

# TOWN OF LOXAHATCHEE GROVES

TOWN HALL COUNCIL CHAMBERS

## FINANCE ADVISORY AND AUDIT COMMITTEE

### AGENDA

March 07, 2024 – 6:00 PM



Anita Kane (Seat 1)

Tracy Rafterowitz (Seat 2)  
Bruce Cunningham (Seat 4)

Janet Eick (Seat 3)  
Cassie Suchy (Seat 5)

#### Administration

Town Manager, Francine L. Ramaglia

Town Clerk, Lakisha Q. Burch

Project Coordinator, Jeffrey Kurtz

Munilytics, Chris Wallace

**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 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. 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.

**CALL TO ORDER**

**ROLL CALL**

**APPROVAL OF THE AGENDA**

**COMMENTS FROM THE PUBLIC**

**REGULAR AGENDA**

1. Review of the FY23 Year End and 1<sup>st</sup> quarter FY24 Financial Reports
2. Review of Ordinance No 2024-02 and CIP
3. Review of FY23 Audit Draft
4. Review of accounting manual

**COMMENTS FROM COMMITTEE MEMBERS**

**CONFIRM NEXT REGULAR MEETING DATE**

**ADJOURNMENT**



155 F Road Loxahatchee Groves, FL 33470

**Agenda Item # 1**

**TO: Finance Advisory and Audit Committee of Town of Loxahatchee Groves**  
**FROM: Francine Ramaglia, Town Manager**  
**DATE: March 5, 2024**  
**SUBJECT: Fiscal Year 2023 Year End and Fiscal Year 2024 1<sup>st</sup> Quarter Financial Reports**

---

**Background:**

Attached are the Fiscal Year 2023 Year End and Fiscal Year 2024 First Quarter Financial Reports including Fund Balance Flow, First Quarter over 10,000 and Budget to Actual Revenue and Expenditures for all funds.

Chris Wallace from Munitytics, Inc., who are currently acting as the Town's CFO and Finance Department will present the Financial Reports to the Council. Please note that we have received the first draft of the FY23 Annual Audit from the auditors who are scheduled to present to Council on April 2<sup>nd</sup>, 2024.

**Recommendation:**

Discuss, receive, and file.

This Page Is Blank Intentionally

# Town of Loxahatchee

## Balance Sheet

December 31, 2023

Account Number	Description	Debits	Credits
<b>001 - General Fund</b>			
001-00-00-223-10900	Cost Recovery A/R Reclass	\$140,915.61	
001-00-10-101-10000	BU Pooled Cash	\$1,743,351.37	
001-00-10-101-10010	Cash in Bank	\$414,520.00	
001-00-11-101-10150	Accts REC	\$2,000.00	
001-00-11-116-10150	Accts REC-Franchise and Utility	\$97,848.01	
001-00-13-131-13105	Due to/Due from WCD	\$4,182.61	
001-00-13-133-11530	Due From Other Governments	\$43,598.18	
001-00-15-151-15100	Investment in FMIVT	\$144,577.16	
	<b>Total Assets</b>	<b><u>\$2,590,992.94</u></b>	
001-00-11-233-20230	Cost Recovery		\$66,000.00
001-00-11-233-20240	Tree Mitigation		\$9,260.00
001-00-11-233-20241	Developer Bond		\$135,933.00
001-00-11-233-20242	Tree Mitigation Bond		\$68,554.00
001-00-20-202-20000	Accounts Payable		\$146,048.75
001-00-20-202-20003	Accounts Payable BOA-Credit Cards		\$4,466.99
001-00-20-202-20050	Due to Other Governments		\$43,029.21
001-00-20-202-20060	Due to State BTR		\$2,458.92
001-00-20-202-20078	Due to State DCA		\$1,694.93
001-00-20-223-22300	Deferred Revenue-BTR		\$41,658.77
001-00-21-217-21700	Accrued Taxes Payable		\$1,617.46
001-00-21-217-21740	Accrued Waqes		\$22,868.44
	<b>Total Liabilities</b>		<b><u>\$543,590.47</u></b>
001-00-28-284-28400	<b>Fund Balance</b>		<b><u>\$2,047,402.47</u></b>
	<b>Total Liabilities and Fund Balance</b>		<b><u>\$2,590,992.94</u></b>

## Town of Loxahatchee

### Balance Sheet

December 31, 2023

Account Number	Description	Debits	Credits
<b>101 - Transportation Fund</b>			
101-00-10-101-10000	BU Pooled Cash	(\$195,687.23)	
101-00-10-101-10010	Cash In Bank	\$161,997.96	
101-00-13-131-13001	Due To/Due From General Fund	\$0.00	
101-00-13-131-13105	Due to/Due from WCD	\$0.00	
101-00-13-131-13135	Due To/From C.I.P. Fund	\$0.00	
101-00-13-133-11530	Due from Other Government	\$33,688.78	
	<b>Total Assets</b>	<b><u>(\$0.49)</u></b>	
101-00-28-284-28400	<b>Fund Balance</b>		<b><u>(\$0.49)</u></b>

# Town of Loxahatchee

## Balance Sheet

December 31, 2023

Account Number	Description	Debits	Credits
<b>103 - Local Option Sales Tax (L.O.S.T) Fund</b>			
103-00-10-101-10000	BU Pooled Cash	(\$873,569.34)	
103-00-13-131-13001	Due To/Due From General Fund	\$0.00	
103-00-13-131-13135	Due To/From C.I.P. Fund	\$0.00	
103-00-13-133-11530	Due from Other Government	\$20,736.74	
103-00-15-151-15100	Investment in FMIVT	<u>\$852,832.23</u>	
	<b>Total Assets</b>	<u><u>(\$0.37)</u></u>	
103-00-28-284-28400	<b>Fund Balance</b>		<u><u>\$0.37</u></u>

## Town of Loxahatchee

### Balance Sheet

December 31, 2023

Account Number	Description	Debits	Credits
<b>105 - Water Control District</b>			
105-00-10-101-10000	BU Pooled Cash	\$1,869,504.92	
105-00-10-101-10010	Cash In Bank	(\$30,307.41)	
105-00-10-101-10011	Cash in Hand	\$300.00	
105-00-11-101-10150	Accts REC	\$1,173.18	
105-00-13-133-11530	Due from Other Government	\$10,070.95	
105-00-15-151-15110	Investment in SBA	\$363.05	
	<b>Total Assets</b>	<b><u>\$1,851,104.69</u></b>	
105-00-13-131-13001	Due To/From General Fund		\$4,182.61
105-00-20-202-20000	Accounts Payable		\$79,183.06
105-00-21-217-21700	Accrued Taxes Payable		\$1,843.26
105-00-21-217-21740	Accrued Wages		\$23,476.76
	<b>Total Liabilities</b>		<b><u>\$108,685.69</u></b>
105-00-28-284-28400	<b>Unrestricted Fund Balance</b>		<b>\$1,421,481.00</b>
	<b>Carryforward to FY2024</b>		<b><u>\$320,938.00</u></b>
	<b>Total Liabilities and Fund Balance</b>		<b><u>\$1,851,104.69</u></b>



## Town of Loxahatchee

### Balance Sheet

December 31, 2023

Account Number	Description	Debits	Credits
<b>305 - Capital Improvement Project (C.I.P) Fund</b>			
305-00-10-101-10000	BU Pooled Cash	(\$574,139.17)	
305-00-10-101-10010	Cash In Bank	<u>\$1,394,461.28</u>	
	<b>Total Assets</b>	<b><u><u>\$820,322.11</u></u></b>	
305-00-20-202-20000	Accounts Payable		\$51,178.68
305-00-20-202-20004	Retainage		\$104,593.97
	<b>Total Liabilities</b>		<b><u><u>\$155,772.65</u></u></b>
305-00-28-284-28400	<b>Unrestricted Fund Balance</b>		<b><u><u>\$0.00</u></u></b>
	<b>Carryforward to FY2024</b>		<b><u><u>\$664,550.00</u></u></b>
	<b>Total Liabilities and Fund Balance</b>		<b><u><u>\$820,322.65</u></u></b>

## Town of Loxahatchee

### Balance Sheet

December 31, 2023

Account Number	Description	Debits	Credits
<b>405 - Solid Waste</b>			
405-00-10-101-10000	BU Pooled Cash	\$283,460.78	
405-00-10-101-10010	Cash In Bank	\$22,679.92	
405-00-13-133-11530	Due from Other Government	\$2,908.63	
	<b>Total Assets</b>	<u><u>\$309,049.33</u></u>	
405-00-20-202-20000	Accounts Payable		\$55,521.06
	<b>Total Liabilities</b>		<u>\$55,521.06</u>
405-00-28-284-28400	<b>Fund Balance</b>		<u>\$253,528.27</u>
	<b>Total Liabilities and Fund Balance</b>		<u><u>\$309,049.33</u></u>

## Town of Loxahatchee Budget to Actual DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>001 - General Fund</b>							
<b>REVENUES</b>							
001-01-31-311-31000	Ad Valorem Taxes	\$779,787	\$1,110,858	\$1,502,208	\$391,351	73.95%	75%
001-01-31-314-31410	Electric Utility Tax	\$39,864	\$88,033	\$391,000	\$302,967	22.51%	18%
001-01-31-314-31480	Utility Service Tax- Propane	\$2,173	\$6,127	\$11,000	\$4,873	55.70%	25%
001-01-31-315-31500	Communication Services	\$7,313	\$14,144	\$94,000	\$79,856	15.05%	17%
001-01-31-316-31600	Local Business Tax	\$952	\$57,735	\$100,000	\$42,265	57.74%	65%
001-01-32-323-32310	FPL Franchise Fee	\$34,476	\$73,251	\$310,000	\$236,749	23.63%	12%
001-01-32-323-32330	PBC Water Utility Franchise	\$1,555	\$9,439	\$30,000	\$20,561	31.46%	29%
001-01-32-323-32360	PBC Sewer Utility Franchise	\$918	\$2,050	\$0	(\$2,050)	NA	0%
001-01-32-323-32370	Solid Waste Franchise	\$34,092	\$37,384	\$190,000	\$152,616	19.68%	30%
001-01-32-323-32390	Hauler's Franchise Fee	\$2,378	\$2,938	\$6,800	\$3,862	43.21%	89%
001-01-32-329-32900	Building Permits	\$2,695	\$22,486	\$200,000	\$177,514	11.24%	20%
001-01-32-329-32901	Other Permits	\$0	\$0	\$60,000	\$60,000	0.00%	11%
001-01-32-329-32902	RV Registrations	\$0	\$0	\$0	\$0	NA	NA
001-01-32-329-32903	Floodplain Development Application	\$2,000	\$3,500	\$0	(\$3,500)	NA	NA
001-01-32-329-32904	Water Use Permits	\$0	\$0	\$0	\$0	NA	#N/A
001-01-32-329-32905	Alarm Registration	\$544	\$825	\$0	(\$825)	NA	#N/A
001-01-32-329-32906	Right of Way Permit	\$0	\$100	\$0	(\$100)	NA	NA
001-01-32-329-32940	Watershed Permits	\$0	\$0	\$0	\$0	NA	#N/A
001-01-32-341-34000	General Gov't Charges	\$0	\$0	\$0	\$0	NA	#N/A
001-01-32-341-34135	Administrative Charge Dependent District	\$0	\$0	\$172,500	\$172,500	0.00%	100%
001-01-33-335-35120	Municipal Revenue Sharing	\$7,088	\$14,177	\$86,000	\$71,823	16.48%	17%
001-01-33-335-35150	Alcoholic Beverage License Tax	\$0	\$0	\$6,000	\$6,000	0.00%	0%
001-01-33-335-35180	Half Cent Sales Tax	\$27,497	\$54,715	\$330,000	\$275,285	16.58%	19%
001-01-34-341-34000	General Government Charges	\$809	\$1,658	\$9,000	\$7,342	18.42%	19%
001-01-34-341-34180	Planning and Zoning Fees	\$20,800	\$25,859	\$0	(\$25,859)	NA	NA
001-01-34-341-34190	Cost Recovery Fees	\$30,000	\$76,063	\$210,000	\$133,937	36.22%	23%
001-01-35-351-35150	Court Fines	\$437	\$1,198	\$0	(\$1,198)	NA	201%
001-01-35-354-35400	Code Enforcement Fines	\$0	\$234	\$10,000	\$9,766	2.34%	2%
001-01-35-354-35401	Alarm Violation	\$0	\$244	\$0	(\$244)	NA	#N/A
001-01-35-354-35410	Tree Mitigation	\$0	\$0	\$0	\$0	NA	#N/A
001-01-36-361-36110	Interest	\$837	\$2,536	\$5,000	\$2,464	50.72%	57%
001-01-36-369-36990	Other Miscellaneous Revenue	\$0	\$0	\$1,000	\$1,000	0.00%	37%
001-14-36-361-36110	Interest for FMIVT	\$0	\$2,397	\$0	(\$2,397)	NA	88%
	Fund Balance Appropriated	\$0	\$504,331	\$506,059	\$1,728	99.66%	NA
<b>Total Revenues</b>		<b>\$996,216</b>	<b>\$2,112,282</b>	<b>\$4,230,567</b>	<b>\$2,118,286</b>	<b>49.93%</b>	

**Town of Loxahatchee**  
**Budget to Actual**  
 DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>EXPENSES</b>							
001-10-51-511-51200	Regular Salaries	\$3,750	\$11,250	\$45,000	\$33,750	25.00%	#N/A
001-10-51-511-52100	FICA Taxes	\$287	\$868	\$3,443	\$2,575	25.20%	#N/A
001-10-51-511-53101	Town Council Legal Expenses	\$2,397	\$7,450	\$0	\$0	NA	#N/A
001-10-51-511-53100	Lobbying Services	\$0	\$18,647	\$70,000	\$51,353	26.64%	NA
001-10-51-511-54000	Travel	\$0	\$370	\$5,000	\$4,630	7.40%	6%
001-10-51-511-55400	Books, Publications, Subscriptions	\$0	\$2,812	\$5,000	\$2,188	56.24%	87%
001-10-51-511-55500	Education & Training	\$0	\$0	\$3,000	\$3,000	0.00%	#N/A
001-10-51-511-58200	Special Events/ Contributions	\$1,381	\$9,115	\$10,000	\$885	91.15%	5%
001-12-51-512-51200	Regular Salaries	\$66,815	\$114,612	\$518,013	\$403,401	22.13%	24%
001-12-51-512-51400	Overtime	\$1,750	\$3,016	\$17,500	\$14,484	17.23%	5%
001-12-51-512-52100	FICA Taxes	\$5,095	\$8,668	\$39,628	\$30,960	21.87%	23%
001-12-51-512-52200	Retirement FRS	\$6,545	\$13,458	\$106,502	\$93,044	12.64%	12%
001-12-51-512-52300	Health and Life Insurance	(\$1,183)	\$11,299	\$53,366	\$42,067	21.17%	9%
001-12-51-512-52400	Worker's Compensation	\$0	\$2,552	\$1,805	(\$747)	141.37%	453%
001-12-51-512-53400	Other Professional Services	\$2,650	\$2,761	\$3,000	\$239	92.03%	39%
001-12-51-512-54000	Travel	\$172	\$1,257	\$9,000	\$7,743	13.97%	9%
001-12-51-512-54200	Postage and Freight	\$0	\$0	\$3,000	\$3,000	0.00%	3%
001-12-51-512-54900	Other Operating Expenses (Misc.-Recording Fees)	\$430	\$895	\$8,000	\$7,105	11.19%	11%
001-12-51-512-54930	Election Expense	\$450	\$1,150	\$20,000	\$18,850	5.75%	2%
001-12-51-512-54960	Legal Advertising	\$0	\$1,657	\$5,000	\$3,343	33.14%	118%
001-12-51-512-55100	Office Supplies	\$230	\$2,796	\$10,000	\$7,204	27.96%	84%
001-12-51-512-55400	Books, Publications, Subscriptions	\$0	\$5,776	\$6,000	\$224	96.27%	13%
001-12-51-512-55500	Education & Training	\$62	\$167	\$4,000	\$3,833	4.18%	23%
001-14-51-513-53110	Payroll Fees	\$601	\$1,852	\$8,000	\$6,148	23.14%	27%
001-14-51-513-53200	Accounting and Auditing	\$0	\$30,868	\$100,000	\$69,132	30.87%	4%
001-14-51-513-53300	Compliance Auditing	\$3,000	\$3,000	\$25,000	\$22,000	12.00%	#N/A
001-14-51-513-54910	Bank and Merchant Account Charges	\$1,155	\$4,121	\$10,000	\$5,879	41.21%	NA
001-16-51-514-53100	Professional Services Legal Fees	\$14,073	\$29,680	\$175,000	\$145,320	16.96%	45%
001-18-51-515-51200	Regular Salaries-Building	\$8,393	\$8,393	\$82,000	\$73,607	10.24%	#N/A
001-18-51-515-51400	Overtime-Building	\$494	\$494	\$1,500	\$1,006	32.93%	#N/A
001-18-51-515-52100	FICA Taxes-Building	\$731	\$731	\$6,388	\$5,657	11.44%	#N/A
001-18-51-515-52200	Retirement FRS-Bulding	\$0	\$0	\$11,331	\$11,331	0.00%	#N/A
001-18-51-515-52300	Health and Life Insurance-Building	\$0	\$0	\$9,319	\$9,319	0.00%	#N/A
001-18-51-515-52400	Worker's Compensation-Building	\$0	\$0	\$134	\$134	0.00%	#N/A
001-18-51-518-53100	Professional Service- Building Protective Services	\$0	\$0	\$65,000	\$65,000	0.00%	#N/A
001-20-51-515-53400	Other Services- Planning Process	\$0	\$919	\$4,000	\$3,081	22.97%	NA

## Town of Loxahatchee Budget to Actual DECEMBER 31, 2023

	December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
001-20-51-515-53420	\$0	\$7,600	\$30,000	\$22,400	25.33%	5%
001-20-51-515-53450	\$0	\$12,469	\$45,000	\$32,531	27.71%	14%
001-20-51-515-53451	\$0	\$3,000	\$10,000	\$7,000	30.00%	13%
001-20-51-515-53490	\$2,579	\$35,436	\$160,000	\$124,564	22.15%	13%
001-20-51-515-54960	\$0	\$1,355	\$9,500	\$8,145	14.26%	0%
001-22-51-519-51200	\$10,583	\$21,479	\$91,780	\$70,301	23.40%	NA
001-22-51-519-51400	\$594	\$1,684	\$0	(\$1,684)	NA	NA
001-22-51-519-52100	\$857	\$1,770	\$7,021	\$5,251	25.21%	NA
001-22-51-519-52200	\$964	\$1,301	\$15,398	\$14,097	8.45%	NA
001-22-51-519-52300	\$90	\$1,601	\$15,060	\$13,459	10.63%	NA
001-22-51-519-52400	\$0	\$5,757	\$4,071	(\$1,686)	141.42%	#N/A
001-22-51-519-53100	\$6,486	\$16,873	\$75,000	\$58,127	22.50%	NA
001-22-51-519-53150	\$1,281	\$1,938	\$25,000	\$23,063	7.75%	22%
001-22-51-519-53400	\$0	\$7,518	\$3,000	(\$4,518)	250.60%	0%
001-22-51-519-54100	\$0	\$0	\$5,000	\$5,000	0.00%	0%
001-22-51-519-53491	\$0	\$1,587	\$0	(\$1,587)	NA	NA
001-22-51-519-55500	\$0	\$0	\$1,000	\$1,000	0.00%	NA
001-26-52-521-53410	\$55,008	\$220,031	\$661,000	\$440,969	33.29%	33%
001-31-51-519-54103	\$0	\$0	\$7,500	\$7,500	0.00%	#N/A
001-31-51-519-54105	\$0	\$12,670	\$20,000	\$7,330	63.35%	#N/A
001-31-51-519-54107	\$0	\$0	\$12,000	\$12,000	0.00%	#N/A
001-31-51-519-54109	\$4,027	\$6,794	\$30,000	\$23,206	22.65%	#N/A
001-31-51-519-54922	\$1,350	\$12,243	\$30,000	\$17,757	40.81%	#N/A
001-32-51-519-53400	\$475	\$8,810	\$20,000	\$11,190	44.05%	93%
001-32-51-519-54300	\$490	\$1,742	\$10,000	\$8,258	17.42%	14%
001-32-51-519-54440	\$646	\$5,162	\$13,000	\$7,838	39.71%	28%
001-32-51-519-54500	\$450	\$71,615	\$90,000	\$18,385	79.57%	45%
001-32-51-519-54600	\$9	\$791	\$10,000	\$9,209	7.91%	0%
001-32-51-519-54910	\$0	\$0	\$0	\$0	NA	60%
001-78-51-519-58220	\$0	\$0	\$4,127	\$4,127	0.00%	#N/A
001-90-58-581-59305	\$0	\$1,202,853	\$1,202,853	\$0	100.00%	100%
001-90-58-581-59405	\$0	\$118,000	\$175,000	\$57,000	67.43%	100%
			\$4,329			
<b>Total Expenses</b>	<b>\$205,168</b>	<b>\$2,082,711</b>	<b>\$4,230,568</b>	<b>\$2,150,978</b>	<b>49.23%</b>	
<b>Revenues Less Expenditures</b>		<b>\$29,571</b>	<b>(\$0)</b>			

**Town of Loxahatchee**  
**Budget to Actual**  
 DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>101 - Transportation Fund</b>							
<b>REVENUES</b>							
101-01-31-312-34100	1st Local option Fuel Tax (6c)	\$26,689	\$47,939	\$278,836	\$230,897	17.19%	16%
101-01-31-312-34200	2nd Local Option Fuel Tax(5c)	\$12,270	\$21,762	\$127,550	\$105,788	17.06%	16%
<b>Total Revenues</b>		<u>\$38,959</u>	<u>\$69,701</u>	<u>\$406,386</u>	<u>\$336,685</u>	<u>17.15%</u>	
<b>EXPENSES</b>							
101-40-58-581-59105	Transfer to Roads and Drainage	\$0	\$0	\$278,836	\$278,836	0.00%	100%
101-40-58-581-59305	Transfer to C.I.P Fund	\$0	\$0	\$127,550	\$127,550	0.00%	100%
<b>Total Expenses</b>		<u>\$0</u>	<u>\$0</u>	<u>\$406,386</u>	<u>\$406,386</u>	<u>0.00%</u>	
<b>Revenues Less Expenditures</b>			<u>\$69,701</u>	<u>\$0</u>			

**Town of Loxahatchee**  
**Budget to Actual**  
 DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>103 - Local Option Sales Tax (L.O.S.T) Fund</b>							
<b><u>REVENUES</u></b>							
103-01-31-312-31260	Sales Tax Infrastructure	\$22,243	\$55,928	\$334,000	\$278,072	16.74%	21%
103-14-36-361-36110	Interest for FMIVT	\$0	\$1,965	\$0	(\$1,965)	NA	NA
<b>Total Revenues</b>		<u>\$22,243</u>	<u>\$57,893</u>	<u>\$334,000</u>	<u>\$276,107</u>	<u>17.33%</u>	
<b><u>EXPENSES</u></b>							
103-40-58-581-59305	Transfer to C.I.P Fund	\$0	\$0	\$334,000	\$334,000	0.00%	100%
<b>Total Expenses</b>		<u>\$0</u>	<u>\$0</u>	<u>\$334,000</u>	<u>\$334,000</u>	<u>0.00%</u>	
<b><u>Revenues Less Expenditures</u></b>			<u>\$57,893</u>	<u>\$0</u>			

## Town of Loxahatchee

### Budget to Actual

DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>105 - Water Control District</b>							
<b>REVENUES</b>							
105-01-32-325-32510	Other Assessments	\$0	\$0	\$30,000	\$30,000	0.00%	NA
105-01-32-325-32520	Road and Canal Maintenance Assessment	\$705,532	\$1,087,913	\$1,560,164	\$472,251	69.73%	71%
105-01-32-325-32522	Discount Fees	(\$27,793)	(\$41,923)	(\$62,407)	(\$20,484)	67.18%	57%
105-01-32-325-36990	Other Assessments - PBCSB	\$0	\$5	\$3,000	\$2,995	0.17%	0%
105-01-36-369-36990	Miscellaneous Revenue	\$0	\$629	\$5,000	\$4,371	12.59%	141%
105-01-38-381-38111	Contributions from Transportation Fund	\$0	\$0	\$278,836	\$278,836	0.00%	100%
	Carryover Line Items From FY23	\$0	\$0	\$320,928	\$320,928	0.00%	
	Fund Balance Appropriated	\$0	\$232,556	\$624,113	\$391,557	37.26%	
<b>Total Revenues</b>		<b>\$677,739</b>	<b>\$1,279,181</b>	<b>\$2,759,634</b>	<b>\$1,480,454</b>	<b>46.35%</b>	
<b>EXPENSES</b>							
105-50-53-538-51200	Regular Salaries	\$77,398	\$143,409	\$729,322	\$585,913	19.66%	17%
105-50-53-538-51400	Overtime	\$3,561	\$7,224	\$18,500	\$11,276	39.05%	32%
105-50-53-538-51500	Special Pay	\$462	\$924	\$7,344	\$6,420	12.58%	24%
105-50-53-538-52100	FICA Taxes	\$6,177	\$11,396	\$53,544	\$42,147	21.28%	17%
105-50-53-538-52200	Retirement FRS	\$6,993	\$14,064	\$147,784	\$133,720	9.52%	9%
105-50-53-538-52300	Health and Life Insurance	(\$2,318)	\$21,187	\$58,925	\$37,738	35.96%	18%
105-50-53-538-52400	Worker's Compensation	\$0	\$39,303	\$27,792	(\$11,511)	141.42%	324%
105-50-53-538-53102	Professional Service - Drug Test	\$200	\$450	\$2,000	\$1,550	22.50%	17%
105-50-53-538-53200	Accounting and Auditing	\$3,000	\$3,000	\$40,981	\$37,981	7.32%	47%
105-50-53-538-53400	Canal Bank Maintenance, non-Capital	\$0	\$12,383	\$72,717	\$60,334	17.03%	24%
105-50-53-538-53480	Other Services - PBC Admin Fee	(\$736)	\$12,052	\$15,602	\$3,550	77.25%	10%
105-50-53-538-51200.xx	Salaries	\$0	\$0	\$114,400	\$114,400	0.00%	#N/A
105-50-53-538-51400.xx	Overtime	\$0	\$0	\$0	\$0	NA	#N/A
105-50-53-538-52100.xx	FICA Taxes & Medicare	\$0	\$0	\$8,751	\$8,751	0.00%	#N/A
105-50-53-538-52200.xx	Retirement FRS	\$0	\$0	\$19,193	\$19,193	0.00%	#N/A
105-50-53-538-52300.xx	Health and Life Insurance	\$0	\$0	\$12,604	\$12,604	0.00%	#N/A
105-50-53-538-52400.xx	Worker's Compensation	\$0	\$0	\$8,995	\$8,995	0.00%	#N/A
105-50-53-538-54100	Communication Services	\$1,607	\$11,861	\$24,000	\$12,139	49.42%	49%
105-50-53-538-54300	Utilities	\$464	\$1,513	\$18,115	\$16,602	8.35%	7%
105-50-53-538-54440	Rental and Leases - Equip, Storage, etc	\$11,657	\$84,645	\$303,000	\$218,355	27.94%	30%
105-50-53-538-54500	Insurance other than Workers' Compensation	\$450	\$66,574	\$60,000	(\$6,574)	110.96%	78%
105-50-53-538-54680	Repair and Maintenance Svc -	\$0	\$11,847	\$69,548	\$57,701	17.03%	31%
105-50-53-538-54901	Indirect Cost Allocations	\$0	\$0	\$172,500	\$172,500	0.00%	100%



**Town of Loxahatchee**  
**Budget to Actual**  
 DECEMBER 31, 2023

	<u>December</u>	<u>YTD</u>	<u>Budgeted</u>	<u>Balance</u>	<u>Used Thru 12/31/23</u>	<u>FY23 % Used Thru 12/31/22</u>
105-50-53-538-54910	Computer hardware & Software	\$100	\$100	\$20,000	\$19,900	0.50%
105-50-53-538-54980	Uniforms	\$0	\$0	\$2,000	\$2,000	0.00%
105-50-53-538-55100	Office Supplies	\$0	\$3,536	\$1,000	(\$2,536)	353.60%
105-50-53-538-55210	Fuel	\$1,222	\$9,068	\$50,042	\$40,974	18.12%
105-50-53-538-55220	Lubricants	\$0	\$0	\$7,632	\$7,632	0.00%
105-50-53-538-55400	Books, Publications, Subscriptions	\$0	\$1,372	\$2,000	\$628	68.60%
105-50-53-538-55500	Education & Training	\$0	\$236	\$2,000	\$1,764	11.80%
105-50-54-541-53400	Engineering	\$0	\$21,874	\$40,000	\$18,126	54.69%
105-50-54-541-54440	Rental and Leases - Equip, Storage, etc	\$0	\$4,961	\$0	(\$4,961)	NA
105-50-54-541-54670	Traffic Control Signs	\$0	\$0	\$28,996	\$28,996	0.00%
105-50-54-541-54680	Repair and Maintenance - Machinery	\$2,739	\$27,278	\$40,000	\$12,722	68.20%
105-50-54-541-55200	Operating Supplies	\$0	\$5,116	\$29,656	\$24,540	17.25%
105-50-54-541-55300	Road Materials & Supplies	\$0	\$5,581	\$15,000	\$9,419	37.21%
105-50-54-541-55310	Road Maintenance and Service	\$7,207	\$37,283	\$225,000	\$187,717	16.57%
105-50-54-541-55500	Education & Training	\$0	\$0	\$1,000	\$1,000	0.00%
105-50-54-541-57301	Other Debt Service Costs	\$0	\$0	\$5,000	\$5,000	0.00%
105-50-54-541-59001	Transfer to CIP	\$0	\$0	\$304,691	\$304,691	0.00%
105-50-54-541-56400	Capitalized Leases and Purchases of Equipment	\$0	\$958	\$0	(\$958)	NA
<b>Total Expenses</b>		<b>\$120,183</b>	<b>\$559,195</b>	<b>\$2,759,634</b>	<b>\$2,200,439</b>	<b>20.26%</b>
<b>Revenues Less Expenditures</b>			<b>\$719,986</b>	<b>\$0</b>		

## Town of Loxahatchee Budget to Actual DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>305 - Capital Improvement Project (C.I.P) Fund</b>							
<b>REVENUES</b>							
305-01-33-337-33700	Local Gov't Unit Grant - Physical Environment	\$0	\$0	\$750,000	\$750,000	0.00%	#N/A
305-01-33-337-33701	Resiliency Grant	\$0	\$0	\$350,000	\$350,000	0.00%	#N/A
305-01-38-381-38105	Contribution from Road and Drainage	\$0	\$0	\$304,691	\$304,691	0.00%	#N/A
305-01-38-381-38110	Contribution from General Fund	\$0	\$0	\$1,202,853	\$1,202,853	0.00%	100%
305-01-38-381-38111	Contributions from Transportation Fund	\$0	\$0	\$127,550	\$127,550	0.00%	100%
305-01-38-381-38112	Contributions From Surtax Fund	\$0	\$0	\$334,000	\$334,000	0.00%	100%
	Balances Brought Forward	\$0	\$2,585	\$664,549	\$661,964	0.39%	#N/A
<b>Total Revenues</b>		\$0	\$2,585	\$3,733,643	\$3,731,058	0.07%	
<b>EXPENSES</b>							
305-60-53-538-56334	Swales, Catch Basin, and Other Control Structures	\$0	\$0	\$500,000	\$500,000	0.00%	#N/A
305-60-53-538-56335	Miscellaneous Culvert Failures/Emergency Repairs	\$0	\$0	\$54,300	\$54,300	0.00%	#N/A
305-60-53-538-56336	11th Ter and D Rd Bridge Culvert	\$0	\$0	\$126,000	\$126,000	0.00%	#N/A
305-60-53-538-56337	Restoration of Canal Banks	\$0	\$0	\$205,794	\$205,794	0.00%	#N/A
305-60-53-538-56338	Emergency Bank Stabilization Collecting Canal	\$0	\$0	\$198,000	\$198,000	0.00%	#N/A
305-60-53-538-56348	B Road Culvert, FEMA, Funded Temp from Misc Culvert	\$0	\$0	\$125,700	\$125,700	0.00%	#N/A
305-60-53-538-56349	24th and E Culvert Repair, FEMA, Funded From 11th Terrace and D Road Culvert fy 23 carryover	\$0	\$0	\$126,000	\$126,000	0.00%	#N/A
305-60-54-541-56101	West C (Gruber to Forest Lane)- Paving	\$0	\$0	\$69,000	\$69,000	0.00%	#N/A
305-60-54-541-56102	West D (Gruber to Bunny Lane)- Paving	\$0	\$0	\$69,000	\$69,000	0.00%	#N/A
305-60-54-541-56103	Global Trail- Paving	\$0	\$0	\$92,000	\$92,000	0.00%	#N/A
305-60-54-541-56104	Kerry Lane- Paving	\$0	\$0	\$69,000	\$69,000	0.00%	#N/A
305-60-54-541-56105	24th Fourth (E & W of F Road)- Paving	\$0	\$0	\$138,000	\$138,000	0.00%	#N/A
305-60-54-541-56106	161st Terrace North- Paving	\$0	\$0	\$460,000	\$460,000	0.00%	#N/A
305-60-54-541-56107	Gruber- Paving	\$0	\$0	\$115,000	\$115,000	0.00%	#N/A
305-60-54-541-56108	E Citrus- Paving	\$0	\$0	\$115,000	\$115,000	0.00%	#N/A
305-60-54-541-56109	147th- Paving	\$0	\$0	\$28,750	\$28,750	0.00%	#N/A
	West 25th Street N-paving Carryover	\$0	\$0	\$50,000	\$50,000	0.00%	#N/A
305-60-54-541-56154	161st and A Rd Bridge Culvert-FY23 Carryover	\$0	\$2,585	\$108,000	\$105,415	2.39%	0%
305-60-54-541-56305	E North to SN Road -Paving Carryover	\$0	\$0	\$154,885	\$154,885	0.00%	0%
305-60-54-541-56307	West G Road- Paving Carryover	\$0	\$0	\$97,500	\$97,500	0.00%	0%
305-60-54-541-56311	Folsom Road- Paving Carryover	\$0	\$0	\$40,014	\$40,014	0.00%	0%

**Town of Loxahatchee**  
**Budget to Actual**  
 DECEMBER 31, 2023

	<u>December</u>	<u>YTD</u>	<u>Budgeted</u>	<u>Balance</u>	<u>Used Thru 12/31/23</u>	<u>FY23 % Used Thru 12/31/22</u>
305-60-54-541-56315	\$0	\$0	\$35,000	\$35,000	0.00%	#N/A
305-60-54-541-56316	\$0	\$0	\$21,000	\$21,000	0.00%	#N/A
305-60-54-541-56317	\$0	\$0	\$21,000	\$21,000	0.00%	#N/A
305-60-54-541-56318	\$0	\$0	\$28,000	\$28,000	0.00%	#N/A
305-60-54-541-56319	\$0	\$0	\$10,500	\$10,500	0.00%	#N/A
305-60-54-541-56321	\$0	\$0	\$21,000	\$21,000	0.00%	#N/A
305-60-54-541-56322	\$0	\$0	\$35,000	\$35,000	0.00%	#N/A
305-60-54-541-56323	\$0	\$0	\$35,000	\$35,000	0.00%	#N/A
305-60-54-541-56324	\$0	\$0	\$8,500	\$8,500	0.00%	#N/A
305-60-54-541-56325	\$0	\$0	\$105,000	\$105,000	0.00%	#N/A
305-60-54-541-56326	\$0	\$0	\$25,000	\$25,000	0.00%	#N/A
305-60-54-541-56327	\$0	\$0	\$35,000	\$35,000	0.00%	#N/A
305-60-54-541-56328	\$0	\$0	\$23,550	\$23,550	0.00%	#N/A
305-60-54-541-56500	\$0	\$0	\$0	\$0	NA	#N/A
305-60-54-541-56541	\$0	\$0	\$350,000	\$350,000	0.00%	#N/A
			\$38,150			
<b>Total Expenses</b>	\$0	\$2,585	\$3,733,643	\$3,692,908	0.07%	
<b>Revenues Less Expenditures</b>		\$0	\$0			

**Town of Loxahatchee**  
**Budget to Actual**  
 DECEMBER 31, 2023

		December	YTD	Budgeted	Balance	Used Thru 12/31/23	FY23 % Used Thru 12/31/22
<b>405 - Solid Waste</b>							
<b>REVENUES</b>							
405-01-32-325-32520	Solid Waste Assessments	\$311,233	\$439,224	\$604,400	\$165,176	72.67%	72%
405-01-32-325-32522	Discount Fees	(\$12,291)	(\$17,614)	(\$24,176)	(\$6,562)	72.86%	58%
405-01-34-343-34300	SWA Recycling Income	\$0	\$0	\$500	\$500	0.00%	0%
405-01-36-361-36110	Interest	\$0	\$0	\$500	\$500	0.00%	0%
405-01-38-381-38110	Contribution from General Fund	\$0	\$0	\$118,000	\$118,000	0.00%	100%
<b>Total Revenues</b>		<b>\$298,942</b>	<b>\$421,610</b>	<b>\$756,224</b>	<b>\$277,614</b>	<b>55.75%</b>	
<b>EXPENSES</b>							
405-70-53-534-53409	Other Sanitation Service	\$11,797	\$16,483	\$10,000	(\$6,483)	164.83%	16%
405-70-53-534-53440	Solid Waste Contract	\$57,167	\$171,501	\$682,804	\$511,303	25.12%	28%
405-70-53-534-53480	PBC Admin Fee 1%	\$81	\$4,216	\$6,044	\$1,828	69.76%	28%
	Transfer to Fund Balance	\$0	\$0	\$57,376	\$57,376	0.00%	#N/A
<b>Total Expenses</b>		<b>\$69,045</b>	<b>\$192,200</b>	<b>\$756,224</b>	<b>\$564,024</b>	<b>25.42%</b>	
<b>Revenues Less Expenditures</b>		<b>\$229,410</b>		<b>\$0</b>			



155 F Road Loxahatchee Groves, FL 33470

**Agenda Item #2**

**TO:** Finance Advisory and Audit Committee of Town of Loxahatchee Groves

**FROM:** Francine Ramaglia, Town Manager

**DATE:** March 07, 2024

**SUBJECT:** Consideration of *Ordinance No. 2024-02* repealing *Ordinance No. 2023-04* and adopting the annual update to the Capital Improvements Element of the Comprehensive Plan.

**Background:**

Pursuant to Section 163.3177(3)(b) of Florida Statutes, local governments are required to undertake an annual review of the Capital Improvements Element to update the Five-Year Capital Improvements Plan (CIP) for Level of Service (LOS) projects. The update to the schedule is not considered an amendment to the Comprehensive Plan. Staff is suggesting modifications to plan previously adopted through the passage Ordinance No. 2023-04 in September of 2023. The modifications are necessary based on the emergency culvert and canal bank conditions that are being arose after the passage of the Ordinance along with proposed modifications to the FY24 paving program that is currently out to bid.

The adopted CIP called for \$3,069,094 in budgeted revenues and expenditures. In addition, there were \$664,549 available to carry forward from FY23 CIP to complete unfinished 2023 projects. The proposed CIP includes additions for the Collecting Canal bank stabilization contract, four culvert replacements, and two roadway segments being moved up from the FY25 CIP. To facilitate the new projects funds are proposed to be reallocated and additional funding would have to be found to complete all the proposed projects. Potential additional funding comes from FEMA reimbursement monies and a possible donation from the Sod Farm. The proposed CIP together with the FY23 carry forward projects have a budget of \$4,117,993 which is an overall increase in proposed spending of \$384,500. The elements of the proposed plan are as follows by fund:

**Capital Projects Budgeted in Fund (305)**

***Carryforward the FY23 Plan*** – Council had given direction to complete the FY23 capital plan. The FY23 capital plan had been funded by \$2,178,100 of the Town’s revenues and \$126,459 in developer’s contribution for a total available funds of \$2,304,559. Capital expenditures in FY23 were \$1,640,010 which leaves an overall balance available to be carried forward of \$664,549. Specific FY23 projects to be brought forward and completed in FY24 are:



155 F Road Loxahatchee Groves, FL 33470

FY Road Paving plan	\$342,399
161 <sup>st</sup> and A Rd Bridge Culvert	108,000
24 <sup>th</sup> and E Rd Bridge Culvert	126,000
Repair and maintenance of Canals	<u>50,000</u>
Total for specific projects	\$626,399
Unallocated FY 23 Funds	<u>38,150</u>
Total Carried Forward	<u>\$664,549</u>

**Restoration of Canal Banks by staff** - At the final budget hearing the Council directed the funding of a canal bank restoration crew within public works. The source of the funding was:

Fund 305 Canal Bank Maintenance	\$50,000
Town Council Legal Expense	100,000
Fund 105 Repair and Maintenance Service	100,000
Town Council Special Events	15,000
Repair and Maintenance Building	8,000
Transfer from 105 fund balance	4,237
Road rock for 161 <sup>st</sup> Terrace	35,000
Road rock for Casey Road	27,500
Road rock for Tangerine	20,000
Legal ads	2,500
Reduction in Overtime Fund 101	2,500
Reduction in Overtime Fund 105	2,500
Reduction in Fuel	2,500
Tax savings on reduction in Overtime.	<u>233</u>
Total Funds for Canal Restoration	<u>\$370,000</u>

The canal restoration material expenditures are in Capital Fund in the amount of \$205,794. The staffing expenses in the amount of \$164,206 are budgeted in public works. The total expenses are \$370,000.

**Emergency Collecting Canal Bank Stabilization** – The Town has entered into a contract to stabilize 2,000 feet of canal bank for \$197,500. The funding for that contract comes from the following:

Reallocation of matching funds for the Resiliency Grant	\$128,000
Carry forward FY23 Canal Bank Maintenance	50,000
Reallocation from miscellaneous culvert failures	<u>20,000</u>
Total funds available for contract	<u>\$198,000</u>



155 F Road Loxahatchee Groves, FL 33470

**FY 24 Road Paving Plan** - The FY24 CIP plan included \$1,155,750 of paving funds. There are two additional segments proposed with an estimated cost of \$422,500. The estimated cost of all segments bid in the FY24 paving bid is \$1,578,250. The breakdown of the budget for those roads are:

	Currently in FY24 CIP	Newly Proposed
West C (Gruber to Forest Lane	\$69,000	
West D (Gruber to Bunny Lane)	69,000	
Global Trail	92,000	
Kerry Lane	69,000	
24 <sup>th</sup> Ct (E &W of F Rd)	138,000	
161 <sup>st</sup> Ter N	460,000	
Gruber	115,000	
E Citrus	115,000	
147 <sup>th</sup>	28,750	
Casey		\$172,500
B North and North B to C		<u>\$250,000</u>
Total	<u>\$1,155,750</u>	<u>\$422,500</u>
Combined Total		<u>\$1,578,250</u>

Potential funding sources for the additional funds include reallocation of culvert bridge monies upon their reimbursement by FEMA and donation proceeds from the Sod Farm. Staff is comfortable that funding will be available for Casey based on anticipated FEMA reimbursement funds and the unallocated monies from FY23 Carryforward.

Funding of B and North Road should be contingent on receipt of sufficient monies from the Sod Farm.

**Road Rock Plan** – The FY24 road rock plan with \$403,550 remains the same as Council approved in Ordinance No. 2023-04.

**Stormwater/Drainage Improvements** – \$826,000 had originally been allocated for stormwater/drainage improvements consisting of:

Swales, catch basins & other control structures	\$500,000
Miscellaneous culverts	200,000
11 <sup>th</sup> Ter and D Rd culvert bridge	<u>126,000</u>
Total	<u>\$826,000</u>

The proposed reallocation of these funds pending FEMA reimbursement for two culvert bridges:



155 F Road Loxahatchee Groves, FL 33470

Miscellaneous culverts	\$274,300
11 <sup>th</sup> Ter and D Rd culvert bridge	126,000
B Road culvert bridge	125,700
F & CC culvert bridge	160,000
12 <sup>th</sup> Place North culvert bridge	<u>120,000</u>
Total	<u>\$806,000</u>

**FEMA Reimbursement** – There are two culvert bridge projects, B Road and 24<sup>th</sup> & E, that are subject to a request for FEMA reimbursement because the need to replace them was because of storm activity. The budgets associated with those projects total \$251,700. It is anticipated FEMA will reimburse the Town for those costs. Total reimbursement for FEMA related expenses both capital and otherwise is anticipated to exceed \$400,000. The FEMA funds should be received in FY24.

#### **Capital budgeted in Public Works (105)**

**Other Road Materials and Supplies** - \$232,500 is budgeted for capital road materials and supplies consisting mostly of annual rock replenishment.

**Rental/Lease Option Machinery & Equipment** - \$303,000 was budgeted for the rental/lease option of equipment. \$189,000 of those funds were allocated to the lease option purchase of two mowers and the grader and \$114,000 was for the rental of equipment including a dump truck. Dump truck costs have been averaging approximately \$4,500 a month. Staff is recommending the lease option purchase of a dump truck rather than the continuation of the rental. A dump truck is regularly needed for the operations and the lease option purchase for a more functional dump truck is estimated to be less than \$40,000 a year. A proposal to purchase a dump truck will be forthcoming on an upcoming Council meeting.

**Purchase of Vehicles** – Public Works purchased a used truck in FY23 for \$17,562. The truck is used by the staff in the field. Another used vehicle was purchased in FY24 \$12,333 to be used by the Public Works Director for field reviews and inspections. These purchases were funded by a surplus in operating funds from FY23.

#### **Capital budgeted in General Fund – (101)**

**Purchase of Code Vehicle** – The code enforcement department needed a vehicle to conduct inspections as the truck that staff had been borrowing from the Public Works department was needed by Public Works. A code vehicle was purchased in FY24 for \$10,125 and is funded from anticipated FY24 operating surplus.

#### **Recommendation:**

Motion to approve Ordinance No. 2024-02 Updating the Capital Improvements Element of the Comprehensive Plan consistent with Chapter 163, Florida Statutes on first reading.



**ORDINANCE NO. 2024-02****AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, REPEALING ORDINANCE NO. 2023-04; ADOPTING THE ANNUAL UPDATE TO THE CAPITAL IMPROVEMENTS ELEMENT OF THE COMPREHENSIVE PLAN CONSISTENT WITH CHAPTER 163, FLORIDA STATUTES; PROVIDING FOR CONFLICT, SEVERABILITY, AND AN EFFECTIVE DATE.**

**WHEREAS**, the Town Council, as the governing body of the Town of Loxahatchee Groves, Florida (“Town”), pursuant Section 163.3177(3)(b), Florida Statutes, is required to review the Capital Improvements Element of the Town’s Comprehensive Plan and update the 5-year capital improvement schedule annually; and

**WHEREAS**, pursuant Section 163.3177(3)(b), Florida Statutes, modifications to update the 5-year capital improvement schedule may be adopted by ordinance and need not be an amendment to the Comprehensive Plan; and

**WHEREAS**, on September 19, 2023, the Town Council adopted Ordinance No. 2023-04, adopting the 2024-2028 Capital Improvement Schedule as the 2024 Annual Update to the Capital Improvements Element of the Comprehensive Plan; and

**WHEREAS**, the Town Council desires to repeal the prior adoption and adopt an amended version of the 2024 Annual Update to the Capital Improvements Element; and

**WHEREAS**, the Town Council has reviewed the Capital Improvements Element of the Town’s Comprehensive Plan, as revised, and has projected the 5-year capital improvement schedule for the years 2024-2028 to be financially feasible.

**NOW, THEREFORE, BE IT ORDAINED 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 incorporated herein by this reference.

**Section 2.** The Town of Loxahatchee Groves hereby repeals Ordinance No. 2023-04.

**Section 3.** The Town of Loxahatchee Groves hereby adopts the 2024-2028 Capital Improvement Schedule as the 2024 Annual Update to the Capital Improvements Element of the Comprehensive Plan, as set forth in Exhibit “A” attached hereto and incorporated herein by this reference.

Ordinance No. 2024-02

**Section 4. Conflict.** All Ordinances or parts of Ordinances, Resolutions or parts of Resolutions in conflict herewith be, and the same are hereby repealed to the extent of such conflict.

**Section 5. Severability.** If any clause, section, or other part or application of this Ordinance shall be held by any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part or application shall be considered as eliminated and so not affecting the validity of the remaining portions or applications remaining in full force and effect.

**Section 6. Effective Date.** This Ordinance shall become effective immediately upon its passage and adoption.

Councilmember \_\_\_\_\_ offered the foregoing ordinance. Councilmember \_\_\_\_\_ seconded the motion, and upon being put to a vote, the vote was as follows:

**PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF LOXAHATCHEE GROVES, FLORIDA, ON FIRST READING, THIS \_\_\_ DAY OF \_\_\_\_\_, 2024.**

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

Councilmember \_\_\_\_\_ offered the foregoing ordinance. Councilmember \_\_\_\_\_ seconded the motion, and upon being put to a vote, the vote was as follows:

**PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN LOXAHATCHEE GROVES, ON SECOND READING AND PUBLIC HEARING, THIS \_\_\_ DAY OF \_\_\_\_\_, 2024.**

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>
LAURA DANOWSKI, MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ROBERT SHORR, VICE MAYOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Ordinance No. 2024-02

MARGARET HERZOG, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PHILLIS MANIGLIA, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MARIANNE MILES, COUNCILMEMBER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**

ATTEST:

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Mayor Laura Danowski

\_\_\_\_\_  
Vice Mayor Robert Shorr

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
Office of the Town Attorney

\_\_\_\_\_  
Councilmember Margaret Herzog

\_\_\_\_\_  
Councilmember Phillis Maniglia

\_\_\_\_\_  
Councilmember Marianne Miles

This Page Is Blank Intentionally

**TOWN OF LOXAHATCHEE GROVES**  
**Ordinance No. 2024-02**

**Exhibit A**

			Estimated Timeframe	2024 Proposed	2025	2026	2027	2028
<b>Road Paving Plan (overlay program)</b>								
West C (Gruber to Forest Lane)	0.3 miles	2024		\$ 69,000				
West D (Gruber to Bunny Lane)	0.3 miles	2024		\$ 69,000				
Global Trail	0.4 miles	2024		\$ 92,000	\$ -	\$ -	\$ -	\$ -
Kerry Lane	0.3 miles	2024		\$ 69,000	\$ -			
24th Court (E & W of F Rd)	0.6 miles	2024		\$ 138,000	\$ -			
161st Ter N	2 miles	2024		\$ 460,000	\$ -	\$ -	\$ -	\$ -
Gruber	0.5 miles	2024		\$ 115,000	\$ -	\$ -	\$ -	\$ -
E Citrus	0.5 miles	2024		\$ 115,000	\$ -	\$ -	\$ -	\$ -
147th	.125 miles	2024		\$ 28,750	\$ -	\$ -	\$ -	\$ -
A South	1.25 miles	2025		\$ -	\$ 287,500	\$ -	\$ -	\$ -
B North + North from B to C	1.0 miles	2024		\$ 250,000	\$ -	\$ -	\$ -	\$ -
Casey Rd	0.75 miles	2024		\$ 172,500	\$ -	\$ -	\$ -	\$ -
N North	1.5 miles	2025		\$ -	\$ 319,250	\$ -	\$ -	\$ -
Collect Canal	3.25 miles	2023&2025		\$ -	\$ 115,000	\$ -	\$ -	\$ -
E Southern to Citrus (Loxahatchee Ave)	0.15 miles	2025			\$ -	\$ 34,500		
Citrus	0.25 miles	2025			\$ -	\$ -		
Lox Ave Tangerine to Citrus	0.1 miles	2025			\$ -	\$ -		
Tangerine	0.5 miles	2025		\$ -	\$ 115,000	\$ -	\$ -	\$ -
S North	1.5 miles	2026			\$ -	\$ 345,000		
6th Ct E Rd to Vinceremos)	0.75 miles	2026		\$ -	\$ -	\$ 172,500	\$ -	\$ -
Compton	0.75 miles	2026		\$ -	\$ -	\$ 172,500	\$ -	\$ -
Bryan	0.75 miles	2026		\$ -	\$ -	\$ 172,500	\$ -	\$ -
Marcella	0.75 miles	2026		\$ -	\$ -	\$ 172,500	\$ -	\$ -
				<b>\$ 1,578,250</b>	<b>\$ 836,750</b>	<b>\$ 1,069,500</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Road Rock Plan (rebuilding of road beds)</b>								
Collect Canal	3.25 miles	2025		\$ -	\$ 12,000	\$ -	\$ -	\$ -
South 'E' and Citrus	0.5 miles	2024		\$ 35,000	\$ -	\$ -	\$ -	\$ -
West C (Gruber to Forest Lane)	0.3 miles	2024		\$ 21,000				
West D (Gruber to Bunny Lane)	0.3 miles	2024		\$ 21,000				
Global Trail	0.4 miles	2024		\$ 28,000	\$ -	\$ -	\$ -	\$ -
Kerry Lane	0.3 miles	2024		\$ 10,500				
24th Court (E & W of F Rd)	0.6 miles	2024		\$ 21,000				
6th Ct (E Rd to Vinceremos)	0.75 miles	2025		\$ -	\$ 52,500	\$ -	\$ -	\$ -
Tangerine	0.5 miles	2024		\$ 35,000	\$ -	\$ -	\$ -	\$ -
E Citrus	0.5 miles	2024		\$ 35,000	\$ -	\$ -	\$ -	\$ -
147th	0.125 miles	2024		\$ 8,500	\$ -	\$ -	\$ -	\$ -
161st Ter N	2 miles	2024		\$ 105,000	\$ -	\$ -	\$ -	\$ -
Casey Rd	0.75 miles	2024		\$ 25,000	\$ -	\$ -	\$ -	\$ -
Gruber	0.5 miles	2024		\$ 35,000	\$ -	\$ -	\$ -	\$ -
B North	0.5 miles	2024		\$ 23,550	\$ -	\$ -	\$ -	\$ -
A South	1.25 miles	2025		\$ -	\$ 75,000	\$ -	\$ -	\$ -
N North	2 miles	2025		\$ -	\$ 75,000	\$ -	\$ -	\$ -
Folsum	0.3 miles	2025		\$ -	\$ -	\$ -	\$ -	\$ -
S North	1.5 miles	2026		\$ -	\$ -	\$ 105,000	\$ -	\$ -
Lox Ave Tangerine to Citrus	0.1 miles	2026				\$ 6,000		
22nd N/F/P	0.6 miles	2026		\$ -	\$ -	\$ -	\$ -	\$ -
				<b>\$ 403,550</b>	<b>\$ 214,500</b>	<b>\$ 111,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Stormwater/Roadway Drainage Improvements</b>								
SWM System Improvements-Resilient Florida								

**TOWN OF LOXAHATCHEE GROVES**  
**Ordinance No. 2024-02**

**Exhibit A**

	Estimated Timeframe	2024 Proposed	2025	2026	2027	2028
Surface water management infrastructure project to improve flood control, adherence to NPDES requirements and water quality, conveyance and drainage	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Specific Maintenance Projects</b>						
Pump House (including instrumentation and controls)	2025	\$ -	\$ 10,000	\$ -	\$ -	\$ -
Gate Repairs at 'A'	2025	\$ -	\$ 10,000	\$ -	\$ -	\$ -
Gate Repairs at 'Folsom'	2025	\$ -	\$ 15,000	\$ -	\$ -	\$ -
Gate Repairs at 'D'		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ 35,000	\$ -	\$ -	\$ -

**TOWN OF LOXAHATCHEE GROVES**  
**Ordinance No. 2024-02**

**Exhibit A**

	Estimated Timeframe	2024 Proposed	2025	2026	2027	2028
<b>Swales &amp; Culverts</b>						
Swales, Catch Basins and Other Control Structures	2024	\$ 274,300	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
South E and Citrus Drainage System (Without tree removal)	2025	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Tangerine and Citrus Drainage System (Without tree removal)	2025	\$ -	\$ 300,000			
Miscellaneous culvert failures/emergency repairs (5-7 culverts)		\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
		<b>\$ 274,300</b>	<b>\$ 1,050,000</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>
<b>Specific Culvert Locations</b>						
B Rd Culvert	2024	\$ 125,700				
11th Ter and D Rd Bridge Culvert	2024	\$ 126,000	\$ -	\$ -	\$ -	\$ -
Miscellaneous culvert failures/emergency repairs (5-7 culverts)	2023-2026				\$ -	\$ -
F Rd + Collecting Canal Culvert	2024	\$ 160,000				
12th Place North	2024	\$ 120,000				
		<b>\$ 531,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Repair and Maintenance Canals</b>						
Canal Bank Maintenance/Emergency Bank Stabilization Collecting Canal	2024	\$ 198,000				
Cost to restore banks to 1.5:1 slope (30 Miles at 5% annually over 20 years) = 1.5 Miles at \$150.00 /LF	2024-2040	\$ 205,794	\$ -	\$ -	\$ -	\$ -
Seven Locks/Weirs at \$150,000 each location	2026-2040	\$ -	\$ 300,000	\$ 300,000	\$ 450,000	\$ -
		<b>\$ 403,794</b>	<b>\$ 300,000</b>	<b>\$ 300,000</b>	<b>\$ 450,000</b>	<b>\$ -</b>
<b>Trails System</b>						
Connectivity improvements and trail maintenance/upgrades to ensure safety and usefulness of the Town trails system.						
North Road Trail	TBD		\$ 20,000	\$ -	\$ -	\$ -
Horse crossings at B, D and F Roads along canal heads	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Hand pump and trail amenities at C	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Development of a Linear Park from A Road to Folsom Road South of C	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Other Trails Improvements	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Resiliency Grant Program</b>	2024	\$ 350,000				
<b>Other Capital Projects</b>						
Paving & drainage improvements on Town roads:						
Refurbish edges and resurface all 2 miles of OGEM (North road)	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Collecting Canal System Rehab (estimate from prior years RETGAC)	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Public Footprint (surveys, mapping & title searches)	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Intersection Signals						
Okeechobee at D road, F & Folsom	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
Public Works Equipment Storage Building (estimate from prior years RET)	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
School Bus Stops Shelters \$25,000 each	TBD	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Totals</b>		<b>\$ 3,541,594</b>	<b>\$ 2,456,250</b>	<b>\$ 2,030,500</b>	<b>\$ 1,000,000</b>	<b>\$ 550,000</b>
<b>Other Road Materials and Supplies (Budgeted in Public Works )</b>						
Road Maintenance						
Miscellaneous Annual Rock Replenishment	2024-2028	\$ 172,500	\$ 172,500	\$ 172,500	\$ 172,500	\$ 172,500
Road Rehabilitation						
North Road (millings--see paving estimate above)	2025	\$ -	\$ 69,000	\$ -	\$ -	\$ -

**TOWN OF LOXAHATCHEE GROVES**  
**Ordinance No. 2024-02**

**Exhibit A**

	Estimated Timeframe	2024 Proposed	2025	2026	2027	2028
<b>Canal Reconstruction Crew</b>		\$ 172,500	\$ 241,500	\$ 172,500	\$ 172,500	\$ 172,500
		\$ 164,206				
<b>Rental/Lease Option Machinery &amp; Equipment</b> <i>(Budgeted in Public Works)</i>						
	<i>annually</i>					\$ -
Tractor Mower	2024-2026	\$ 83,000	\$ 83,000	\$ 83,000		
Mower (Kubota)	2022-2024	\$ 56,000	\$ -			
Grader (John Deere)	2023-2026	\$ 50,000	\$ 50,000	\$ 123,000		
Dump Truck	2024-2026	\$ 40,000	\$ 40,000	\$ 40,000	\$ -	
2015 Field Truck (used)	2023					
PW Director Behicle (used)	2024	\$ 12,333				
Code Vehicle (used)	2024	\$ 10,125				
Rental of equipment on as needed basis such as roller, pump vac, road plates & sweeper	2022-2026	\$ 74,000	\$ 60,000	\$ 60,000		
		<b>\$ 325,458</b>	<b>\$ 233,000</b>	<b>\$ 306,000</b>	<b>\$ -</b>	<b>\$ -</b>
		<b>\$ 4,039,552</b>	<b>\$ 2,930,750</b>	<b>\$ 2,509,000</b>	<b>\$ 1,172,500</b>	<b>\$ 722,500</b>



**TOWN OF LOXAHATCHEE GROVES**  
**Ordinance No. 2024-02**

**Exhibit A**

	Estimated Timeframe	2024 Proposed	2025	2026	2027
		2028			
<b>Capital Funds Available For FY2024:</b>					
State Grant		\$ 750,000			
Resiliency Grant		\$ 350,000			
General Fund		\$ 1,202,853			
Gas Tax Funds		\$ 127,550			
Surtax Funds		\$ 334,000			
Road and Drainage Funds		\$ 304,691			
Carryover of Capital Funds From 2023		\$ 664,549			
<b>Total Capital Funds Available</b>		<b>\$ 3,733,643</b>			
<b>Recommended Use of Capital Funds in FY2024:</b>					
Resiliency Grant		\$ 350,000			
Road Paving Plan ( <i>overlay program</i> )		\$ 1,578,250			
Road Rock Plan ( <i>rebuilding of road beds</i> )		\$ 403,550			
<i>Stormwater/Roadway Drainage Improvements Plan:</i>					
Swales and Culverts		\$ 274,300			
Specific Culvert Locations		\$ 531,700			
Repair and Maintenance of Canals		\$ 403,794			
Trails System					
FY23 Carry Forwards		\$ 576,399			
<b>Total Recommended Use of Capital Funds FY24</b>		<b>\$ 4,117,993</b>			
Shortfall in FY24 Project Funds		\$ (384,350)			
<b>Potential Funding for Short Fall</b>					
Capital Projects subject to FEMA Reimbursement					
B Road Culvert		\$ 125,700	Pending FEMA Reimbursement to be funded from Miscellaneous culvert repairs FY24		
24th and E culvert Repair		\$ 126,000	Pending FEMA Reimbursement to be funded from carryover of FY 23 11th Terrace and D culvert		
<b>Total FEMA Capital Reimbursement Projects</b>		<b>\$ 251,700</b>			
Potential Funding for B North and North paving is dona \$ 250,000					
Sod Farm. Sod Farm has discussed \$250,000 donation but matter is under review by their corporate offices.					
<b>Total potential funds</b>		<b>\$ 501,700</b>			

This Page Is Blank Intentionally



155 F Road Loxahatchee Groves, FL 33470

**Agenda Item # 3**

**TO: Finance Advisory and Audit Committee of Town of Loxahatchee Groves**  
**FROM: Francine Ramaglia, Town Manager**  
**DATE: March 07, 2024**  
**SUBJECT: Audit for Fiscal Year 2022-2023**

---

**Background:**

Attached is the latest draft of the 2023 Fiscal Year Audit from Andrew Fierman, CPA from Caballero Fierman Llerena & Garcia, LLP.

**Recommendation:**

Receive and File.

This Page Is Blank Intentionally

**TOWN OF LOXAHATCHEE GROVES,  
FLORIDA**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

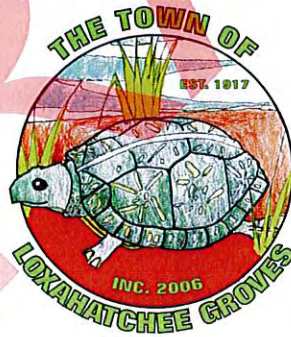
**SEPTEMBER 30, 2023**

**TOWN OF LOXAHATCHEE GROVES, FLORIDA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2023**

**DRAFT**

**Prepared by:  
THE TOWN OF LOXAHATCHEE GROVES**

THIS PAGE INTENTIONALLY LEFT BLANK



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**SEPTEMBER 30, 2023**

	<u>PAGES</u>
<b>I. INTRODUCTORY SECTION (Unaudited)</b>	
Letter of Transmittal	i-iv
List of Town Officials	v
Organizational Chart	vi
<b>II. FINANCIAL SECTION</b>	
Independent Auditors' Report	1-2
Management's Discussion and Analysis (Unaudited)	3-13
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	19
Statement of Net Position – Proprietary Fund	20
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	21
Statement of Cash Flows – Proprietary Fund	22
Notes to Basic Financial Statements	23-42
<b>III. REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)</b>	
Budgetary Comparison Schedules	
General Fund	43
Special Revenue Fund – Roads and Drainage Fund	44
Special Revenue Fund – Transportation Fund	45
Special Revenue Fund – Local Option Sales Tax Fund	46
Notes to the Required Supplementary Information	47
Schedule of Employer Contributions – Florida	
Retirement System Pension Plan	48
Schedule of Proportionate Share of Net Pension Liability – Florida	
Retirement System Pension Plan	49
Schedule of Employer Contributions – Florida Retirement System	
Retiree Health Insurance Subsidy Program	50
Schedule of Proportionate Share of Net Pension Liability – Florida	
Retirement System Health Insurance Subsidy Program	51



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**SEPTEMBER 30, 2023**

	<u>PAGES</u>
<b>IV. STATISTICAL SECTION (UNAUDITED)</b>	
Government – Wide Information:	
Net Position by Component	52
Changes in Net Position	53-54
Fund Information	
Fund Balances of Governmental Funds	55
Changes in Fund Balances of Governmental Funds	56
General Governmental Revenues by Source	57
Assessed Value and Estimated Actual Value of Taxable Property	58
Property Tax Rates – Direct and Overlapping Governments	59
Principal Property Taxpayers	60
Property Tax Levies and Collections	61
Direct and Overlapping Governmental Activities Debt	62
Demographic and Economic Statistics	63
Principal Employers – Palm Beach County	64
Full-Time Equivalent Municipality Government Employees by Function	65
Operating Indicators by Function	66
<b>V. OTHER INFORMATION SECTION</b>	
Information Required by Section 218.39(3)(c), Florida Statutes	67
<b>VI. COMPLIANCE SECTION</b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	68-69
Summary Schedule of Prior Audit Findings	70
Schedule of Findings and Responses	71-72
Management Letter in accordance with the Rules of the Auditor General of the State of Florida	73-74
Independent Accountants' Report on Compliance Pursuant to Section 218.415 Florida Statutes	75

---

---

**INTRODUCTORY SECTION**

---

---

DRAFT

**TOWN OF LOXAHATCHEE GROVES**

**List of Elected Town Officials**

**September 30, 2023**

**Council – Manager Form of Government**

**TOWN COUNCIL**

Laura Danowski, Mayor

Robert Shorr, Vice Mayor

Phillis Maniglia, Councilmember

Marianne Miles, Councilmember

Margaret Herzog, Councilmember

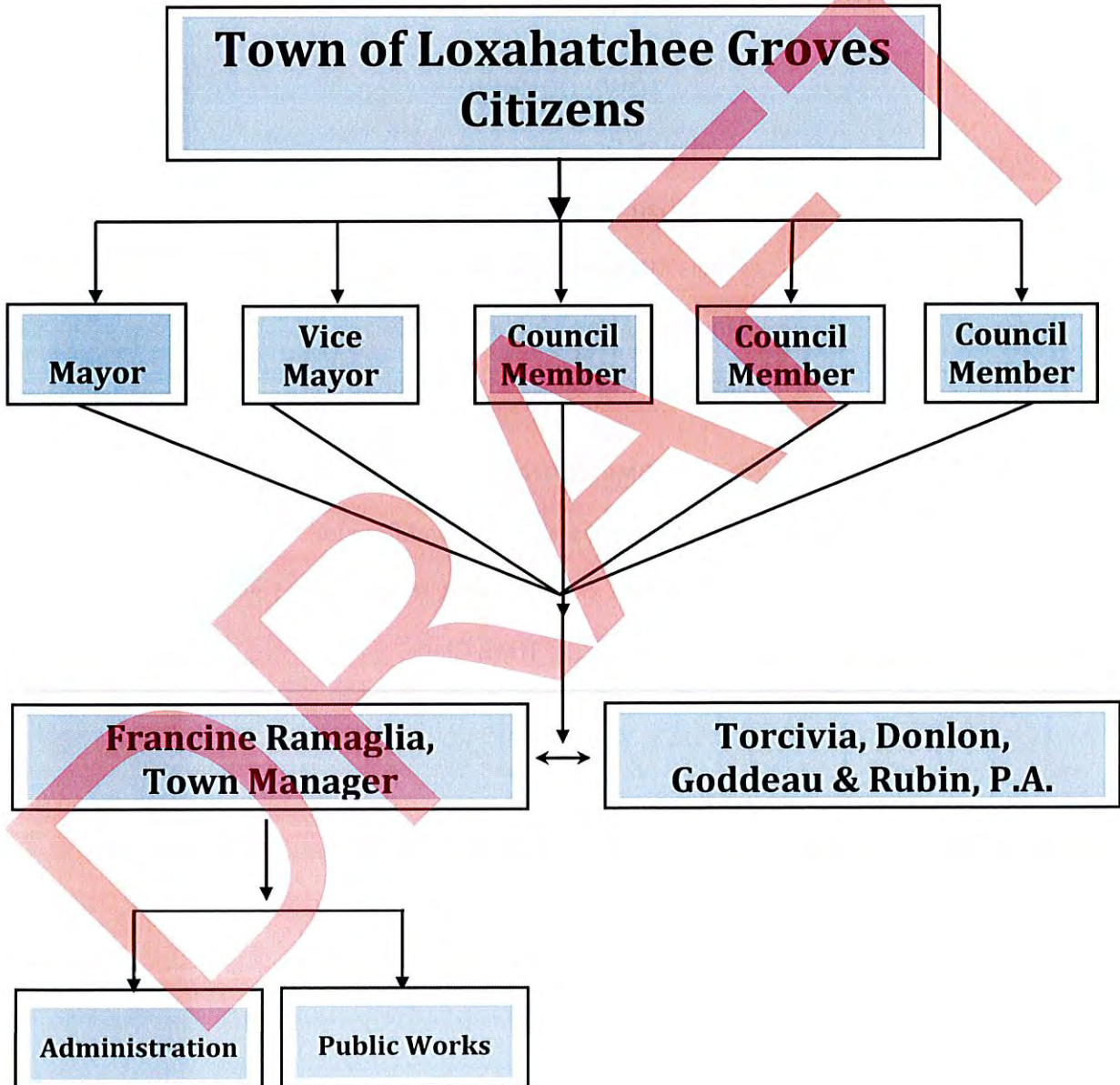
**ADMINISTRATION**

Francine L. Ramaglia, CPA, Town Manager

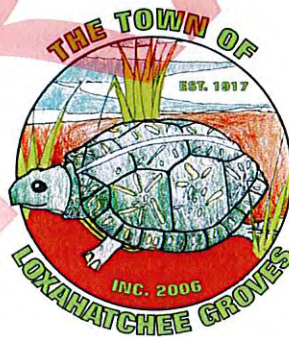
Elizabeth Lenihan of Torcivia, Donlon, Goddeau & Rubin, P.A., Town Attorney

Valerie Oakes, Town Clerk

# Town of Loxahatchee Groves Organizational Chart



THIS PAGE INTENTIONALLY LEFT BLANK



---

---

**FINANCIAL SECTION**

---

---

DRAFT

---

---

**INDEPENDENT AUDITORS' REPORT**

---

---

DRAFT



Accountants

Advisors

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Town Council  
Town of Loxahatchee Groves, Florida

### Report on the Audit of the Financial Statements

#### Opinions

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 (the Town), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension schedules on pages 4–15, 59–63, and 64–67, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March XX, 2024, on our consideration of the Town'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'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 Town's internal control over financial reporting and compliance.

*Draft*

Caballero Fierman Llerena & Garcia, LLP  
Boca Raton, Florida  
March XX, 2024

---

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Required Supplementary Information)**

---

DRAFT

---

---

**FINANCIAL STATEMENTS**

---

---

DRAFT

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

	Governmental Activities	Business- Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 3,910,796	\$ 306,141	\$ 4,216,937
Investments	997,409	-	997,409
Receivables:			
Planning and zoning	140,916	-	140,916
Franchise and utility taxes	139,796	-	139,796
Due from other governments	108,095	2,909	111,004
Capital assets:			
Nondepreciable capital assets	1,619,279	-	1,619,279
Depreciable capital assets, net	7,298,478	-	7,298,478
<b>Total assets</b>	<b>14,214,769</b>	<b>309,050</b>	<b>14,523,819</b>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related items	614,986	-	614,986
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	435,277	55,521	490,798
Due to other governments	47,183	-	47,183
Deposits for planning and zoning	279,747	-	279,747
Noncurrent liabilities:			
Due within one year	98,086	-	98,086
Due in more than one year	1,516,935	-	1,516,935
<b>Total liabilities</b>	<b>2,377,228</b>	<b>55,521</b>	<b>2,432,749</b>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related items	127,045	-	127,045
Unavailable revenues	41,659	-	41,659
<b>Total deferred inflows of resources</b>	<b>168,704</b>	<b>-</b>	<b>168,704</b>
<u>NET POSITION</u>			
Investment in capital assets	8,673,364	-	8,673,364
Restricted for:			
Roads and drainage	1,370,076	-	1,370,076
Transportation	338,080	-	338,080
Infrastructure	404,107	-	404,107
Unrestricted	1,498,196	253,529	1,751,725
<b>Total net position</b>	<b>\$ 12,283,823</b>	<b>\$ 253,529</b>	<b>\$ 12,537,352</b>

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
<b>Functions/programs</b>							
<b>Governmental activities:</b>							
General government	\$ 1,708,966	\$ 797,706	\$ 359,793	\$ -	\$ (551,467)	\$ -	\$ (551,467)
Public safety	1,445,314	-	-	-	(1,445,314)	-	(1,445,314)
Physical environment	2,684,294	1,532,766	-	-	(1,151,528)	-	(1,151,528)
Interest expense	3,721	-	-	-	(3,721)	-	(3,721)
<b>Total governmental activities</b>	<b>5,842,295</b>	<b>2,330,472</b>	<b>359,793</b>	<b>-</b>	<b>(3,152,030)</b>	<b>-</b>	<b>(3,152,030)</b>
<b>Business-type activities:</b>							
Water and Sewer	714,111	585,725	-	-	-	(128,386)	(128,386)
<b>Total business-type activities</b>	<b>714,111</b>	<b>585,725</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(128,386)</b>	<b>(128,386)</b>
<b>General revenues:</b>							
Property taxes					1,291,263	-	1,291,263
Local option sales tax					330,728	-	330,728
Franchise fee					649,469	-	649,469
Utility taxes					531,900	-	531,900
Intergovernmental (unrestricted)					846,416	-	846,416
Investment income (unrestricted)					47,566	-	47,566
Miscellaneous revenue					134,776	-	134,776
<b>Total general revenues</b>					<b>3,832,118</b>	<b>-</b>	<b>3,832,118</b>
Transfers					(135,365)	135,365	-
Change in net position					544,723	6,979	551,702
Net position beginning of year					11,739,100	246,550	11,985,650
Net position end of year					\$ 12,283,823	\$ 253,529	\$ 12,537,352

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	Major Funds					Total Governmental Funds
	General Fund	Roads and Drainage	Transportation	Local Option Sales Tax	Capital Improvements	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,076,366	\$ 2,065,382	\$ 260,435	\$ -	\$ 508,613	\$ 3,910,796
Investments	144,577	-	-	852,832	-	997,409
Receivables						
Planning and zoning	140,916	-	-	-	-	140,916
Franchise and utility taxes	138,623	1,173	-	-	-	139,796
Due from other governments	43,598	10,071	33,689	20,737	-	108,095
Due from other funds	1,255,442	-	-	-	-	1,255,442
Total assets	2,799,522	2,076,626	294,124	873,569	508,613	6,552,454
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	175,001	104,503	-	-	155,773	435,277
Due to other governments	47,183	-	-	-	-	47,183
Deposits for planning and zoning	279,747	-	-	-	-	279,747
Due to other funds	-	16,154	195,687	469,462	574,139	1,255,442
Total liabilities	501,931	120,657	195,687	469,462	729,912	2,017,649
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned revenue	41,659	-	-	-	-	41,659
Total deferred inflows of resources	41,659	-	-	-	-	41,659
<b>FUND BALANCES</b>						
Restricted for:						
Roads and drainage	-	1,370,076	-	-	-	1,370,076
Transportation	-	239,643	98,437	-	-	338,080
Infrastructure	-	-	-	404,107	-	404,107
Assigned for:						
Capital projects	-	-	-	-	-	-
Unassigned	2,255,932	346,250	-	-	(221,299)	2,380,883
Total fund balances	2,255,932	1,955,969	98,437	404,107	(221,299)	4,493,146
Total liabilities, deferred inflows of resources and fund balances	\$ 2,799,522	\$ 2,076,626	\$ 294,124	\$ 873,569	\$ 508,613	\$ 6,552,454

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Total fund balances - governmental funds (Page 16) \$ 4,493,146

Amounts reported for governmental activities in the statement of net position are different as a result of:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	\$ 14,898,091	
Accumulated depreciation	(5,980,334)	
	8,917,757	8,917,757

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Net pension liability	\$ (1,345,264)	
Leases payable	(244,393)	
Compensated absences	(25,364)	
	(1,615,021)	(1,615,021)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds

Deferred outflow of resources relating to pensions	\$ 614,986	
Deferred inflow of resources relating to pensions	(127,045)	
	487,941	487,941

Net position of governmental activities (Page 14)		\$ 12,283,823
---	--	---------------

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Major Funds					Total Governmental Funds
	General Fund	Roads and Drainage	Transportation	Local Option Sales Tax	Capital Improvements	
<b>Revenues:</b>						
Property taxes	\$ 1,291,263	\$ -	\$ -	\$ -	\$ -	\$ 1,291,263
Local option sales tax	-	-	-	330,728	-	330,728
Permits and franchise fees	851,447	-	-	-	-	851,447
Utility service taxes	531,900	-	-	-	-	531,900
Intergovernmental revenues	865,981	-	405,313	-	-	1,271,294
Charges for services	423,837	-	-	-	-	423,837
Fines and forfeitures	106,806	-	-	-	-	106,806
Maintenance assessments	-	1,504,651	-	-	-	1,504,651
Miscellaneous revenues	8,317	28,115	-	-	-	36,432
Interest	14,817	2,346	-	30,403	126,459	162,891
<b>Total revenues</b>	<b>4,094,368</b>	<b>1,535,112</b>	<b>405,313</b>	<b>361,131</b>	<b>126,459</b>	<b>6,522,383</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	1,363,108	-	-	-	-	1,363,108
Public safety	1,611,820	-	-	-	-	1,611,820
Physical environment	-	1,607,853	-	-	-	1,607,853
Debt service:						
Principal	4,281	100,726	-	-	-	105,007
Interest	99	3,721	-	-	-	3,820
Capital outlay	621	254,182	-	-	1,640,010	1,894,813
<b>Total expenditures</b>	<b>2,979,929</b>	<b>1,966,482</b>	<b>-</b>	<b>-</b>	<b>1,640,010</b>	<b>6,586,421</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,114,439</b>	<b>(431,370)</b>	<b>405,313</b>	<b>361,131</b>	<b>(1,513,551)</b>	<b>(64,038)</b>
<b>Other financing sources:</b>						
Issuance of debt - leases	-	236,620	-	-	-	236,620
Transfers in	-	541,000	-	-	999,893	1,540,893
Transfers out	(1,006,158)	-	(403,900)	(266,200)	-	(1,676,258)
<b>Total other financing sources</b>	<b>(1,006,158)</b>	<b>777,620</b>	<b>(403,900)</b>	<b>(266,200)</b>	<b>999,893</b>	<b>101,255</b>
<b>Net change in fund balances</b>	<b>108,281</b>	<b>346,250</b>	<b>1,413</b>	<b>94,931</b>	<b>(513,658)</b>	<b>37,217</b>
<b>Fund balance - beginning of year</b>	<b>2,147,651</b>	<b>1,609,719</b>	<b>97,024</b>	<b>309,176</b>	<b>292,359</b>	<b>4,455,929</b>
<b>Fund balance - ending</b>	<b>\$ 2,255,932</b>	<b>\$ 1,955,969</b>	<b>\$ 98,437</b>	<b>\$ 404,107</b>	<b>\$ (221,299)</b>	<b>\$ 4,493,146</b>

See notes to basic financial statements



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds (Page 18)	\$	37,217
<p>Amounts reported for governmental activities in the statement of activities are different as a result of:</p> <p>Governmental funds report capital outlay as an expenditure. However, the cost of those capital assets is eliminated in the statement of activities and capitalized in the statement of net position.</p>		
Expenditures for capital assets		1,894,813
Less current year depreciation		(966,665)
Amounts reported as capital outlay not included in capital assets (not capitalized)		(1,985)
		926,163
<p>Some expenses reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in the governmental funds. The details of the differences are as follows:</p>		
Change in net pension liability and related deferred amounts		(282,807)
Change in lease liability		(131,613)
Current change in compensated absences		(4,237)
		(418,657)
Change in net position of governmental activities (Page 15)	\$	544,723

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**SEPTEMBER 30, 2023**

		Enterprise Fund Sanitation Fund
	<u>ASSETS</u>	
Current assets:		
Cash and cash equivalents		\$ 306,141
Due from other governments		2,909
Total assets		309,050
	<u>LIABILITIES</u>	
Current liabilities:		
Accounts payable		55,521
Total current liabilities		55,521
	<u>NET POSITION</u>	
Unrestricted		253,529
Total net position		\$ 253,529

DRAFT

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGE IN NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Enterprise Fund Sanitation Fund
Operating revenues:	
Charges for services	\$ 585,725
Total operating revenues	585,725
Operating expenses:	
Solid waste contractor	708,666
Other expenses	5,445
Total operating expenses	714,111
Operating loss	(128,386)
Loss before transfers	(128,386)
Transfers in	135,365
Change in net position	6,979
Net position, beginning of year	246,550
Net position, ending	\$ 253,529

DRAFT

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Enterprise Fund</u> <u>Sanitation</u> <u>Fund</u>
Cash flows from operating activities:	
Receipts from customers and users	\$ 585,725
Payments to suppliers	(710,514)
Operating grants	(2,909)
Net cash provided by operating activities	(127,698)
Cash flows (used) by noncapital financing activities:	
Transfers from other funds	135,365
Net cash provided by noncapital financing activities	135,365
Net increase in cash and cash equivalents	7,667
Cash and cash equivalents, October 1	298,474
Cash and cash equivalents, September 30	\$ 306,141
Reconciliation of operating income (loss) to cash and cash equivalents used in operating activities:	
Operating income (loss)	\$ (128,386)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in:	
Due from other governments	(2,909)
Increase (decrease) in:	
Accounts payable	3,597
Total adjustments	688
Net cash provided by operating activities	\$ (127,698)

See notes to basic financial statements

---

---

**NOTES TO THE FINANCIAL STATEMENTS**

---

---

DRAFT

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**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.

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.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*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.

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.

*Cash and Cash Equivalents*

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

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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 Towns' 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 Outflows 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.



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Deferred Inflows 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.
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.

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 consists 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 consists of all net position that does not meet the definition of either of the other two components.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

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.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

*Budgetary Data (Continued)*

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. 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, 2023, there were supplemental appropriations of \$366,604.

At September 30, 2023, there were \$20,000 of encumbrances in the Roads and Drainage Fund and \$120,749 in the Capital Improvements 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, 2023, 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.

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 – DEPOSITS AND INVESTMENTS**

*Deposits*

As of September 30, 2023, the carrying amounts of the Town's deposits and bank balances were \$4,283,960. 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.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)**

Deposits (continued)

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 \$4,283,960 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.

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, 2023, the Town had \$997,409 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 AAAf/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.
2. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated nor amortized:				
Land	\$ 573,337	\$ -	\$ -	\$ 573,337
Construction in progress	-	1,045,942	-	1,045,942
<b>Total capital assets, not being depreciated nor amortized</b>	<b>573,337</b>	<b>1,045,942</b>	<b>-</b>	<b>1,619,279</b>
Capital assets, being depreciated and amortized:				
Building	563,256	-	-	563,256
Equipment	1,487,985	16,797	-	1,504,782
Equipment - leases	169,577	236,620	-	406,197
Infrastructure	10,211,108	593,469	-	10,804,577
<b>Total capital assets, being depreciated and amortized</b>	<b>12,431,926</b>	<b>846,886</b>	<b>-</b>	<b>13,278,812</b>
Less: accumulated depreciation and amortization for:				
Building	(160,785)	(14,581)	-	(175,366)
Equipment	(978,382)	(114,473)	-	(1,092,855)
Equipment - leases	(56,882)	(74,563)	-	(131,445)
Infrastructure	(3,817,620)	(763,048)	-	(4,580,668)
<b>Total accumulated depreciation and amortization</b>	<b>(5,013,669)</b>	<b>(966,665)</b>	<b>-</b>	<b>(5,980,334)</b>
<b>Total capital assets, being depreciated and amortized, net</b>	<b>7,418,257</b>	<b>(119,779)</b>	<b>-</b>	<b>7,298,478</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 7,991,594</b>	<b>\$ 926,163</b>	<b>\$ -</b>	<b>\$ 8,917,757</b>

Depreciation expense of \$20,434 was charged to the general government function and \$946,231 was charged to the physical environment functions of the Town.

**NOTE 5 – LONG-TERM LIABILITIES**

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Compensated absences	\$ 21,127	\$ 39,036	\$ (34,799)	\$ 25,364	\$ 6,341
Net pension liability	1,059,348	285,916	-	1,345,264	-
Lease liability	112,780	236,620	(105,007)	244,393	91,745
	<b>\$ 1,193,255</b>	<b>\$ 561,572</b>	<b>\$ (139,806)</b>	<b>\$ 1,615,021</b>	<b>\$ 98,086</b>

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 BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 6 – OTHER POST EMPLOYMENT BENEFITS (OPEB)**

At September 30, 2023, management has determined 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](http://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. 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.

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.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

***Pension Plan***

***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.

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

<b><u>Class, Initial Enrollment, and Retirement Age / Years of Service</u></b>	<b><u>% Value</u></b>
<b>Regular Class members initially enrolled before July 1, 2011</b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or with 31 years of service	1.63
Retirement up to age 64 or with 32 years of service	1.65
Retirement up to age 65 or with 33 or more years of service	1.68
<b>Regular Class members initially enrolled on or after July 1, 2011</b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or with 34 years of service	1.63
Retirement up to age 67 or with 35 years of service	1.65
Retirement up to age 68 or with 36 or more years of service	1.68
<b>Special Risk Class</b>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on or after October 1, 1974	3.00
<b>Senior Management Service Class</b>	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 BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**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, 2023 were as follows:

Class	07/01/2022 through 09/30/2022	07/01/2023 through 09/30/2023
Regular class	11.91%	13.57%
Senior management service class	31.57%	34.52%
Special risk class	27.83%	32.67%
DROP	18.60%	21.13%

Except for the DROP, the employer contribution rates include a 2.00% 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, 2023, the Town made contributions of \$98,784 to the Pension Plan and the Town's employees made contributions of \$17,580, for total contributions of \$116,365.

Pension Liabilities and Pension Expense

At September 30, 2023, the Town reported a liability of \$980,776 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Town's proportionate share of the net pension liability was based on the Town's 2022-2023 plan year contributions relative to the 2022-2023 plan year contributions of all participating members. At June 30, 2023, the Town's proportionate share was 0.002461365 percent, which was an increase of 0.000238635 percent from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the Town recognized pension expense of \$269,559 related to the Plan.

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 92,086	\$ -
Change of assumptions	63,935	-
Net difference between projected and actual earnings on FRS pension plan investments	40,960	-
Changes in proportion and differences between Authority FRS contributions and proportionate share of contributions	242,565	47,272
Authority FRS contributions subsequent to measurement date	38,076	-
Total	<u>\$ 477,622</u>	<u>\$ 47,272</u>



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

*Pension Plan (Continued)*

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

The deferred outflows of resources totaling \$38,076 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Fiscal Year End</u>	<u>Deferred Outflows/(Inflows), net</u>
2024	\$ 97,365
2025	62,801
2026	188,836
2027	35,055
2028	8,217
Total	<u>\$ 392,274</u>

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2023
Measurement date	June 30, 2023
Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Municipal bond rate	3.65%
Investment rate of return	N/A
Mortality	Generational PUB-2010 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, 2023, valuation were based on the certain results of an actuarial experience study of the FRS for the period July 1, 2014 through June 30, 2019.

The long-term expected rate of return assumption of 6.70% consists of two building block components: 1) a real return of 4.20%, consistent with the 4.48 percent real rate of return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2023 by the FRS Actuarial Assumption Conference.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

***Pension Plan (Continued)***

*Actuarial Assumptions (continued)*

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	Target Allocation <sup>1</sup>	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
	<u>100%</u>			
Assumed inflation-Mean			2.4%	1.4%

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

*Discount Rate*

The discount rate used to measure the total pension liability was 6.70%. 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 6.70%, 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 (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Authority's proportionate share of the net pension liability	\$ 1,675,365	\$ 980,776	\$ 399,669

*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, 2023, the Town did not have a payable for outstanding contributions to the Pension Plan for the fiscal year ended September 30, 2023.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**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, 2023, 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, 2023, the HIS contribution was 2.00%. 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 \$16,894 for the fiscal year ended September 30, 2023.

Pension Liabilities and Pension Expense

At September 30, 2023, the Town reported a liability of \$364,488 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023.

The Town's proportionate share of the net pension liability was based on the Town's 2022-2023 plan year contributions relative to the 2022-2023 plan year contributions of all participating members. At June 30, 2023, the Town's proportionate share was 0.002295052 percent, which was an increase of 0.000101672 percent from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2023, the Town recognized pension expense of \$151,038.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

*Retiree Health Insurance Subsidy (HIS) Program (Continued)*

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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,336	\$ 856
Change of assumptions	9,582	31,584
Net difference between projected and actual earnings on FRS pension plan investments	188	-
Changes in proportion and differences between Authority FRS contributions and proportionate share of contributions	116,244	47,333
Authority FRS contributions subsequent to measurement date	6,014	-
	\$ 137,364	\$ 79,773

The deferred outflows of resources totaling \$6,014 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, 2022.

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

Fiscal Year End	Deferred Outflows/(Inflows), net
2023	\$ 11,715
2024	16,604
2025	17,872
2026	4,058
2027	1,026
Thereafter	302
Total	\$ 51,577

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

*Retiree Health Insurance Subsidy (HIS) Program (Continued)*

Actuarial Assumptions

The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2023
Measurement date	June 30, 2023
Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Municipal bond rate	3.65%
Investment rate of return	N/A
Mortality	Generational PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018
Actuarial cost method	Individual Entry Age

For the July 1, 2023 valuation date the municipal bond rate changed from 3.54% to 3.65%.

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2019.

Discount Rate

The discount rate used to measure the total pension liability was 3.65%, which increased from the discount rate of 3.54% as of June 30, 2022. 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 3.65%, 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 (2.65%) or one percentage point higher (4.65%) than the current rate:

	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Authority's proportionate share of the net pension liability	\$ 415,820	\$ 364,488	\$ 321,931

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.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

*Retiree Health Insurance Subsidy (HIS) Program (Continued)*

Payables to the Pension Plan

At September 30, 2023, the Town did not have a payable for outstanding contributions to the HIS Plan for the fiscal year ended September 30, 2023.

**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, 2023.

Plan	NET PENSION LIABILITY	DEFERRED OUTFLOW OF RESOURCES	DEFERRED INFLOW OF RESOURCES	PENSION EXPENSE
Florida Retirement System (FRS)	980,776	477,622	(47,272)	269,559
Florida Retirement System (HIS)	364,488	137,364	(79,773)	151,038
Totals	<u>\$ 1,345,264</u>	<u>\$ 614,986</u>	<u>\$ (127,045)</u>	<u>\$ 420,597</u>

**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.

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, 2023, are as follows:

Class	07/01/22 through 09/30/22	07/01/23 through 09/30/23
Regular class	11.91%	13.57%
Senior management service class	31.57%	34.52%

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 – FLORIDA RETIREMENT SYSTEM (CONTINUED)**

*Investment Plan (Continued)*

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, 2023, 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.

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 \$66,096 for the fiscal year ended September 30, 2023.

**NOTE 8 – INTERFUND ACTIVITY**

Receivables and Payables

The composition of interfund balances as of September 30, 2023 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Transportation	\$ 195,687
General	Local Option Sales Tax	469,462
General	Capital Improvements	574,139
<b>Total</b>		<b><u>\$ 1,239,288</u></b>

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All of the above amounts are expected to be repaid shortly after year-end from available current assets and next year funding.

Transfers

Interfund transfers during the year ended September 30, 2023, are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>	<u>Purpose</u>
General	Roads and Drainage	\$ 264,000	To provide operational funds
General	Capital Improvements	606,793	To provide capital funds
General	Sanitation	135,365	To provide operational funds
Transportation	Roads and Drainage	277,000	To provide operational funds
Transportation	Capital Improvements	126,900	To provide capital funds
Local Option Sales Tax	Capital Improvements	266,200	To provide capital funds
		<b><u>\$ 1,676,258</u></b>	

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 9 – LEASES**

During the fiscal year ended September 30, 2023, the Town entered into two (2) leases. Total lease and related assets are valued at \$169,577 at various interest rates and require monthly payments of \$365 for one lease and annual payments of approximately \$55,000 for the other lease. The latest maturity of the leases is January 2026.

Year Ending September 30,	Principal	Interest	Total Debt Service
2024	\$ 91,745	\$ 15,987	\$ 107,732
2025	37,572	11,449	49,021
2026	115,077	8,631	123,708
	\$ 244,393	\$ 36,067	\$ 280,460

**NOTE 10 – 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.

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 11 – COMMITMENTS AND CONTINGENCIES***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, 2023, the MSTU millage rate was 3.4581 mills.

*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, 2022 resulting in a corresponding decrease in residential rates to \$400 per unit effective January 1, 2023.



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 11– COMMITMENTS AND CONTINGENCIES (CONTINUED)**

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 December 12, 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 XX, 2024.

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.

---

---

**REQUIRED SUPPLEMENTARY INFORMATION**

---

---

DRAFT

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEUDLE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 1,264,990	\$ 1,264,990	\$ 1,291,263	\$ 26,273
Permits and franchise fees	714,500	714,500	851,447	136,947
Utility service taxes	465,000	465,000	531,900	66,900
Intergovernmental revenues	449,100	449,100	865,981	416,881
Charges for services	365,500	365,500	423,837	58,337
Fines and forfeitures	22,000	22,000	106,806	84,806
Miscellaneous revenues	16,575	16,575	8,317	(8,258)
Interest	2,000	2,000	14,817	12,817
<b>Total revenues</b>	<b>3,299,665</b>	<b>3,299,665</b>	<b>4,094,368</b>	<b>794,703</b>
<b>Expenditures:</b>				
<b>General government</b>				
Town council	103,100	107,947	129,183	(21,236)
Town manager	705,300	787,719	758,662	29,057
Financial services	102,000	68,615	155,082	(86,467)
Legal services	225,000	306,070	395,905	(89,835)
Communications and technology	58,000	68,473	44,693	23,780
Other general government	190,400	137,235	329,462	(192,227)
<b>Total general government</b>	<b>1,383,800</b>	<b>1,476,059</b>	<b>1,812,987</b>	<b>(336,928)</b>
<b>Public safety</b>				
Police	641,000	622,200	640,866	(18,666)
Planning and zoning	447,500	442,294	475,128	(32,834)
Code enforcement	181,000	141,342	50,948	90,394
<b>Total public safety</b>	<b>1,269,500</b>	<b>1,205,836</b>	<b>1,166,942</b>	<b>38,894</b>
<b>Total expenditures</b>	<b>2,653,300</b>	<b>2,681,895</b>	<b>2,979,929</b>	<b>(298,034)</b>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing uses</b>	<b>646,365</b>	<b>617,770</b>	<b>1,114,439</b>	<b>496,669</b>
<b>Other financing sources:</b>				
Transfer out	(646,365)	(646,365)	(1,006,158)	359,793
<b>Total other financing sources</b>	<b>(646,365)</b>	<b>(646,365)</b>	<b>(1,006,158)</b>	<b>359,793</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ (28,595)</b>	<b>108,281</b>	<b>\$ (136,876)</b>
Fund balance - beginning of year			2,147,651	
Fund balances - ending			<u>\$ 2,255,932</u>	

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SPECIAL REVENUE FUND - ROADS AND DRAINAGE FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Maintenance assessments	\$ 1,485,300	\$ 1,485,300	\$ 1,504,651	\$ 19,351
Miscellaneous revenues	274,000	274,000	28,115	(245,885)
Interest	500	500	2,346	1,846
Total revenues	1,759,800	1,759,800	1,535,112	(224,688)
Expenditures:				
Physical environment	2,050,800	2,050,800	1,607,853	442,947
Debt service				
Principal	-	-	100,726	(100,726)
Interest	-	-	3,721	(3,721)
Capital outlay	-	-	254,182	(254,182)
Total expenditures	2,050,800	2,050,800	1,966,482	84,318
Excess (deficiency) of revenues over (under) expenditures before other financing uses	(291,000)	(291,000)	(431,370)	(140,370)
Other financing sources:				
Transfer in	541,000	541,000	541,000	-
Total other financing sources	541,000	541,000	541,000	-
Net change in fund balance	\$ 250,000	\$ 250,000	109,630	\$ 140,370
Fund balance - beginning of year			1,609,719	
Fund balances - ending			\$ 1,719,349	

See notes to basic financial statements

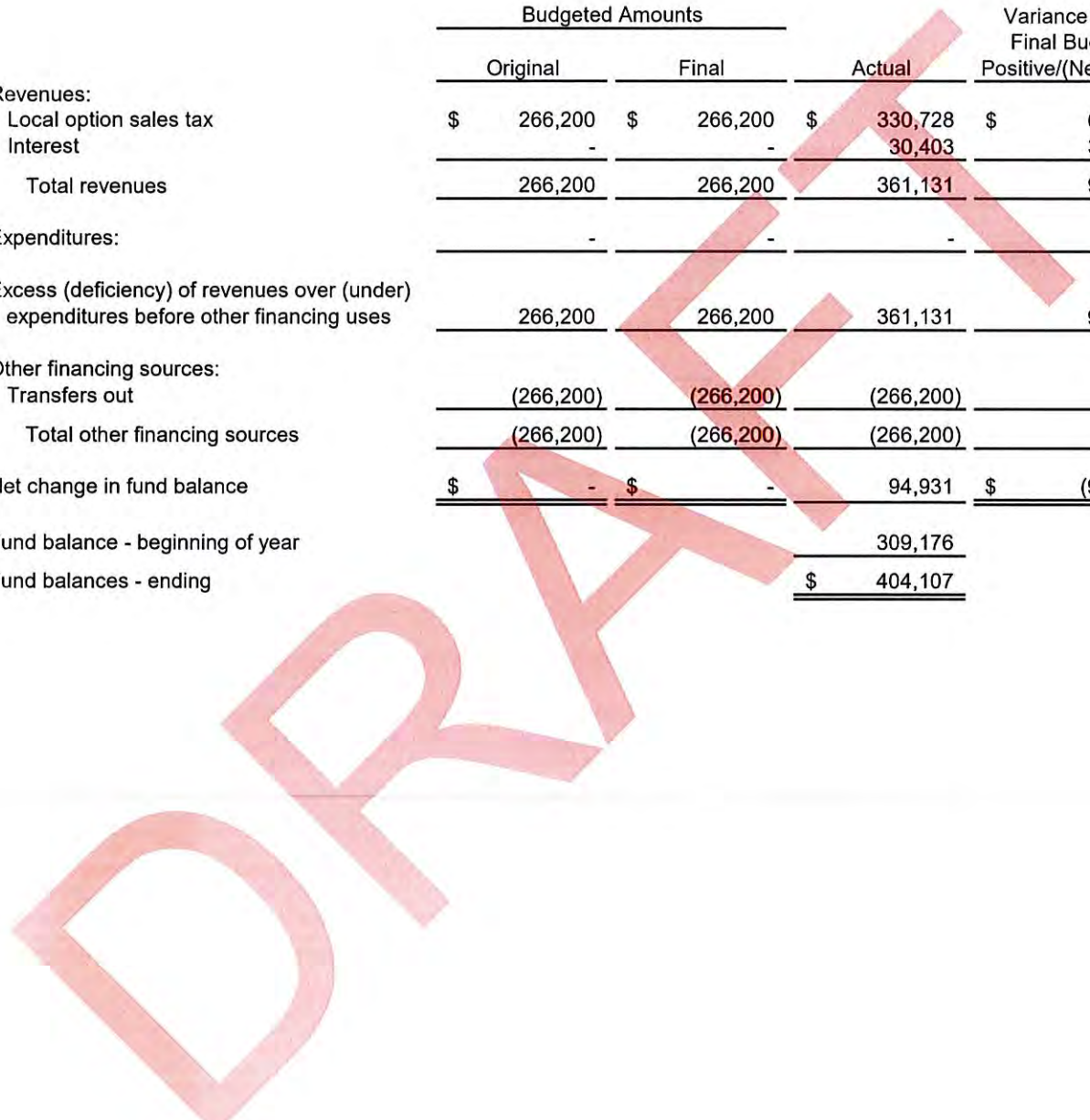
**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEUDLE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SPECIAL REVENUE FUND - TRANSPORTATION FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 403,900	\$ 403,900	\$ 405,313	\$ 1,413
Total revenues	403,900	403,900	405,313	1,413
Expenditures:	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures before other financing uses	403,900	403,900	405,313	1,413
Other financing sources:				
Transfers out	(403,900)	(403,900)	(403,900)	-
Total other financing sources	(403,900)	(403,900)	(403,900)	-
Net change in fund balance	\$ -	\$ -	1,413	\$ (1,413)
Fund balance - beginning of year			97,024	
Fund balances - ending			\$ 98,437	

See notes to basic financial statements

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL - SPECIAL REVENUE FUND - LOCAL OPTION SALES TAX  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Local option sales tax	\$ 266,200	\$ 266,200	\$ 330,728	\$ 64,528
Interest	-	-	30,403	30,403
Total revenues	<u>266,200</u>	<u>266,200</u>	<u>361,131</u>	<u>94,931</u>
Expenditures:	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures before other financing uses	<u>266,200</u>	<u>266,200</u>	<u>361,131</u>	<u>94,931</u>
Other financing sources:				
Transfers out	(266,200)	(266,200)	(266,200)	-
Total other financing sources	<u>(266,200)</u>	<u>(266,200)</u>	<u>(266,200)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>94,931</u>	<u>\$ (94,931)</u>
Fund balance - beginning of year			309,176	
Fund balances - ending			<u>\$ 404,107</u>	



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
SEPTEMBER 30, 2023

**Note 1 - Basis of Accounting**

Budgetary comparison schedules are presented for the General, Roads and Drainage, 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, 2023, there were no expenditures in excess of the budget.

DRAFT

**TOWN OF LOXAHATCHEE GROVES, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS)**

	Last Ten Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Contractually required FRS contribution	\$ 32,722	\$ 34,576	\$ 10,252	\$ 7,440	\$ 18,804	\$ 31,920	\$ 39,460	\$ 78,346	\$ 98,784	
FRS contributions in relation to the contractually required contribution	(32,722)	(34,576)	(10,252)	(7,440)	(18,804)	(31,920)	(39,460)	(78,346)	(98,784)	
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	251,455	226,503	172,507	101,638	194,113	208,324	259,237	486,879	586,004	
FRS contribution as a percentage of covered payroll	13.01%	15.27%	5.94%	7.32%	9.69%	15.32%	15.22%	16.09%	16.86%	

Note: This schedule is intended to show information for the last ten (10) fiscal years. For years prior to 2015, data is unavailable. Additional years will be presented as they become available. The Loxahatchee Water Control District became 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 SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE  
OF NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM PENSION PLAN (FRS)**

	Last Ten Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Town's proportion of the FRS net pension liability	0.135400%	0.001291%	0.001154%	0.000988%	0.000639%	0.001917%	0.001944%	0.002223%	0.002461%	
Town's proportionate share of the FRS net pension liability	\$ 174,891	\$ 326,010	\$ 341,211	\$ 297,710	\$ 220,163	\$ 830,747	\$ 146,815	\$ 827,034	\$ 980,776	
Town's covered payroll	248,765	246,765	172,507	137,170	126,272	164,358	186,642	456,111	517,012	
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%	505.45%	78.66%	181.32%	189.70%	
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	
Assumption changes discount rate	7.65%	7.60%	7.10%	7.00%	6.90%	6.80%	6.80%	6.70%	6.70%	

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

This schedule is intended to show information for the last ten (10) fiscal years. For years prior to 2015, data is unavailable. Additional years will be displayed as they become available. The Loxahatchee Water Control District became 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 Annual Comprehensive Financial Report.

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**FLORIDA RETIREMENT SYSTEM**  
**RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)**

	Last Ten Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Contractually required HIS contribution	\$ 4,174	\$ 3,760	\$ 2,863	\$ 4,666	\$ 7,696	\$ 11,377	\$ 11,906	\$ 13,929	\$ 16,894	
HIS contributions in relation to the contractually required contribution	(4,174)	(3,760)	(2,863)	(4,666)	(7,696)	(11,377)	(11,906)	(13,929)	(16,894)	
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	251,455	226,503	172,507	281,084	463,608	685,328	717,238	839,121	954,324	
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.77%	

Note: The schedule is intended to show information for the last ten (10) fiscal years. For years prior to 2015, data is unavailable. Additional years will be presented as they become available. The Loxahatchee Water Control District became 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 SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PROPORTIONATE SHARE**  
**OF NET PENSION LIABILITY**  
**FLORIDA RETIREMENT SYSTEM**  
**RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)**

**Last Ten Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Town's proportion of the HIS net pension liability	0.001407%	0.001433%	0.001379%	0.001063%	0.000925%	0.001982%	0.001860%	0.002193%	0.002295%
Town's proportionate share of the HIS net pension liability	\$ 143,455	\$ 167,037	\$ 147,409	\$ 112,557	\$ 103,460	\$ 241,949	\$ 228,185	\$ 232,314	\$ 364,485
Town's covered payroll	248,765	246,765	172,507	347,343	305,943	530,083	503,314	815,814	909,241
Town's proportionate share of the HIS net pension liability as a percentage of covered payroll	57.67%	67.69%	85.45%	32.41%	33.82%	45.64%	45.34%	28.48%	40.09%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%
Assumption changes discount rate	3.80%	2.85%	3.58%	3.87%	3.50%	2.21%	2.16%	3.54%	3.65%

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

This schedule is intended to show information for the last ten (10) fiscal years. For years prior to 2015, data is unavailable. Additional years will be displayed as they become available. The Loxahatchee Water Control District became 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 Annual Comprehensive Financial Report.

---

---

**STATISTICAL SECTION**

---

---

DRAFT

---

---

**COMPLIANCE SECTION**

---

---

DRAFT



Accountants

Advisors

**INDEPENDENT AUDITORS' 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**

To the Honorable Mayor and 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 Town of Loxahatchee Groves, Florida, (the Town), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated March XX, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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 were not identified. We identified one deficiency in internal control, described in the accompanying schedule of findings and responses as item 2016-1, that we consider to be a material weakness.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town'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 financial statements. 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2016-3.

**Town's Responses to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Town's responses to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Town's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Draft*

Caballero Fierman Llerena & Garcia, LLP  
Boca Raton, Florida  
March XX, 2024

DRAFT

**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**PRIOR YEAR COMMENTS AND STATUS**

- **FINANCIAL STATEMENTS**

The following addresses the status of financial statement findings reported in the fiscal year ended September 30, 2021 Independent Auditors' 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*:

Matters that are repeated in the accompanying schedule of findings and responses:

- 2016-1 Updated Policies and Procedures Manual

DRAFT



**TOWN OF LOXAHATCHEE GROVES, FLORIDA**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

**I. Current Year Financial Statement Findings**

**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 prior 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.

**Cause**

Insufficient controls in place to ensure that the updated policies and procedures manual is being appropriately followed.

**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.
- Journal entries were not always being prepared and reviewed by separate individuals.

**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.

**Views of responsible officials and planned corrective actions**

The Town has now outsourced much of its financial operations. Bank reconciliations have been timely completed, generally by the second week of the month, since September 2022. All of fiscal year 2023's reconciliations were timely completed. Year-end reconciliations and adjustments were not completed in a timely manner owing to the delay with the completion of the 2021 audit. The accounting system had three open years while the FY2021 audit was being completed. We opted to soft close two of those years (FY2021 and FY2022) so that FY2022 end of year budget revisions and transfers could be undertaken. Journal entries are now being approved in hard copy form and it is management's intention to workflow this through the accounting system's software. We expect these findings to go away with or after the FY2023 reporting period.



Accountants

Advisors

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

Honorable Mayor and 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 (the Town) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated **March XX, 2024**.

### Auditors' 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 Auditors' 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 XX, 2024**, 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. **Corrective actions have not been taken to address findings and recommendations made in the preceding annual financial audit report as reported in the accompanying schedule of findings and responses.**

### 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

Section 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 has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Town did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

**Financial Condition and Management (Continued)**

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. It is management's responsibility to monitor the Town's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. This assessment was performed as of the fiscal year end.

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 did not have any such recommendations.

**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 have any such findings.

**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, Federal and other granting agencies, and members of the Town Council and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Draft*

Caballero Fierman Llerena & Garcia, LLP  
Boca Raton, Florida  
March XX, 2024



Accountants

Advisors

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES

To the Honorable Mayor and Town Council  
Town of Loxahatchee Groves, Florida

We have examined the Town of Loxahatchee Groves, Florida, (the Town), compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2022, to September 30, 2023. Management of the Town is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks 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.

Our examination does not provide a legal determination on the Town's compliance with specified requirements. In our opinion, the Town complied, in all material respects, with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2022, to September 30, 2023.

This report is intended solely for the information and use of management, the Mayor, the Town Council, others within the Town and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Draft*

Caballero Fierman Llerena & Garcia, LLP  
Boca Raton, Florida  
March XX, 2024



155 F Road Loxahatchee Groves, FL 33470

**Agenda Item # 4**

**TO: Finance Advisory and Audit Committee of Town of Loxahatchee Groves**  
**FROM: Francine Ramaglia, Town Manager**  
**DATE: March 07, 2024**  
**SUBJECT: Accounting Manual Review**

---

**Background:**

Accounting Manual will be sent out later under a separate cover.

**Recommendation:**

Discussion and direction.