



155 F Road Loxahatchee Groves, FL 33470

Agenda Item #

TO: Town Council of Town of Loxahatchee Groves

FROM: Francine Ramaglia, Town Manager

DATE: August 22, 2024

SUBJECT: Proposed FY 2025 Budget

Background:

The following summary reflects Council direction given at the August 20, 2024 Council Workshop meeting .

August 20th Joint Workshop meeting

The Town Council and FAAC held a joint workshop to review the budget and then the Council seamlessly moved into the Town Council workshop. The Council directed the following tentative changes to the proposed budget:

1. In the CIP deferment to a subsequent year any monies for Okeechobee TPA Grant work, providing a savings of \$100,000 in FY25.
2. In the CIP deferment to a subsequent year of expenses associated with conversion of Town Hall into the EOC providing a savings of \$100,000 in FY25.
3. In the general fund adding \$20,000 in projected revenues for RV registrations.
4. In the general fund adding an additional \$24,000 to projected revenues for solid waste franchise based on an anticipated increase in the franchise fee bringing the total anticipated revenue to \$225,000.
5. In the general fund adding \$10,000 in projected revenues for a credit card surcharge.
6. In the general fund decreasing the special events budget from \$25,000 to 10,000 for a savings of \$15,000.
7. Moving to in-house legal counsel utilizing the project coordinator as the Town Attorney and not filling the project coordinator position, but adding a paralegal. With budgeted salaries of \$130,000 for the Town Attorney and \$65,000 for a paralegal and allowing \$56,000 for use of outside counsel, the net savings is approximately \$138,000.
8. Reduction in the proposed road and drainage assessment from \$250 to \$200 which results in a decrease in projected net revenue of \$374,493.

The total of the proposed increases in revenue and savings from deferring capital projects reduction in the special events and movement to in-house legal counsel as the Town Attorney (if



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the project coordinator position is not filled), has a positive budgetary impact of approximately \$382,000, which exceeds the reduction of road and drainage revenues by approximately \$7,000.

If adopted these changes would allow the road and drainage fund to be balanced by transferring an additional \$374,493 from the general fund to the road and drainage fund, bringing the total amount transferred from the general fund to the road and drainage fund to \$595,493.

These changes are reflected in the attached line-item worksheet in the column heading Proposed-Alternative based on Council 8/20 with the individual line items highlighted in yellow. Also attached with yellow highlights are a revised breakdown of breakdown of proposed compensation with the proposed market adjustments and 5% COLA and a revised CIP.

Actual implementation of the conversion of legal services to in house counsel would require the negotiation of an employment contract, should the Council decide to pursue this alternative.

Follow up Analysis of agreed upon cuts and proposed salary adjustments sent separately to Council and FAAC on August 21st via email

The analysis of agreed upon cuts highlighted in yellow also includes includes an analysis of salary and benefits analysis with a \$60,000 savings is a viable option, and if council supports it, we can save money and balance the budget. This proposal includes a 6% COLA and 26% benefits and has not yet been reflected in the adjusted budget.

FY25 Adoption Schedule

The District and Solid Waste budgets and assessments are scheduled for adoption at the September 3rd Council Meeting along with First Reading of the TRIM and Town budgets. Final adoption of the Town budget and ad valorem rate are set for September 18th. The assessments levels and related budgets are adopted by a majority vote of the Council. The final millage rate may require a super majority or unanimous vote of the Council depending on whether and to the extent of any increase.

Recommendation:

Council review and direction with respect to FY25 budget.