEREAS, the Town requested the Contractor complete additional work; and

WHEREAS, the Contractor submitted a Change Order Request (J-D COR #1) for the additional work; and

WHEREAS, the Town has determined the attached Change Order Request (J-D COR #1) serves a public purpose.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are hereby adopted as if fully set forth herein.

Section 2. The Town Council of the Town of Loxahatchee Groves, Florida hereby approves the Change Order Request (J-D COR #1), as attached.

Section 3. This Resolution shall take effect immediately upon adoption.

Councilmember _____ offered the foregoing resolution. Councilmember _____ seconded the motion, and upon being put to a vote, the vote was as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>
Robert Shorr, MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laura Danowski, VICE MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Margaret Herzog, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marianne Miles, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Phillis Maniglia, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES,
FLORIDA, THIS ___ DAY OF _____, 2023.**

**TOWN OF LOXAHATCHEE GROVES
FLORIDA**

ATTEST:

Robert Shorr, Mayor

Town Clerk

Laura Danowski, Vice Mayor

APPROVED AS TO LEGAL FORM:

Margaret Herzog, Councilmember

Marianne Miles, Councilmember

Office of the Town Attorney

Phillis Maniglia, Councilmember



CHANGE ORDER REQUEST

October 31, 2022
 Loxahatchee Groves
 245 W D Road
 Loxahatchee Groves, FL 33470

Attn: Larry Peters

Project: D Road & Gruber Ln
 Re: Additional work per Loxahatchee Groves

J-D COR #: 1

Larry,

Attached pricing includes to furnish and install rubble rip rap on all four corners at each endwall. Raise the height of the sand cement riprap bags 1 additional layer, Install 80 LF of berms each side of the drive and sod.

DATE: TBD
 TASK: Additional work per Loxahatchee Groves

1	Labor	1	LS	\$4,261.60	\$4,261.60
2	Equipment	1	LS	\$4,855.06	\$4,855.06
3	Material	1	LS	\$4,473.78	\$4,473.78
4	Subcontractors	1	LS	\$0.00	\$0.00
Total Amount of Change Order:				\$13,590.43	

Total Amount of Days Added to The Contract: **1**

Please review and forward to the responsible parties for authorization. As always, should there be any questions or if you require any additional information please do not hesitate to contact our office.

Sincerely,

Chad Rawlinson

Chad Rawlinson
 Project Manager

APPLICATION AND CERTIFICATE FOR PAYMENT

To Owner: Town of Loxahatchee Groves
155 F Road

Project: 11972 D Road and Gruber Street Curve

Invoice #: 11972-02

Loxahatchee Groves, FL 33470

From Contractor: Johnson-Davis Inc.
604 Hillbraith Dr.

Via Architect:

Lantana, FL 33462

Contract For:

Application No.: 2
Period From: 12/1/2022
Period To: 12/31/2022
Project No.:
Distribution to:
☐ Owner
☐ Architect
☐ Contractor

Contract Date:

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet is attached.

1. Original Contract Sum \$95,750.00
2. Net Change By Change Order \$16,890.43
3. Contract Sum To Date \$112,640.43
4. Total Completed and Stored To Date \$112,640.43
5. Retainage:
 - a. 0.00% of Completed Work \$0.00
 - b. 0.00% of Stored Material \$0.00Total Retainage \$0.00
6. Total Earned Less Retainage \$112,640.43
7. Less Previous Certificates For Payments \$85,750.00
8. Current Payment Due \$16,890.43
9. Balance To Finish, Plus Retainage \$0.00

CHANGE ORDER SUMMARY		Additions	Deductions
Total changes approved in previous months by Owner		\$0.00	\$0.00
Total Approved this Month		\$16,890.43	\$0.00
TOTALS		\$16,890.43	\$0.00
Net Charges By Change Order		\$16,890.43	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief, the work covered by this Application for Payment has been completed in accordance with the Contract Documents. That all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment(s) herein is now due.

CONTRACTOR: Johnson-Davis Inc.

By: [Signature] Date: 12/1/22

State of: FL
Subscribed and sworn to before me this
Notary Public
My Commission expires: 01.01.23

County of: Collier
day of: Dec 2022

ARCHITECT'S CERTIFICATE FOR PAYMENT
In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information, and belief, the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

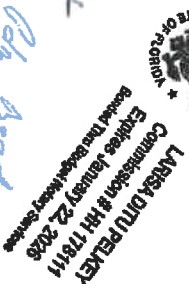
AMOUNT CERTIFIED \$ 16,890.43

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein, issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.



Progress Bill

From:

Johnson-Davis Inc.
604 Hillbrath Dr.
Lantana, FL 33462

To:

Town of Loxahatchee Groves
155 F Road
Loxahatchee Groves, FL 33470

Contract: 11972. D Road and Gruber Street Culve

Invoice: 11972-02

Date: 12/31/22

Application #: 2

Invoice Due Date: 12/31/22

Payment Terms:

Item	Description	Contract Amount	Contract Quantity	Contract U/M	Quantity JTD	Unit Price	Materials On-Site	Total Completed And Stored To Date	%	Amount Previous	Quantity This Period	Amount This Period
10	MOBILIZATION/GENERAL CONDITIONS	6,000.00	1,000	LSU	1,000	6,000.00	0.00	6,000.00	100.00%	6,000.00	0.000	0.00
20	CLEARING AND GRUBBING	6,000.00	1,000	LSU	1,000	6,000.00	0.00	6,000.00	100.00%	6,000.00	0.000	0.00
30	MAINTENANCE OF TRAFFIC	1,000.00	1,000	LSU	1,000	1,000.00	0.00	1,000.00	100.00%	1,000.00	0.000	0.00
40	96" CAP	40,000.00	40,000	LF	40,000	1,000.00	0.00	40,000.00	100.00%	40,000.00	0.000	0.00
50	RIP RAP HEADWALL W/FLARE EMBANKMENT	33,750.00	50,000	CY	50,000	675.00	0.00	33,750.00	100.00%	33,750.00	0.000	0.00
60	SOD	2,800.00	80,000	CY	80,000	35.00	0.00	2,800.00	100.00%	2,800.00	0.000	0.00
70	8" LIMEROCK ENTRANCE	3,200.00	400,000	SY	400,000	8.00	0.00	3,200.00	100.00%	3,200.00	0.000	0.00
80	Additional Work	3,000.00	100,000	SY	100,000	30.00	0.00	3,000.00	100.00%	3,000.00	0.000	0.00
999.01	Pipe Removal and Installation	13,590.43	13,590.430	LSU	13,590.430	1.00	0.00	13,590.43	100.00%	13,590.43	0.000	0.00
999.02	Total for Items with No Bill Group	3,300.00	6,000	HRS	6,000	550.00	0.00	3,300.00	100.00%	3,300.00	0.000	0.00
		112,640.43					0.00	112,640.43	100.00%	95,750.00		16,890.43

Approved:

GI#

PO#

Balance:

Date:

12/22/22

Total Billed To Date:

112,640.43

Less Retainage:

0.00

Less Previous Applications:

95,750.00

Total Due This Invoice:

16,890.43

TOWN OF LOXAHATCHEE GROVES

155 F Road Loxahatchee Groves, FL 33470



AGENDA MEMO

Agenda Item # 9

TO: Town Council of Town of Loxahatchee Groves

FROM: Francine Ramaglia, Town Manager

DATE: March 21, 2023

SUBJECT: Consideration of *Resolution 2023-26* authorization of financial services contract with Munilytics, Inc.

Background:

The Town is in need of governmental accounting and financial services to manage and operate its budget and provide required services to its citizens. The Town Manager believes that it is more cost effective and efficient at this time to have those necessary services out sourced. Since December 1st Munilytics, Inc., a Florida Corporation, located in Davie, Florida has been providing those services for the Town. In addition, they have been assisting the Town with its audit preparation and documentation for the 2021-22 fiscal year, since August of 2022. Through their efforts in conjunction with staff's efforts the Town Manager has seen an improvement in the Town's financial operations.

Accounting and financial services are listed among the professional services exempted from competitive selection or the necessity of obtaining written quotes when negotiating for those services. The Town Manager did make inquiry of a number of firms as to the costs associated with them taking over all or the bulk of financial services for the Town's operations and concluded that Munilytics, Inc.'s pricing was the most cost efficient for the Town. Under the attached contract Munilytics will in essence provide turnkey or outsourced accounting, finance, budgeting, and related services that Munilytics is qualified to conduct, including analysis of the Town budget, reporting and presentation; automation of tracking, reporting, and analysis of the Town budget; and analysis and forecasting of expenditures. They will act as the Town's Finance Department and assist in the preparation of any and all necessary financial statements.

Specifically, under the terms of the contract Munilytics, Inc. will have primary responsibility for performing all governmental accounting and finance services on behalf of the Town using the Town's technology and software to carry out the day-to-day business of the Town. An overview is as follows:

A. Financial Statements

1. Establish Fund Accounting System in accordance with federal and state law, as well as GASB and the Rules of the Auditor General. This includes the following:
 - a) Chart of Accounts
 - b) Vendor and Customer Master File
 - c) Report creation and set-up.
2. Prepare monthly balance sheet, income statement(s) with budget to actual variances, including the following:
 - a) Cash Investment Account Reconciliations per fund
 - b) Balance Sheet Reconciliations per fund
 - c) Expense Variance Analysis
3. Prepare and file Annual Qualified Public Depositor's Report and distribute to State Department of Insurance and Treasury.
4. Prepare and file Public Depositor's and Indemnification Form on new accounts as needed.
5. Prepare all other financial reports as required by applicable law and accounting standards, and bond trust indenture requirements.
6. Prepare annual financial statements, maintain necessary audit files and assist with annual audit examination, to include corresponding with the auditor and scheduling fieldwork.
7. Provide Audit support to auditors for the required Annual Audit, as follows:
 - a) Review statutory and bond indenture requirements
 - b) Prepare Audit Confirmation Letters for independent verification of activities.
 - c) Prepare all supporting accounting reports and documents as requested by the auditors
 - d) Respond to auditor questions
 - e) Review and edit draft report
 - f) Prepare year-end adjusting journal entries as required
8. Provide for transmission of the Audit to the County and the Auditor General's Office of the State.
9. Provide and file Annual Financial Statements (FS. 218 report).

B. Budgeting

1. Lead the Town through each fiscal year budget and CIP process. Prepare budget and backup material for and assist in the presentation of the budget at budget meetings, hearings, and workshops. The budget is to be done in accordance with state law standards, and consistent with applicable GFOA and GASB standards.
2. File all required documentation to the Department of Revenue, Auditor General, Palm Beach County, and other governmental agencies with jurisdiction.
3. Prepare all notices of all budget hearings and workshops as required by Florida' Truth in Millage laws and submit the notices to the Town Clerk in time for the notices to be published.

4. Prepare all budget amendments on an ongoing basis. Examine budgetary expense items and, when possible, seek and advise when reductions may be obtained, or advise pertaining to alternate measures or the elimination of unnecessary expenses and/or nonproductive items.

C. Payroll

1. Reconcile, calculate as necessary, and record bi-weekly payroll and related retirement transactions into the accounting software and to the vendors as applicable. These transactions will be based primarily upon the employees' time keeping information entered by Town staff into ADP, once reviewed and approved for accuracy and completeness.

D. Purchasing

1. Assist in selection of vendors as needed for services, goods, supplies, materials. Obtain pricing proposals and prepare RFP/RFQs as needed and in accordance with the Town's rules and state law.
2. Assist in process to retain an auditor and cooperate and assist in the performance of the audit by the independent auditor as noted above.
3. Manage Vendor Information per W-9 reports, prepare year-end 1099 Forms for Vendor payments as applicable, and file reports with IRS.

E. Accounts Payable/Receivable

1. Administer the processing, review and approval, and payment of all invoices and purchase orders. Ensure timely payment of vendor invoices and purchase orders.
2. Prepare bi-weekly Vendor Payment Report and Invoicing Support for presentation to the Board of Supervisors for approval or ratification.
3. Record expense transactions into the accounting software and process payments bi-weekly in collaboration with Town staff.
 - a) Town staff will be responsible for all invoices being approved and coded to expense accounts prior to Contractor processing the payments, as well as confirmation of appropriate budget allocations.
 - b) Town staff will be responsible for approving all payments.
 - c) Contractor will review all items for proper account coding, compliance with PO and budgetary requirements.
4. Record income transactions into the accounting software in collaboration with Town staff. Town staff will be responsible for preparing bank deposits.
5. Reconcile bank statements for all accounts and funds, including investment, revolving credit, credit card/merchant accounts, GovEasy permit & related EasyPay reports (including BTRs, escrows and cost recovery accounts) each month.

F. Capital Program Administration

1. Maintain proper capital fund and project fund accounting procedures and records.

2. Prepare and process Construction requisitions including:
 - a) Vendor Contract completion status
 - b) Verify Change Orders for materials
 - c) Check for duplicate submittals
 - d) Verify allowable expenses per Bond Indenture Agreements such as:
 - i. Contract Assignment
 - ii. Acquisition Agreement
 - iii. Project Construction and Completion Agreement
3. Provide for appropriate bid and/or proposal/qualification processes for Capital Project Construction, in conjunction with Town staff including the Town Engineer and Town Attorney, as appropriate.

G. Attendance at Meetings

1. Occasionally attend meetings and workshops of the Council and other committees and boards of the Council as required. For reference, the Town Council's regular meetings are held at 6:30 pm on the second First and Third Tuesday of each month.
2. Regularly attend the Town's Finance Accounting & Auditing Advisory Committee which meets at least quarterly and at times meets monthly. In addition, Finance Professional(s) is expected to attend Special Meetings, workshops, and budget meetings as called and scheduled.

H. Compliance

1. Assist Town staff with application, administration and reporting for grant programs including preparation and filing of compliance and regulatory reports as required by Federal Emergency Management Agency (FEMA), American Rescue Plan Act (ARPA), and any state or federal grant submissions. Any grant work will be negotiated as a separate fee between the Town and the Contractor.
2. Ensure compliance with GAAP, GASB, State of Florida Auditor General and the State's Chief Financial Officer.

I. Other Activities

1. Advises the Town Manager, Department Heads, and Town Council about governmental accounting/finance matters that have a potential impact on Town business by way of a memorandum and any recommended courses of action on the part of the Town.
2. Respond to all Town Manager, Department Head, and Town Council initiated requests for information and advice in a timely fashion. The foregoing shall not be construed to mean the Finance Professional(s) must initiate lengthy work requests at the behest of a single Councilmember.
3. Perform appropriate study, inquiry and research necessary to advise the Town relative to its financial matters.

4. Perform other related services as mutually agreed upon.

The proposed contract has an annual cost of \$100,000 and may be terminated upon 45 days' notice by either party with or without cause. The contract can be terminated for cause upon 3 days' notice with 3 days to cure, so that if for cause matter was not rectified the contract could end within 6 days of the initial notice of default. Absent termination the contract can be renewed annually for an additional 3 years.

Recommendation:

The Town Manager and Town Attorney recommend approval of ***Resolution 2023- 26*** approving and authorizing the Town to enter into the contract for accounting and financial services with Munilytics, Inc.

**TOWN OF LOXAHATCHEE GROVES
RESOLUTION NO. 2023-26**

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA APPROVING A CONTINUING CONTRACT WITH MUNILYTICS, INC. FOR ACCOUNTING AND FINANCIAL SERVICES; AUTHORIZING THE MAYOR TO EXECUTE NECESSARY DOCUMENTS IN FORMS ACCEPTABLE TO THE TOWN MANAGER AND TOWN ATTORNEY TO IMPLEMENT THE INTENT OF THIS RESOLUTION; AUTHORIZING THE TOWN MANAGER AND THE TOWN ATTORNEY TO TAKE SUCH ACTIONS AS ARE NECESSARY TO IMPLEMENT THIS RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town is in need of governmental accounting and financial services including but not limited to preparation of financial statements, budgeting, payroll, purchasing, accounts payable, accounts receivable, capital program administration and compliance; and; and

WHEREAS, Munilytics, Inc., a Florida Corporation, is qualified to perform the required governmental accounting and financial services for the Town and does perform such services for other governmental entities in South Florida; and

WHEREAS, the Town's procurement ordinances and purchasing manual do not require the acquisition certain professional services, including accounting and financial services, to be the subject to sealed competitive bidding or require the obtaining of written quotes; and

WHEREAS, the Town staff has negotiated and recommends the Town Council approve the attached contract with Munilytics, Inc., which is for an initial one-year contractual period at an annual rate of One Hundred Thousand Dollars (\$100,000.00) with the possibility of annual renewals for three (3) years; and

WHEREAS, the Town Council finds it is in the best interest of the Town of Loxahatchee Groves to enter into the Contract for Accounting and Financial Services with Munilytics, Inc.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, AS FOLLOWS:

Section 1. The foregoing "WHEREAS" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution.

Section 2. The Town Council of the Town of Loxahatchee Groves hereby authorizes the Town to enter into the Contract for Accounting Services with Munilytics, Inc., attached hereto as

“Exhibit A”.

Section 3. The Mayor is authorized to execute any and all documents to implement the contract, in forms acceptable to the Town Manager and Town Attorney. The Town Manager and Town Attorney are authorized to take such actions as are necessary to implement this Resolution.

Section 4. This Resolution shall become effective immediately upon its passage and adoption.

Council Member _____ offered the foregoing resolution. Council Member _____ seconded the motion, and upon being put to a vote, the vote was as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>
Robert Shorr, MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laura Danowski, VICE MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marge Herzog, COUNCIL MEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marianne Miles, COUNCIL MEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Phillis Maniglia, COUNCIL MEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES,
FLORIDA, THIS ____ DAY OF MARCH 2023.**

**TOWN OF LOXAHATCHEE GROVES,
FLORIDA**

ATTEST:

Mayor Robert Shorr

Lakisha Burch, Town Clerk

Vice Mayor Laura Danowski

APPROVED AS TO LEGAL FORM:

Council Member Margaret Herzog

Office of the Town Attorney

Council Member Marianne Miles

Council Member Phillis Maniglia

AGREEMENT FOR ACCOUNTING AND FINANCIAL SERVICES

THIS AGREEMENT, made and entered into this ___ day of March 2023, by and between the Town of Loxahatchee Groves, Florida, a Florida municipal corporation ("Town") and Munilytics, Inc., a Florida corporation ("Consultant").

WITNESSETH:

WHEREAS, the Town represents that it is a Florida municipal corporation with the authority to engage the Consultant and accept the obligation for payment for the services desired; and

WHEREAS, the Town desires to engage the Consultant to perform certain professional services regarding special project budget, finance and accounting and related services in accordance with this Agreement; and

WHEREAS, the Consultant desires to provide such professional services in accordance with this Agreement; and

WHEREAS, pursuant to Subsection 2-134(b)(2) of the Town's Code of Ordinances, professional services contracts such as this are exempt from the Town's competitive solicitation requirements.

NOW, THEREFORE, in consideration of the premises and the mutual benefits which will accrue to the parties hereto in carrying out the terms of this Agreement, it is mutually understood and agreed as follows:

SECTION 1: INCORPORATION OF RECITALS. The foregoing Recitals are incorporated into this Agreement as true and correct statements.

SECTION 2: CONSULTANT'S SERVICES. The Consultant shall provide independent contracting services to the Town as directed by the Town Manager or designee. The general scope of the Consultant's services is to provide governmental accounting and financial services including but not limited to preparation of financial statements, budgeting, payroll, purchasing, accounts payable, accounts receivable, capital program administration and compliance, other Finance Department operations, Finance Director services, and assistance in the Annual Financial Statement preparation. The outsourced services provided by Consultant will include the above services and shall be as more specifically described in Exhibit A, Scope of Services- Financial Services (attached hereto and incorporated herein) (the "Services" or "services"):

SECTION 3: INDEPENDENT CONTRACTOR RELATIONSHIP. No relationship of employer or employee is created by this Agreement, it being understood that Consultant will act hereunder as an independent contractor and none of the Consultant's, officers, directors, employees, independent contractors, representatives, or agents performing services for Consultant pursuant to this Agreement shall have any claim under this Agreement or otherwise against the Town for compensation of any kind under this Agreement. The relationship between the Town and Consultant is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

SECTION 4: TERM, TIME AND TERMINATION.

a. Term. The term of this Agreement shall be for an initial term of one (1) year and commence retroactively on March 1, 2023, and shall automatically renew for three (3) additional one (1) year renewals, unless terminated earlier by either party as stated herein.

b. Time for Completion. Time is of the essence in the performance of this Agreement. The Consultant shall at all times carry out its duties and responsibilities as expeditiously as possible in accordance with or better than industry standards.

c. Force Majeure. Neither party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The Consultant or Town may suspend its performance under this Agreement as a result of a force majeure without being in default of this Agreement, but upon the removal of such force majeure, the Consultant or Town shall resume its performance as soon as is reasonably possible. Upon the Consultant's request, the Town shall consider the facts and extent of any failure to perform the services and, if the Consultant's failure to perform was without its or its subcontractors' fault or negligence, the schedule and/or any other affected provision of this Agreement may be revised accordingly, subject to the Town's rights to change, terminate, or stop any or all of the services at any time. No extension shall be made for delay occurring more than three (3) days before a notice of delay or claim therefore is made in writing to the Town. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary.

d. Termination without cause. Either party may terminate this Agreement at any time with or without cause by giving not less than forty-five (45) days written notice of termination.

e. Termination for cause. Either party may terminate this Agreement at any time in the event that the other party engages in any act or makes any omission constituting a material breach of any term or condition of this Agreement. The party electing to terminate this Agreement shall provide the other party with written notice specifying the nature of the breach. The party

receiving the notice shall then have three (3) business days from the date of the notice in which to remedy the breach. If such corrective action is not taken within three (3) business days, then this Agreement shall terminate at the end of the three (3) day period without further notice or demand.

f. Early Termination. If this Agreement is terminated before the completion of all services by either party, the Consultant shall:

1. Stop services on the date and to the extent specified in the notice including without limitation services of any subcontractors.
2. Transfer all work in progress, completed work, and other materials related to the terminated services to the Town in the format acceptable to Town.
3. Continue and complete all parts of the services that have not been terminated.

g. Effect of Termination. Termination of this Agreement shall not affect any rights, obligations, and liabilities of the parties arising out of services provided prior to termination.

h. Termination for Non-appropriation. Notwithstanding the foregoing, the parties acknowledge and agree that the Town is a municipal corporation of the state of Florida, and as such, this Agreement (and all Exhibits hereto) are subject to budgeting and appropriation by the Town of funds sufficient to pay the costs associated herewith in any fiscal year of the Town. Notwithstanding anything in this Agreement to the contrary, in the event that no funds are appropriated or budgeted by the Town's governing board in any fiscal year to pay the costs associated with the Town's obligations under this Agreement, or in the event the funds budgeted or appropriated are, or are estimated by the Town to be, insufficient to pay the costs associated with the Town's obligations hereunder in any fiscal period, then the Town will notify Consultant of such occurrence and either the Town or Consultant may terminate this Agreement by notifying the other in writing, which notice shall specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to the Town of any kind whatsoever; however, Town shall pay Consultant for all services performed under this Agreement through the date of termination.

SECTION 5: COMPENSATION.

a. Payments. The Town agrees to compensate the Consultant during this Agreement in accordance with each Town Purchase Order setting forth individual project scope, cost and timing. Compensation to Consultant during the initial term of this Agreement shall be in the amount of \$100,000.00 annually (\$8,333.33 monthly). These fees are all-inclusive.

b. Invoice. The Consultant shall render a monthly invoice to the Town for services provided in accordance with this Agreement during the previous month. The invoice shall specify the services performed and the time spent on the same with sufficient detail for a pre-audit and

post-audit thereof. All Town authorized reimbursable expenses shall also be clearly identified on the invoice and supporting documentation shall be provided. Invoices must reflect the amount paid to date, the amount encumbered by the current invoice, and the amount remaining under this Agreement or any applicable Purchase Order. All payments by the Town to the Consultant will be made in accordance with the Local Government Prompt Payment Act.

c. Tax. The Town is exempt from payment of Florida State Sales and Use Tax. The Consultant is not authorized to use the Town's Tax Exemption Number.

SECTION 6: WARRANTY/GUARANTEE. The Consultant warrants that it will assign work under this Agreement only to individuals who are qualified to perform all required duties under this Agreement and will perform the work in a professional manner.

SECTION 7: INSURANCE. Prior to commencing any services, and without limiting any of the other obligations or liabilities of the Consultant, the Consultant shall, at its own expense, and shall require any sub-contractor to, at no expense to the Town, provide and maintain in force, for the Term of this Agreement, the following minimum insurance coverages. Such coverages shall be procured and maintained with forms and insurers acceptable to the Town. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

a. Workers' Compensation Insurance, as applicable in accordance with Chapter 440, Florida Statutes, to apply to all of the Consultant's employees in compliance with the "Worker's Compensation Law" of the State of Florida and all applicable Federal Laws. This coverage shall also include Employer's Liability with limits of \$100,000 per person, \$500,000 per occurrence and \$100,000 per each disease.

b. Commercial General Liability with minimum limits of one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) general aggregate combined single limit for Bodily Injury Liability and Property Damage Liability. Coverage must be afforded on a form no more restrictive than the latest edition of the Comprehensive General Liability policy, without restrictive endorsements, and must include:

1. Premises and/or Operations
2. Independent Contractors
3. Products and Completed Operations - Consultant shall maintain in force until at least three years after completion of all services required under this Agreement, coverage for Products and Completed Operations.
4. Contractual Coverage applicable to this specific Agreement.

5. Personal Injury Coverage with minimum limits of coverage equal to those required for Bodily Injury Liability.

c. Business Automobile Liability with minimum limits of one million dollars (\$1,000,000) per occurrence combined single limit for Bodily Injury Liability and Property Damage Liability. Coverage must be afforded on a form no more restrictive than the latest edition of the Business Automobile Liability policy, without restrictive endorsements, as filed by the Insurance Services Office and must include:

1. Owned Vehicles
2. Hired and Non-Owned Vehicles
3. Employers' Non-Ownership

d. Professional Liability with minimum limits of one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) general aggregate.

e. Cyber Liability with limits not less than \$1,000,000 per occurrence or claim, \$1,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as set forth in the Scope of Services and shall include, but not be limited to, claims involving data breach, media content, infringement of intellectual property, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with sufficient limits to respond to these obligations.

f. Prior to commencement of services, the Consultant shall provide to the Town Certificates of Insurance evidencing the insurance coverage specified in this Section. All policies covered within this Section shall be endorsed to provide the Town with thirty (30) days' notice of cancellation and/or restriction. The Town shall be named as an additional insured as to Consultant's liability on policies referenced in this Section except for Professional Liability and Workers' Compensation. The required Certificates of Insurance shall not only name the types of policies provided, but also shall refer specifically to this Agreement in accordance with which insurance is being furnished and shall state that such insurance is as required by this Agreement. The Consultant shall also make available to the Town a certified copy of the professional liability insurance policy required by this Section for the Town's review. Upon request, the Consultant shall provide copies of all other insurance policies. Failure to comply with the foregoing requirements shall not relieve the Consultant of its liability and obligations under this Agreement.

g. If the initial insurance policies required by this Agreement expire prior to the completion of the services, renewal Certificates of Insurance of policies shall be furnished thirty (30) days prior to the date of their expiration. For Notice of Cancellation and/or Restriction; the

policies must be endorsed to provide the Town with thirty (30) days' notice of cancellation and/or restriction.

h. The Consultant's insurance, including that applicable to the Town as an Additional Insured, shall include a waiver of subrogation and apply on a primary and non-contributory basis.

i. Coverages shall be afforded on forms acceptable to the Town. Consultant shall insure that subcontractors used for any portion of the project maintain the same insurance as is required of the Consultant herein.

SECTION 8: INDEMNIFICATION. The Consultant agrees to indemnify and hold harmless the Town, its elected officials, officers, employees, and attorneys of, from, and against liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees (at all trial and appellate levels), to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the Consultant, its agents, officers, subcontractors, employees, or anyone else employed or utilized by the Consultant in the performance of this Agreement. The Consultant's liability hereunder shall include all reasonable attorney's fees and costs incurred by the Town in the enforcement of this indemnification provision. This includes claims made by the employees of the Consultant against the Town and the Consultant hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement.

Nothing contained in the foregoing indemnification shall be construed as a waiver of any immunity or limitation of liability the Town may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. The provisions and limitations set forth in Section 768.28, Florida Statutes, shall apply to this Agreement to claims or actions arising in tort and/or in contract.

SECTION 9: LIMITATION OF LIABILITY. IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY PUNITIVE, SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES OR DAMAGES.

SECTION 10: COMPLIANCE AND DISQUALIFICATION. Each of the parties agrees to perform its responsibilities under this Agreement in conformance with all laws, regulations and administrative instructions that relate to the parties' performance of this Agreement.

SECTION 11: PERSONNEL. The Consultant has or will secure, at its own expense, all necessary personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the Town. All the services required hereunder shall be performed by the Consultant or under its supervision, and all personnel engaged

in performing the services shall be fully qualified and authorized or permitted under federal, state and local law to perform such services.

SECTION 12: SUBCONTRACTORS. The Town reserves the right to accept the use of a subcontractor or to reject the selection of a particular subcontractor and approve all qualifications of any subcontractor in order to make a determination as to the capability of the sub-contractor to perform properly under this Agreement. All subcontractors providing professional services to the Consultant under this Agreement will also be required to provide their own insurance coverage identical to those contained in this Agreement. In the event that a subcontractor does not have insurance or does not meet the insurance limits as stated in this Agreement, the Consultant shall indemnify and hold the Town harmless for any claim in excess of the subcontractor's insurance coverage arising out of the negligent acts, errors or omissions of the subcontractor. The Consultant shall not charge an administrative fee or surcharge on any subcontractor's services; all subcontractor costs shall be a direct pass-through cost to the Town.

SECTION 13: ASSIGNMENT. The Town and the Consultant each binds itself and its partners, successors, legal representatives, and assigns to the other party to this Agreement and to the partners, successors, legal representatives, and assigns of such other party, in respect to all covenants of this Agreement; and, neither the Town nor the Consultant will assign or transfer their interest in this Agreement without the written consent of the other.

SECTION 14: EQUAL OPPORTUNITY EMPLOYMENT. Consultant agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement because of race, color, religion, sex, age, disability, marital status, sexual orientation, ancestry, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth this non-discrimination clause. This provision applies to all Consultant's subcontractors and it is the responsibility of Consultant to ensure subcontractor's compliance.

SECTION 15: INTEREST OF THE CONSULTANT. The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in any services to which this Agreement pertains or any other interest which would conflict in any manner or degree with the performance of its services hereunder. The Consultant further covenants that in the performance of this Agreement, no person having such interest shall be employed.

SECTION 16: COMPLIANCE WITH LAWS. The Consultant shall comply with the applicable requirements of State and applicable federal, state, and local laws, including all Codes and Ordinances of the Town as amended from time to time.

SECTION 17: ACCESS AND AUDITS. The Consultant shall maintain adequate records to justify all payments made by the Town under this Agreement for at least three (3) years after completion of this Agreement and longer if required by applicable federal or state law. The Town shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the Consultant's place of business. In no circumstances will Consultant be required to disclose any confidential or proprietary information regarding its products and service costs except as required by law or by order of a court with jurisdiction.

SECTION 18: AUTHORITY TO PRACTICE. The Consultant hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business and provide the services required under this Agreement, and that it will at all times conduct its business and provide the services under this Agreement in a reputable manner and consistent with all applicable laws, including without limitation, Florida's Public Records Act, Chapter 119, Florida Statutes. Proof of such licenses and approvals shall be submitted to the Town upon request.

SECTION 19: SEVERABILITY. If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

SECTION 20: PUBLIC ENTITY CRIMES. As provided in Sections 287.132-133, Florida Statutes, as amended from time to time, by entering into this Agreement, Consultant certifies that it, its affiliates, suppliers, subcontractors, and any other contractors who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date of this Agreement. The Consultant is under a continuing obligation for the term of this Agreement to immediately notify the Town of any violation of this provision.

SECTION 21: SCRUTINIZED COMPANIES. As provided in Section 287.135, Florida Statutes, as amended from time to time, by entering into this Agreement, Consultant certifies that it is not participating in a boycott of Israel. The Town and Consultant agree that the Town will have the right to terminate this Agreement if Consultant is found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel. The Consultant is under a continuing obligation for the term of this Agreement to immediately notify the Town of any violation of this provision.

SECTION 22: NOTICE. All notices required in this Agreement shall be sent by hand-delivery, certified mail (RRR), or by nationally recognized overnight courier, and if sent to the Town shall be sent to:

Town of Loxahatchee Groves
Attn: Town Manager
155 F Road
Loxahatchee Groves, FL 33470

and if sent to the Consultant, shall be sent to:

Munilytics, Inc.
Attn: Chris Wallace, President
7320 Griffin Road, Suite 102
Davie, Florida 33314

The foregoing names and addresses may be changed if such change is provided in writing to the other party. Notice shall be deemed given upon receipt.

SECTION 23: ENTIRETY OF AGREEMENT. The Town and the Consultant agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

SECTION 24: WAIVER. Failure of a party to enforce or exercise any of its right(s) under this Agreement shall not be deemed a waiver of that parties' right to enforce or exercise said right(s) at any time thereafter.

SECTION 25: PREPARATION AND NON-EXCLUSIVE. This Agreement shall not be construed more strongly against either party regardless of who was more responsible for its preparation. This is a non-exclusive Agreement and the Town reserves the right to contract with individuals or firms to provide the same or similar services.

SECTION 26: NO THIRD PARTY BENEFICIARIES. There are no third-party beneficiaries under this Agreement.

SECTION 27: MATERIALITY. All provisions of the Agreement shall be deemed material. In the event Consultant fails to comply with any of the provisions contained in this Agreement or exhibits, amendments and addenda attached hereto, said failure shall be deemed a material breach

of this Agreement and Town may at its option provide notice to the Consultant to terminate for cause.

SECTION 28: LEGAL EFFECT. This Agreement shall not become binding and effective until approved by the Town Council and executed by the Mayor. The Effective Date is March 1, 2023.

SECTION 29: NOTICE OF COMPLAINTS, SUITS AND REGULATORY VIOLATIONS. Each party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Agreement. Each party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

SECTION 30: SURVIVABILITY. Any provision of this Agreement which is of a continuing nature or imposes an obligation which extends beyond the term of this Agreement shall survive its expiration or earlier termination.

SECTION 31: COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the parties as of the effective date at such time as all the signatories hereto have signed a counterpart of this Agreement. The parties agree to accept the execution of this Agreement by facsimile, email or other electronic means.

SECTION 32: PALM BEACH COUNTY IG. Palm Beach County has established the Office of Inspector General in Palm Beach County Code, Sections 2-421 - 2-440, as may be amended. The Inspector General's authority includes, but is not limited to, the power to review past, present, and proposed Town contracts, transactions, accounts, and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of the Town and its agents in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a breach of this Agreement and may result in termination of this Agreement or other sanctions or penalties as set forth in the Palm Beach County Code.

SECTION 33: AGREEMENT DOCUMENTS AND CONTROLLING PROVISIONS. This Agreement consists of this Agreement and the Scopes of Work and Purchase Orders issued in accordance with the terms of this Agreement. The parties agree to be bound by all the terms and conditions set forth in the aforementioned documents. To the extent that there exists a conflict between the terms and conditions of this Agreement and any Scope of Work, the terms and conditions of this Agreement shall prevail. The terms and conditions stated in the Town issued

Purchase Order(s) shall not apply. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

SECTION 34: OWNERSHIP OF DELIVERABLES. The deliverables, work product, specifications, calculations, supporting documents, or other work products of Consultant produced to or created for the Town shall become the property of the Town. The Consultant may keep copies or samples thereof and shall have the right to use the same for its own purposes. The Town accepts sole responsibility for the reuse of any such deliverables in a manner other than as initially intended or for any use of incomplete documents.

SECTION 35: REPRESENTATIONS AND BINDING AUTHORITY. By signing this Agreement, the undersigned on behalf of the Consultant hereby represents to the Town that he or she has the authority and full legal power to execute this Agreement and any and all documents necessary to effectuate and implement the terms of this Agreement on behalf of the Consultant for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Agreement.

SECTION 36: DISPUTE RESOLUTION. All claims arising out of this Agreement or its breach shall be submitted first to mediation. The parties shall share the mediator's fee equally. The mediator shall be a Florida Supreme Court Certified mediator. The mediation shall be held in Palm Beach County, Florida. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. The Consultant hereby covenants, consents and yields to the jurisdiction of the State Civil Courts of Palm Beach County, Florida. This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County. Each party shall be responsible for its own attorney's fees and costs in any dispute arising out of or related to this Agreement. TO ENCOURAGE PROMPT AND EQUITABLE RESOLUTION OF ANY LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY LITIGATION RELATED TO OR ARISING OUT OF THIS AGREEMENT.

SECTION 37: REMEDIES. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.

SECTION 38: E-VERIFY. Pursuant to Section 448.095(2), Florida Statutes, Consultant shall:

- a. Register with and use the E-Verify system to verify the work authorization status of all newly hired employees and require all subcontractors (providing services or receiving

funding under this Agreement) to register with and use the E-Verify system to verify the work authorization status of all the subcontractors' newly hired employees;

b. Secure an affidavit from all subcontractors (providing services or receiving funding under this Agreement) stating that the subcontractor does not employ, contract with, or subcontract with unauthorized aliens;

c. Maintain copies of all subcontractor affidavits for the duration of this Agreement;

d. Comply fully, and ensure all of its subcontractors comply fully, with Section 448.095, Florida Statutes;

e. Be aware that a violation of Section 448.09, Florida Statutes (Unauthorized aliens; employment prohibited) shall be grounds for termination of this Agreement; and

f. Be aware that if the Town terminates this Agreement under Section 448.095(2)(c), Florida Statutes, Consultant may not be awarded a public contract for at least one (1) year after the date on which this Agreement is terminated and will be liable for any additional costs incurred by the Town as a result of termination of this Agreement.

SECTION 39: PUBLIC RECORDS. Consultant shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the Town as provided under section 119.011(2), Florida Statutes, specifically agrees to:

a. Keep and maintain public records required by the Town to perform the service.

b. Upon request from the Town's custodian of public records or designee, provide the Town with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion of this Agreement if the Consultant does not transfer the records to the Town.

d. Upon completion of this Agreement, transfer, at no cost, to the Town all public records in possession of the Consultant or keep and maintain public records required by the Town to perform the service. If the Consultant transfers all public records to the Town upon completion of the Agreement, the Consultant shall destroy any duplicate public records that are exempt or

confidential and exempt from public records disclosure requirements. If the Consultant keeps and maintains public records upon completion of the Agreement, the Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Town, upon request from the Town's custodian of public records or designee, in a format that is compatible with the information technology systems of the Town.

IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT 561-793-2418, lburch@loxahatcheegrovesfl.gov, OR BY MAIL AT TOWN OF LOXAHATCHEE GROVES, 155 F ROAD, LOXAHATCHEE GROVES, FL 33470.

SECTION 34: CONFIDENTIAL AND PROPRIETARY INFORMATION. Each party (the "Receiving Party") will keep confidential and not disclose to any other person or entity or use (except as expressly and unambiguously authorized by this Agreement) information, technology or software ("Confidential Information") obtained from the other party (the "Disclosing Party"); provided, however, that the Receiving Party will not be prohibited from disclosing or using information (i) that at the time of disclosure is publicly available or becomes publicly available through no act or omission of the Receiving Party, (ii) that is or has been disclosed to the Receiving Party by a third party who is not under, and to whom the Receiving Party does not owe, an obligation of confidentiality with respect thereto, (iii) that is or has been independently acquired or developed by the Receiving Party without access to the Disclosing Party's Confidential Information, (iv) that is already in the Receiving Party's possession at the time of disclosure, or (v) that is required to be released by law.

IN WITNESS WHEREOF, the Town has caused these presents to be executed in its name by its Town Mayor and attested and its official Seal to be hereunto affixed by its Town Clerk, and the Consultant has hereunto set its hand and seal the day and year first written above.

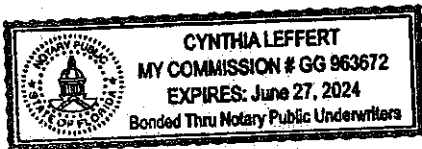
CONSULTANT:

Munilytics, Inc.

By: Christopher Wallace
Christopher Wallace, President

STATE OF FLORIDA)
COUNTY OF BROWARD)

Subscribed before me by means of ☒ physical presence or ☐ online notarization, this 9th day of March 2023, by Christopher Wallace as President of Munilytics, Inc., a Florida corporation, ☐ who is personally known to me or ☒ who produced Florida Driver's License W420-883-59-164-0 as identification, and who did not take an oath.



(Signature of Notary Public-State of Florida)

Cynthia Leffert
(Print, type, or stamp commissioned name of Notary public)

TOWN OF LOXAHATCHEE GROVES

By: _____
Mayor Robert Shorr

ATTEST:

Lakisha Burch, Town Clerk

Approved as to form and legal sufficiency:

Office of the Town Attorney

EXHIBIT A

SCOPE OF SERVICES –FINANCIAL SERVICES

The function of the Consultant involves primary responsibility for performing all governmental accounting and finance services on behalf of the Town using the Town's technology and software to carry out the day-to-day business of the Town. An overview is as follows:

A. Financial Statements

1. Establish Fund Accounting System in accordance with federal and state law, as well as GASB and the Rules of the Auditor General. This includes the following:
 - a) Chart of Accounts
 - b) Vendor and Customer Master File
 - c) Report creation and set-up.
2. Prepare monthly balance sheet, income statement(s) with budget to actual variances, including the following:
 - a) Cash Investment Account Reconciliations per fund
 - b) Balance Sheet Reconciliations per fund
 - c) Expense Variance Analysis
3. Prepare and file Annual Qualified Public Depositor's Report and distribute to State Department of Insurance and Treasury.
4. Prepare and file Public Depositor's and Indemnification Form on new accounts as needed.
5. Prepare all other financial reports as required by applicable law and accounting standards, and bond trust indenture requirements.
6. Prepare annual financial statements, maintain necessary audit files and assist with annual audit examination, to include corresponding with the auditor and scheduling fieldwork.
7. Provide Audit support to auditors for the required Annual Audit, as follows:
 - a) Review statutory and bond indenture requirements
 - b) Prepare Audit Confirmation Letters for independent verification of activities.
 - c) Prepare all supporting accounting reports and documents as requested by the auditors
 - d) Respond to auditor questions
 - e) Review and edit draft report
 - f) Prepare year-end adjusting journal entries as required
8. Provide for transmission of the Audit to the County and the Auditor General's Office of the State.
9. Provide and file Annual Financial Statements (FS. 218 report).

B. Budgeting

1. Lead the Town through each fiscal year budget and CIP process. Prepare budget and backup material for and assist in the presentation of the budget at budget meetings,

hearings, and workshops. The budget is to be done in accordance with state law standards, and consistent with applicable GFOA and GASB standards.

2. File all required documentation to the Department of Revenue, Auditor General, Palm Beach County, and other governmental agencies with jurisdiction.
3. Prepare all notices of all budget hearings and workshops as required by Florida's Truth in Millage laws and submit the notices to the Town Clerk in time for the notices to be published.
4. Prepare all budget amendments on an ongoing basis. Examine budgetary expense items and, when possible, seek and advise when reductions may be obtained, or advise pertaining to alternate measures or the elimination of unnecessary expenses and/or nonproductive items.

C. Payroll

1. Reconcile, calculate as necessary, and record bi-weekly payroll and related retirement transactions into the accounting software and to the vendors as applicable. These transactions will be based primarily upon the employees' time keeping information entered by Town staff into ADP, once reviewed and approved for accuracy and completeness.

D. Purchasing

1. Assist in selection of vendors as needed for services, goods, supplies, materials. Obtain pricing proposals and prepare RFP/RFQs as needed and in accordance with the Town's rules and state law.
2. Assist in process to retain an auditor and cooperate and assist in the performance of the audit by the independent auditor as noted above.
3. Manage Vendor Information per W-9 reports, prepare year-end 1099 Forms for Vendor payments as applicable, and file reports with IRS.

E. Accounts Payable/Receivable

1. Administer the processing, review and approval, and payment of all invoices and purchase orders. Ensure timely payment of vendor invoices and purchase orders.
2. Prepare bi-weekly Vendor Payment Report and Invoicing Support for presentation to the Town Council or designee for approval or ratification.
3. Record expense transactions into the accounting software and process payments bi-weekly in collaboration with Town staff.
 - a) Town staff will be responsible for all invoices being approved and coded to expense accounts prior to Consultant processing the payments, as well as confirmation of appropriate budget allocations.
 - b) Town staff will be responsible for approving all payments.
 - c) Consultant will review all items for proper account coding, compliance with PO and budgetary requirements.

4. Record income transactions into the accounting software in collaboration with Town staff. Town staff will be responsible for preparing bank deposits.
5. Reconcile bank statements for all accounts and funds, including investment, revolving credit, credit card/merchant accounts, GovEasy permit & related EasyPay reports (including BTRs, escrows and cost recovery accounts) each month.

F. Capital Program Administration

1. Maintain proper capital fund and project fund accounting procedures and records.
2. Prepare and process Construction requisitions including:
 - a) Vendor Contract completion status
 - b) Verify Change Orders for materials
 - c) Check for duplicate submittals
 - d) Verify allowable expenses per Bond Indenture Agreements such as:
 - i. Contract Assignment
 - ii. Acquisition Agreement
 - iii. Project Construction and Completion Agreement
3. Provide for appropriate bid and/or proposal/qualification processes for Capital Project Construction, in conjunction with Town staff including the Town Engineer and Town Attorney, as appropriate.

G. Attendance at Meetings

1. Occasionally attend meetings and workshops of the Council and other committees and boards of the Council as required. For reference, the Town Council's regular meetings are held at 6:30 pm on the second First and Third Tuesday of each month.
2. Regularly attend the Town's Finance Accounting & Auditing Advisory Committee which meets at least quarterly and at times meets monthly. In addition, the Consultant is expected to attend Special Meetings, workshops, and budget meetings as called and scheduled.

H. Compliance

1. Assist Town staff with application, administration and reporting for grant programs including preparation and filing of compliance and regulatory reports as required by Federal Emergency Management Agency (FEMA), American Rescue Plan Act (ARPA), and any state or federal grant submissions. Any grant work will be negotiated as a separate fee between the Town and the Consultant.
2. Ensure compliance with GAAP, GASB, State of Florida Auditor General and the State's Chief Financial Officer.

I. Other Activities

1. Advise the Town Manager, Department Heads, and Town Council about governmental accounting/finance matters that have a potential impact on Town business by way of a memorandum and any recommended courses of action on the part of the Town.

2. Respond to the Town Manager, all Department Heads, and Town Council initiated requests for information and advice in a timely fashion. The foregoing shall not be construed to mean the Consultant must initiate lengthy work requests at the behest of a single Councilmember.
3. Perform appropriate study, inquiry and research necessary to advise the Town relative to its financial matters.
4. Perform other related services as mutually agreed upon.



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 10

TO: Town Council of Town of Loxahatchee Groves
FROM: Amber Schneider, Sr. Administrative Coordinator
VIA: Francine Ramaglia, Town Manager
DATE: March 21, 2023
SUBJECT: Vendor Payments in FY 2023 between \$10,000 and \$25,000

Background:

Pursuant to the Town's procurement code adopted pursuant to Ordinance 2020-02, attached is all transactions items paid in FY 2023 between \$10,000 to \$25,000 approved by Town Manager as provided under the ordinance.

The attached listing does not include payments under contracts that have been previously approved by Council.

Recommendations:

Receive and file.

Vendor	Amount Paid thru 3.8.2023	Purpose
Labormax	\$15,249.05	Labor
Sullivan Electric & Pump, INC	\$10,753.53	Canal Pump Repair
The Merchant Strategy, INC	\$12,307.12	Easement Procurement
United Rental North America, INC	\$16,570.87	Roller, Dumper, Sweeper Wheel Cab



155 F Road Loxahatchee Groves, FL 33470

Agenda Item # 11

TO: Town Council of Town of Loxahatchee Groves
FROM: Francine Ramaglia, Town Manager
DATE: March 21, 2023
SUBJECT: Council Priorities Scheduled for Discussion

Background:

Below is a proposed schedule for discussions and action as noted for upcoming agenda workshops and regular council meetings in April through September:

- | | |
|-----------|--|
| April 4 | <ul style="list-style-type: none"> -Council rules/procedures/meeting protocols -Council priorities -Budget & Council meeting schedule |
| April 18 | <ul style="list-style-type: none"> -Solid waste -Livestock waste -Agritourism -Right to farm |
| May 2 | <ul style="list-style-type: none"> -Volunteer program policy -Scholarship fund donation policy -Community Partnerships -Publix turn on B Road -Big Dog Ranch site plan amendment |
| May 16 | <ul style="list-style-type: none"> -Amendments to Article 87 (land clearing) -Tree mitigation receiver sites -Sign code amendments |
| June 20 | <ul style="list-style-type: none"> -Unrecorded plats -Nonconformities -ROW and easement corrections -RVs and other similar housing |
| August 15 | <ul style="list-style-type: none"> -Assessments: <ul style="list-style-type: none"> -Methodology -Village of Royal Palm drainage assessment -Culvert replacement assessment -Mobility fees and impact fees – possibilities and limitations -Cost sharing policy -Capital funding & borrowing |

September 19

- Fine reduction code amendments
- Noise code amendments – remove dB measurements
- Nuisance abatement amendments
- Citation program for code enforcement

Item 11.

Recommendation:

Review, discuss and direct Staff.