Mayor David Browning, Seat 4
Vice Mayor Ryan Liang, Seat 3
Councilman Tom Goltzené, Seat 5
Councilman Ronald. D. Jarriel, Seat 1
Councilman Jim Rockett, Seat 2

Town of Loxahatchee Groves

Finance Advisory & Audit Committee Meeting

Monday, February 27, 2012 at 7:00 p.m.

Town Hall Conference Room, 14579 Southern Blvd, Suite 2

Chairman Lung Chiu
Vice Chairman Elise Ryan
Committee Member Virginia Standish
Committee Member Cheryl Miller
Committee Member Miller
Committee Member Ken Johnson

Town Council Liaison Ryan Liang
Town Manager Mark Kutney
Office Coordinator Stephen Hainline

MINUTES

1. OPENING

a. Call to Order & Roll Call

Chair Lung Chiu called the meeting to order at 7:03 p.m. Present were Chair Lung Chiu, Vice Chair Elise Ryan and Committee Members Cheryl Miller and Virginia Standish. Also present were Town Manager Mark Kutney, Bill Underwood, Managing Partner of Underwood Management Services Group (UMSG), and Town Office Coordinator Stephen Hainline.

Motion: Vice Chair Ryan **moved** to excuse Ken Johnson from the meeting. Committee Member Miller seconded the motion, which passed unanimously. **(Motion carried 4-0)**.

b. Approval of Agenda

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

2. CONSENT AGENDA

a. Minutes: January 23, 2012

Chair Chiu inquired about revival of bucket list. He asked if that could be reinstituted and added to Agenda. Vice Chair Ryan said the list is more of reminder list. Overall consensus was to make it a to-do list.

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

3. PRESENTATIONS - *None*

4. OLD BUSINESS

a. Correction to December 2011 Financial Statement

1. Sanitation Fund Revenues – Discount Fees - $2607.73

Correction is noted in the January 2012 Financial Reports. Mr. Underwood explained the correction.

b. Change to Planning & Zoning

First Holiness Church

Town Manager Kutney said he discussed the charges with Calvin Giordano and the issue was still in process.

5. NEW BUSINESS

a. Approval of FY 2012Financial Statements

1. Budget vs. Actual – January 2012

Committee Member Standish started discussions as to her questions of the budget and the discrepancies found. Mr. Underwood explained how the funds from the 148th culvert project affected the balances. How the funds are not in the reports yet due to it not being entered in the journal. That is why there was a discrepancy. Mr. Underwood also explained how the account numbers are according to state statures. Vice Chair Ryan questioned the cost recovery fees as a negative. Mr. Underwood said he would double check the number and send the correction to all. Vice Chair Ryan said there may be an Ordinance passed to recover the Special Magistrate Fees. Town Manager Kutney explained that the fees can continue to rise but there is a question about addressing the magistrate fees. Mr. Underwood explained that code enforcement is meant to come into compliance not to make money off fines. Discussion ensued regarding lien fees.

Public Comment: John Ryan commented that the reason the Town did the ordinance was to force maintenance of abandoned properties. Committee Member Standish said there is a program for tearing down bad properties. She said she would gather information on this. The Committee wanted to add this to bucket list.

The Committee continued questions on the line items of the General Ledger Report. Questions arose about the Palm Beach State College charges. Town Manager Kutney informed that PBSC will pay these items as cost recovery.

Town Manager Kutney gave update on all new projects that show a negative balance.

Committee Member Standish asked about discount fees for solid waste. Mr. Underwood explained the early payments show the discounts.

2. Bank Reconciliation – January2011
3. General Ledger Detail – January 2011
4. Bank Statement – January 2011

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

b. Review of Planning and Zoning Invoices

c. Solid Waste Commercial Franchise Implementation

Mr. Underwood explained government's definition of franchising. Vice Chair Ryan suggested possibly changing the term to permitting instead of franchising.

Public Comment: Frank Schiola explained how SWS gave him prices and how the prices are very competitive and are the same price no matter where the site is. He said how the Town could possibly make more money from licensing the roll-off companies. Vice Chair Ryan said as long as they change the contract with Waste Pro. Frank Schiola recommended having code enforcement issue fines/citations to the haulers instead of the property owners. Vice Chair Ryan asked Frank Schiola to research it and bring it back up at the next meeting as an agenda item.

6. DISCUSSION – *Planning Study for Okeechobee Boulevard*

Town Manager Kutney opened discussion explaining the report to the Council. Council took the Town Manager's recommendation, but asked the Town Manager to bring back ideas. The Town Manager offered to obtain various committee input. Committee Members opened discussions, asking questions and getting clarifications.

Public Comment: John Ryan explained how the county limited the town in its zoning classifications addressing the commercial categories the town now has. County would not allow "no commercial" on Okeechobee Blvd. He also commented on the Day parcel and its unique properties, that no other property qualifies like this one so in comparison, there will be no more growth. Mr. Ryan also said the Day property is trying to get a light with the County at Folsum and Okeechobee.

Committee Member Standish explained how another Town got the their cost covered saying the Town agrees to pay for the engineering and sign letter of intent to complete project, but wants to get that cost refunded once complete. Councilman Jarriel explained how the Town has to pay for it, and how the Commissioner said to pay up front then go after the county after in place.

Clete Saunier explained how the light would affect the canal areas and the extra costs.

Town Manager Kutney said he understands how the Committee feels and will report.

7. CLOSING COMMENTS

a. Public

John Ryan commented about the OGEM of the roads. The Town is covering the cost of the missing piece on North Rd. He suggested having more public come to the council meetings.

Clete Saunier, LGWCD, explained how the cost was based on the geographical dimensions not on the property. Clete also explained about drawings of the North Rd project. He warned about the time frame, and how any changes should be addressed immediately. He also explained about the submittals for the tax assessment and gave alternatives for the cost and taxing alternatives.

b. Committee Members

Vice Chair Ryan questioned about the auditor's report. Mr. Underwood explained the auditor is done and that he is compiling the information the auditor is requesting. Chair Chiu asked that the auditor be brought to the next meeting to discuss and give a report. Vice Chair Ryan commented about planning for next year's budgets.

c. Concluding Administrative Remarks

Committee Member Miller asked about how the taxes are generated on abandoned properties. Mr. Saunier explained about the taxing authorities handling that with the property owners.

Town Manager Kutney complimented the board.

Councilman Ron Jarriel commented on how well the board worked.

John Ryan commented on the Intergovernmental Committee is the best direction between the Town & District

8. ADJOURNMENT

Motion: Committee Member Miller moved to **adjourn** the meeting at 8:53 p.m. Committee Member Standish seconded the motion, which passed unanimously. **(Motion carried 4-0).**

The next FAAC meeting is Monday, April 23, 2012.

These minutes were approved by the
Finance Advisory & Audit Committee on March 26, 2012.

Stephen Hainline, Office Coordinator

Lung Chiu, Chair

SEAL