

November 16, 2021

Palm Beach County Legislative Delegation
301 North Olive Avenue, Suite 701.6
West Palm Beach, FL 33401

Attention: Victoria Nowlan, Executive Director

**RE: LOCAL BILL – PROVIDING FOR A REFERENDUM ON THE
CHARTER FOR VILLAGE OF LOXAHATCHEE**

This letter shall serve as a letter of intention to request from the Palm Beach County Legislative Delegation at its meeting on December 8, 2021 (tabled from October 28th meeting), to approve a local bill providing for a referendum on the Charter for the Village of Loxahatchee.

History

The Indian Trail Improvement District commissioned a feasibility study, created a Feasibility and Charter Review Committee (FCR) comprised of residents representative of all areas of the District, and the FCR created a proposed Charter through a series of public meetings in accordance with the Indian Trail Improvement District's Charter. The Indian Trail Improvement District upon conclusion of the FCR, did receive and accept the recommendation of the FCR to move forward with submitting the feasibility study and proposed charter to the clerk's office in accordance with F.S. 165.041. The Indian Trail Improvement District Board of Supervisors took no further action.

We agree with the FCR committee and the feasibility study that a municipality is feasible, sustainable and the Charter is in the best interests of the community. It is our desire to pursue a referendum on incorporation through the legislative process. Therefore, Bob Morgan, Elizabeth Accomando and myself submitted the feasibility study and the proposed charter to the clerk's office in accordance with F.S. 165.041 and as recommended by the FCR committee.

Subsequent to the original submittal to Tallahassee on September 3, 2021, as well as the submittal to the local delegation on September 28, 2021, there were meetings and input received from many local delegates and the members of the community regarding the proposal submitted. Further to that input, we concluded the best resolution was for Indian Trail Improvement District to remain an independent district to address boundary concerns, the on-going lawsuit between Indian Trail Improvement District and Seminole Improvement District/Minto, as well as the continuing debt obligation of Unit 18-Madison Green, Town of Royal Palm Beach. The matter was tabled at the local delegation hearing on local bills on October 28, 2021. Therefore, we commissioned an amendment to the existing feasibility study to reflect Indian Trail Improvement District remaining an independent district with transferring certain assets to the municipality and modified the proposed charter accordingly.

A referendum on incorporation can not be accomplished through any other means other than by a special act of the legislature pursuant to Florida Statutes 165.041.

We believe, as set out in the Charter, the following:

- (a) It is in the best interests of the public health, safety, and welfare of the residents of the “Indian Trail Area” to form a separate municipality for the “Indian Trail Area” with all the powers and authority necessary to provide adequate and efficient municipal services to its residents.
- (b) That the Charter and the incorporation of the Village will serve to preserve and protect the equestrian and agricultural character, natural resources and quality of life of the community;
- (c) That the Charter and the incorporation of the Village will secure the benefits of self-determination and affirm the values of representative democracy, citizen participation, strong community leadership, professional management and regional cooperation.
- (d) That the Charter and the incorporation of the Village will maintain a financially secure and sustainable municipal government and responsibly manage the Village’s debt obligations without causing the State to incur any liability.

Pursuant to the Local Bill Manual, attached please find the following documents:

1. Summary Fact Sheet
2. Local Bill Draft – Charter of Village of Loxahatchee
3. Economic Impact Statement

4. A map of the proposed boundaries - unchanged
5. The Amended Feasibility Study submitted to Tallahassee on November 12, 2021

We thank you for your time and the opportunity to present this request for a referendum on incorporation of the Village of Loxahatchee. Please do not hesitate to contact Lou Colantuoni with any questions or comments, you may have.

Sincerely,

Lou Colantuoni, Jr.
7849 Coconut Blvd.,
West Palm Beach, FL 33412
561-236-5696

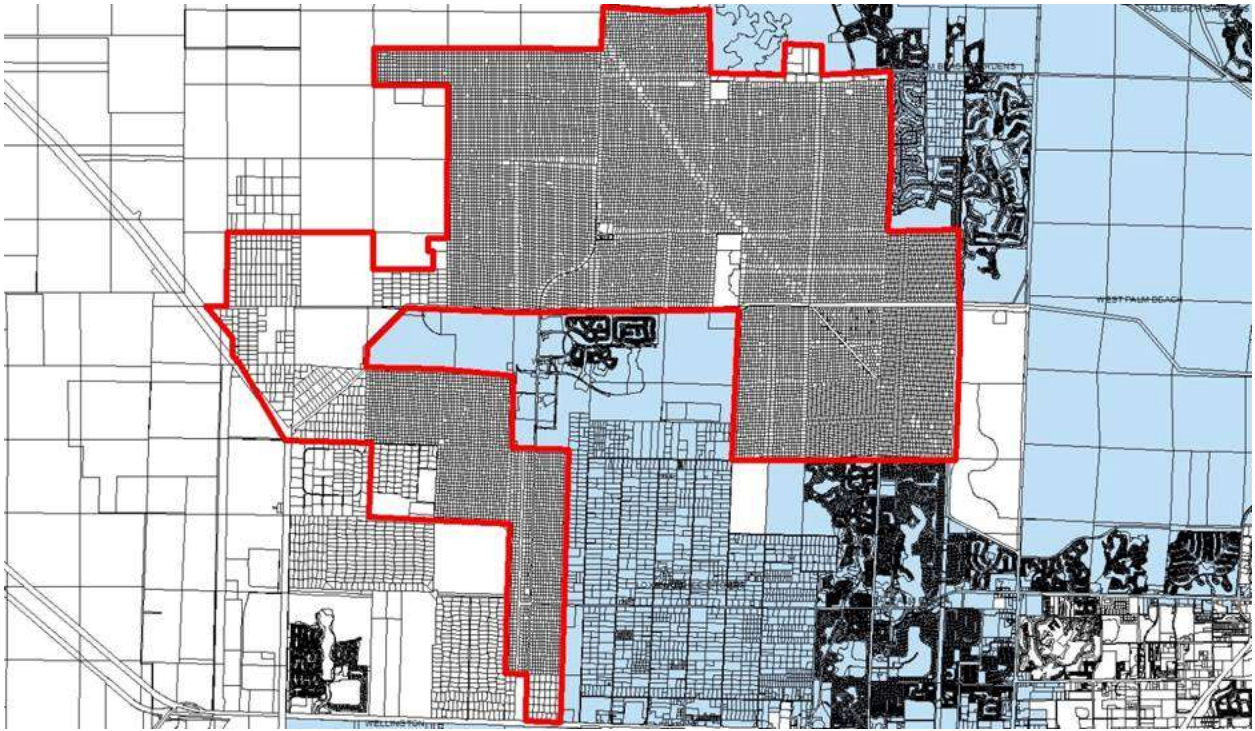
FACT SHEET – Bill for Referendum on incorporation of the Village of Loxahatchee

This special act provides a Charter for the Village of Loxahatchee, that takes effect only upon its approval by a majority vote of qualified electors residing within the corporate limits of the proposed Village voting in the referendum on November 8, 2022. The Charter provides the following:

- Corporate Name; purpose of Charter; creation and establishment of the Village of Loxahatchee
- Corporate Boundaries within the Indian Trail Improvement District legislative boundaries
- Village Council-Manager Form of government
- Nonpartisan elections;
- Code of ethics; amendments to the charter; severability;
- Referendum election; initial council election; transition provisions; eligibility for state-shared revenues;
- Preserve and protect the equestrian and agricultural character, natural resources and quality of life of the community;
- Secure the benefits of self-determination
- Affirm the values of representative democracy, citizen participation, strong community leadership, professional management and regional cooperation;
- Continuation of the Palm Beach County Fire Rescue Municipal Service Taxing Unit;
- Continuation of the Palm Beach County Library Taxing District;
- Law enforcement to remain with PBSO until council approves otherwise;
- Continuation of the Indian Trail Improvement District as an independent district; and,
- Transfer of certain Indian Trail Improvement District assets and liabilities.

Proposed Boundary Map

(as shown in Figure 1 on the Feasibility Study, Page 4)



1 **CHARTER**

2 **VILLAGE OF LOXAHATCHEE**

3 **CHAPTER 2022 - _____**

4 An act relating to Palm Beach County; creating and establishing the Village of Loxahatchee; providing
5 a charter; providing legislative intent; providing boundaries; providing municipal powers; providing for
6 a council-manager form of government and composition and election of the council; providing for
7 eligibility, terms, duties, compensation, and reimbursement of expenses of council members;
8 providing for a mayor and vice mayor; providing scheduling requirements of council meetings;
9 prohibiting interference with village employees; providing for filling of vacancies and forfeiture
10 of office; providing for the appointment of a village manager and village attorney and the qualifications,
11 removal, powers, and duties thereof; providing for the establishment of village departments, agencies,
12 personnel, and boards; providing for an annual independent audit; providing that the State is not
13 liable for financial shortfalls of the village; providing for nonpartisan elections and matters relating
14 thereto; providing for the recall of council members; providing for initiative and referenda; providing
15 for a code of ethics; providing for future amendments to the charter; providing for severability;
16 providing a village transition schedule and procedures for the first election; providing for first-year
17 expenses; providing for adoption of comprehensive plans and land development regulations; providing
18 for accelerated entitlement to state-shared revenues; providing for entitlement to all local revenue
19 sources allowed by general law; providing for the sharing of communications services tax revenues;
20 providing for receipt and distribution of local option gas tax revenues; providing for continuation of the
21 Palm Beach County Fire Rescue Municipal Service Taxing Unit; providing for continuation of the
22 Palm Beach County Library Taxing District; providing for law enforcement; providing for the
23 continuation of the Indian Trail Improvement District and for the transfer of certain District assets and

liabilities; providing for waiver of specified eligibility provisions; requiring a referendum; providing effective dates.

Be it Enacted by the Legislature of the State of Florida:

SECTION 1. CORPORATE NAME; PURPOSE OF THE CHARTER; CREATION AND ESTABLISHMENT OF THE VILLAGE OF LOXAHATCHEE.

(1) CORPORATE NAME. – The municipality hereby established shall be known as the Village of Loxahatchee (“Village”).

(2) PURPOSE OF THE CHARTER. – This act, together with any future amendments thereto, shall be known as the Charter of the Village of Loxahatchee (“Charter”).

(a) It is in the best interests of the public health, safety, and welfare of the residents of the “Indian Trail Area” to form a separate municipality for the “Indian Trail Area” with all the powers and authority necessary to provide adequate and efficient municipal services to its residents.

(b) It is intended that this Charter and the incorporation of the “Indian Trail Area” shall serve to preserve and protect the equestrian and agricultural character, natural resources and quality of life of the community. In furtherance of this intent, the rights of the Village residents, on properties zoned agricultural or agricultural residential, as defined by the Palm Beach County Comprehensive Plan on the date of incorporation, to utilize said lands for agricultural uses and shall not be infringed upon by the Village, except for the following shall not be construed as an infringement of said rights:

1. laws of the United States;

47 2. laws of the State, or

48 3. Best Management Practices adopted by the State Department of Agriculture,
49 or,

50 4. Agricultural Best Management Practices or any public health, safety and
51 welfare regulations as may be adopted by Ordinance by the Village council.

52 (c) It is intended that this Charter and the incorporation of the Village is to secure the
53 benefits of self-determination and affirm the values of representative democracy,
54 citizen participation, strong community leadership, professional management and
55 regional cooperation.

56 (d) It is the intent of this Charter and the incorporation of the Village to maintain a
57 financially secure and sustainable municipal government and to responsibly manage
58 the Village's debt obligations without causing the State to incur any liability.

59 (3) **CREATION AND ESTABLISHMENT OF THE VILLAGE OF LOXAHATCHEE.**

60 (a) This act shall take effect upon approval by a majority vote of those qualified electors
61 residing within the corporate limits of the proposed Village, as described in Section
62 4, voting in a referendum conducted by the Supervisor of Elections of Palm Beach
63 County to be held November 8, 2022, in accordance with the provisions of law relating
64 to elections currently in force.

65 (b) The Village of Loxahatchee is hereby created and established effective December 31,
66 2022, for the purpose of compliance with §.200.066, Florida Statutes, relating to
67 assessment and collection of ad valorem taxes. Notwithstanding anything to the
68 contrary contained herein, the Village although created and established as of
69 December 31, 2022, shall not be operational until April 5, 2023.

70 **SECTION 2. POWERS OF VILLAGE; FORM OF GOVERNMENT.**

71 (1) **POWERS OF THE VILLAGE.** – The Village shall have all available governmental,
72 corporate, and proprietary powers of a municipality under the State Constitution and laws
73 of this State as fully and completely as though such powers were specifically enumerated
74 in this Charter, and may exercise them, except where prohibited by law. Through the
75 adoption of this Charter, it is the intent of the electors of the Village that the municipal
76 government established in this Section shall have the broadest exercise of home rule
77 powers permitted under the State Constitution and Laws of the State. This Charter and the
78 powers of the Village shall be construed liberally in favor of the Village.

79 (2) **CONSTRUCTION.** – The powers of the Village under this Charter shall be construed
80 liberally in favor of the village, and the specific mention of particular powers in the
81 Charter shall not be construed as limiting the general powers granted in this Charter in
82 any way.

83 (3) **FORM OF GOVERNMENT.** – The Village shall be a council-manager form of
84 government, with the council to consist of five village council (“council”) members
85 elected by the Village at-large. The council shall constitute the governing body of the
86 Village, with the duties and responsibilities hereinafter provided. The council shall
87 appoint a Village manager to be the chief administrative officer of the Village who shall
88 serve at the pleasure of the council.

89
90 **SECTION 3. NOMINATIONS AND ELECTIONS.**

91 (1) **NONPARTISAN ELECTIONS: ELECTORS: QUALIFYING.** –

92 (a) Nonpartisan elections. – All elections shall be conducted on a nonpartisan basis

- without designation of political party affiliation.
- (b) Electors. – Any person who is a resident of the Village, who has qualified as an elector of this State, and who registers as prescribed by law shall be an elector of the Village.
- (c) Qualifying. –
1. Each candidate for Village council shall be a qualified elector of the Village and must reside in the Village for at least one (1) year before the beginning of the qualifying period for the office sought.
 2. Any elector of the Village who wishes to become a candidate for Village council shall qualify with the Supervisor of Elections of Palm Beach County for the initial elections: thereafter, candidates shall qualify with the official designated by Village resolution or general law by providing proof of voter registration, current address, and one (1) year of residency in the Village, unless the Village council, by resolution, provides that the Supervisor of Elections of Palm Beach County conduct the candidate qualification process.
 3. The qualifying period for candidates for Village council shall be the same as provided by the Supervisor of Elections of Palm Beach County or as otherwise provided by ordinance.
- (2) ELECTIONS. –
- (a) Adoption of Florida Election Code. – All elections required under any article or section of this Charter shall be conducted in accordance with the Florida Election Code, Chapters 97-106, Florida Statutes, except as otherwise provided in this Charter. The council, by ordinance, may adopt such election procedures as are necessary and as provided by the Florida Election Code, Chapters 97-106, Florida Statutes.

116 (b) At Large Elections. –

- 117 1. The first election of council members shall be held March 14, 2023, and thereafter
118 will be held every odd-numbered year, unless this date is required to be changed
119 to a date concurrent with any countywide or statewide election.
- 120 2. The candidates receiving the highest number of votes in the Village at-large
121 election shall be elected.
- 122 3. The term of office for an elected council member shall begin immediately after
123 official certification of the results of the election and shall expire upon the
124 assumption of office by his or her successor.
- 125 4. No election for a council member seat shall be required if there is only one duly
126 qualified candidate for the council member seat.

127 (c) Village Canvassing Board. – The canvassing board shall be composed of three (3)
128 members appointed by the Village council by resolution. No member of the Village
129 canvassing board shall be an active participant in the Village election for which he or
130 she is canvassing as the term “active participant” is interpreted by the Division of
131 Elections. Should a vacancy occur on the canvassing board, the Village council shall
132 appoint a replacement member by resolution. The Village canvassing board shall
133 canvass the election consistent with the requirements of Florida law and consistent
134 with and pursuant to any agreement between the Village and the Palm Beach County
135 Supervisor of Elections. The canvassing board shall certify the results of the election
136 upon receipt of the certification from the Supervisor of Elections. However, the
137 Village council may, by resolution, delegate the election canvassing responsibilities
138 for Village elections to the county canvassing board.

(3) RECALL. – The qualified voters of the Village shall have the power to remove from office any elected official of the Village in accordance with the State law.

SECTION 4. CORPORATE BOUNDARIES.

The territorial boundaries of the Village of Loxahatchee upon the date of incorporation shall include the following areas situated in Palm Beach County:

BEING PORTIONS OF TOWNSHIP 42 SOUTH, RANGE 40 EAST; TOWNSHIP 42 SOUTH, RANGE 41 EAST; TOWNSHIP 43 SOUTH, RANGE 40 EAST AND TOWNSHIP 43 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TOGETHER WITH:

TOWNSHIP 42 SOUTH, RANGE 40 EAST

THE SOUTH ONE-HALF (S 1/2) OF SECTIONS 13, 14, AND 15 AND ALL OF SECTIONS 23, 24, 25, 26, 32, 33, 35, AND 36; AND THE SOUTH HALF OF SECTION 34; AND ALL THAT PART OF SECTION 31 LYING NORTH AND EAST OF THE NORTH EASTERLY RIGHT-OF-WAY LINE OF LEVEE L-8, A PROJECT IN THE PLAN OF WATER CONTROL OF THE CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT.

TOGETHER WITH:

TOWNSHIP 42 SOUTH, RANGE 41 EAST

ALL OF SECTIONS 31, 33, 34, AND 35.

162 THE WEST 1/2 OF SECTION 17 AND ALL OF SECTIONS 18, 19, 20, 21, 22, 27, 28, 29, 30,
163 AND 32.

164 PCNs: 00414216000005010, 00414216000005020, 00414216000005030, 00414216000005040,
165 00414216000005050, 00414216000005060, 00414216000005070, AND 00414216000005080
166 AND THAT AREA OF NORTHLAKE BOULEVARD BETWEEN THESE PCNs.

167

168 TOGETHER WITH:

169 TOWNSHIP 43 SOUTH, RANGE 40 EAST

170 ALL OF SECTIONS 4, 9, 10, 11, 14, AND 15; THAT PART OF SECTION 3 LYING
171 NORTHERLY AND WESTERLY OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF
172 THE "M" CANAL; THE WEST THREE-QUARTERS (W 3/4) OF SECTIONS 13, 24, AND
173 25; AND THAT PART OF THE M" CANAL; THE WEST THREE-QUARTERS (W 3/4) OF
174 SECTIONS 13, 24, AND 25; AND THAT PART OF THE CANAL; THE WEST THREE-
175 QUARTERS (W 3/4) OF SECTIONS 13, 24, AND 25; AND THAT PART OF THE WEST
176 THREE-QUARTERS (W 3/4) OF SECTION 36 LYING NORTH OF THE NORTHERLY
177 RIGHT-OF-WAY LINE OF STATE ROAD 80 LESS PCNs 00404326010030010,
178 00404326010030020, 00404326010030030, 00404326010030040, 00404326010030050,
179 00404326010030060, 00404326010030190, 00404326010030200, 00404326010030210,
180 00404326010030220, 00404326010030230, AND 00404336000003020;

181 AND ALL THAT PART OF SECTIONS 5, 8, AND 6 LESS PCNs 00404305000003010 AND
182 00404306000001010 LYING NORTH AND EAST OF THE NORTH EASTERLY RIGHT-OF-
183 WAY LINE OF LEVEE L-8, A PROJECT IN THE PLAN OF WATER CONTROL OF THE
184 CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT.

185

186 TOGETHER WITH:

187 TOWNSHIP 43 SOUTH, RANGE 41 EAST

188 ALL OF SECTIONS 2, 3, 4, 9, 10, AND 11.

189

190 TOGETHER WITH:

191 PARCEL 1

192 A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 15, TOWNSHIP

193 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, BEING BOUNDED AS

194 FOLLOWS: BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SECTION 15.

195 BOUNDED ON THE WEST BY THE RIGHT-OF-WAY FOR COCONUT BOULEVARD AS

196 RECORDED IN OFFICIAL RECORDS BOOK 5778, PAGE 1279, PUBLIC RECORDS,

197 PALM BEACH COUNTY, FLORIDA. BOUNDED ON THE NORTH BY THE RIGHT-OF-

198 WAY FOR LAKE PARK WEST ROAD AS RECORDED IN OFFICIAL RECORDS BOOK

199 1229, PAGE 131, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA. BOUNDED

200 ON THE EAST BY THE RIGHT-OF-WAY FOR 120TH AVENUE NORTH AS RECORDED

201 IN OFFICIAL RECORDS BOOK 1229, PAGE 135, PUBLIC RECORDS, PALM BEACH

202 COUNTY, FLORIDA. CONTAINING: 35.15 ACRES, MORE OR LESS.

203

204 TOGETHER WITH:

205 PARCEL 2

206 A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 15, TOWNSHIP

207 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, BEING BOUNDED AS

208 FOLLOWS:

209 BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SAID SECTION 15

210 BOUNDED ON THE WEST BY THE RIGHT-OF-WAY AS RECORDED IN OFFICIAL

211 RECORDS BOOK 1229, PAGE 135, PUBLIC RECORDS, PALM BEACH COUNTY,

212 FLORIDA.

213 BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD

214 AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 131, PUBLIC RECORDS,

215 PALM BEACH COUNTY, FLORIDA.

216 BOUNDED ON THE EAST BY THE RIGHT-OF-WAY FOR COCONUT BOULEVARD AS

217 RECORDED IN OFFICIAL RECORDS BOOK 5778, PAGE 1279, PUBLIC RECORDS,

218 PALM BEACH COUNTY, FLORIDA.

219 CONTAINING: 30.71 ACRES, MORE OR LESS.

220 EXCEPTING THEREFROM THE ADDITIONAL RIGHT-OF-WAY AS RECORDED IN

221 OFFICIAL RECORDS BOOK 12017, PAGE 1009, PUBLIC RECORDS, PALM BEACH

222 COUNTY, FLORIDA.

223 NET ACREAGE (LESS ADDITIONAL RIGHT-OF-WAY) 29.59 ACRES, MORE OR LESS

224 SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY

225 OF RECORD.

226

227 TOGETHER WITH:

228 PARCEL 3

229 A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 16, TOWNSHIP

230 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA,

231 BEING BOUNDED AS FOLLOWS:
232 BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SAID SECTION 16
233 BOUNDED ON THE WEST BY THE RIGHT-OF-WAY FOR 140TH AVENUE NORTH AS
234 RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 133, PUBLIC RECORDS, PALM
235 BEACH COUNTY, FLORIDA.
236 BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD
237 AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 125, PUBLIC RECORDS,
238 PALM BEACH COUNTY, FLORIDA.
239 BOUNDED ON THE EAST BY THE EAST LINE OF THE WEST ONE – HALF OF SAID
240 SECTION 16. HALF OF SAID SECTION 16.
241 EXCEPTING THEREFROM THE ADDITIONAL RIGHT-OF-WAY FOR NORTHLAKE
242 BOULEVARD AS RECORDED IN OFFICIAL RECORDS BOOK 20418, PAGE 771,
243 PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
244 CONTAINING: 34.09 ACRES, MORE OR LESS.
245 SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY
246 OF RECORD.
247
248 TOGETHER WITH:
249 PARCEL 4
250 A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 17, TOWNSHIP
251 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA,
252 BEING BOUNDED AS FOLLOWS:
253 BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SECTION 17.

BOUNDED ON THE WEST BY THE WEST LINE OF THE EAST ONE-HALF OF SECTION
17.

BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD
AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 125, PUBLIC RECORDS,
PALM BEACH COUNTY, FLORIDA.

BOUNDED ON THE EAST BY THE RIGHT-OF-WAY FOR 140TH AVENUE NORTH AS
RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 133, PUBLIC RECORDS, PALM
BEACH COUNTY, FLORIDA.

CONTAINING: 35.73 ACRES, MORE OR LESS.

All lying in Palm Beach County, Florida, being approximately 27,000 acres.

SECTION 5. VILLAGE COUNCIL.

(1) GENERAL POWERS AND DUTIES. – All powers of the Village shall be vested in the
Village council, except as otherwise provided by law or this Charter, and the council shall
provide for the exercise thereof and for the performance of all duties and obligations
permitted by or imposed on the Village by law.

(2) COMPOSITION; ELIGIBILITY; TERMS –

(a) Composition. – There shall be a Village council composed of four council members
and a Mayor. Each council member and Mayor shall be elected by the voters of the
Village at large.

(b) Eligibility. – In addition to the requirements provided in Section 3. For qualifying:

1. Each council member must reside in the Village for the duration of his or her term.
2. The term of office for each council member shall be four (4) years.

- 277 3. No council member shall serve more than two (2) consecutive terms of office, two
278 (2) four (4) year terms as council members. For the purposes of calculating term
279 limits, partial terms shall not be counted toward term limits.
- 280 4. No mayor shall serve more than two (2) consecutive terms as Mayor, two (2) four
281 (4) year terms as Mayor. For the purposes of calculating term limits, partial terms
282 shall not be counted toward term limits.
- 283 (c) Seats. – The Village council shall be divided into five (5) separate council seats to be
284 designated as seats 1, 2, 3, 4 and Mayor, to be voted on a Village-wide basis, with
285 each qualified elector entitled to vote for one candidate for each seat. Each candidate
286 shall qualify on a Village-wide basis and may reside anywhere within the Village.
287 Following the initial election the Village council may, by ordinance, provide that Seats
288 1, 2, 3 and 4 shall represent four (4) separate district areas of the Village, as designated
289 on a map of the Village, which map shall be included in and made a part of said
290 ordinance, with each candidate residing in their respective area and must reside during
291 his or her term of office.
- 292 (3) MAYOR; VICE MAYOR. –
- 293 (a) Mayor. –The Mayor shall be a voting member of the council and shall serve as
294 chairperson during the meetings of the council and shall serve as the head of municipal
295 government for the purpose of execution of legal documents as required by ordinance.
296 The Mayor shall also serve as the ceremonial head of the Village.
- 297 (b) Vice Mayor. – At the first regularly scheduled meeting after the Village’s first election
298 and each regular election thereafter and after receiving the certified results of the
299 election, the council, by a majority vote, shall select from its membership a Vice

Mayor. Each year in which a regular election is not scheduled, the council, by the second regular meeting after the March meeting, shall by majority vote select from its membership a Vice Mayor. The Vice Mayor shall serve as Mayor during the absence or disability of the Mayor and, if a vacancy of the Mayor occurs, shall become interim Mayor until a Mayor is elected as described in paragraph (2) and (3).

(4) **COMPENSATION.** – The initial compensation for the council members shall be \$18,000.00 per year, payable in equal monthly payments and the Mayor shall be \$20,000.00 per year, payable in equal monthly payments; less applicable taxes; plus an annual cost of living increase of one per cent (1%). An ordinance increasing or decreasing compensation of the council may be adopted at any time upon the affirmative vote of four (4) members of the council; however, if the council takes action to change the level of compensation, the salary of council members shall not be adjusted until after the first day after the next regular municipal election. In accordance with Florida laws, the council may provide for reimbursement of actual expenses incurred by its members, including the Mayor, while performing their official duties.

(5) **COUNCIL MEETINGS.** –

(a) The council shall hold a minimum of 12 regular meetings per year in accordance with a duly adopted ordinance or resolution. Special meetings may be held at the call of the Mayor or a majority of the council members. At least a 24-hour notice shall be provided to each council member and the public for special meetings, unless there is an immediate threat to the public safety. Except as authorized by law, all meetings shall be open to the public.

(b) Three (3) members of the Village council shall constitute a quorum for the conduct of

business unless otherwise provided herein. Unless a quorum is present, no action may be taken except to adjourn. In order to approve any action or adopt any ordinance or resolution there must be at least three affirmative votes for the action, unless otherwise provided herein.

(c) All council members present shall vote on all matters before the council except on those matters for which a council member announces a conflict of interest or the Village Attorney determines that there is a conflict of interest.

(6) PROHIBITIONS. –

(a) Neither the council, nor any individual member of the council, shall in any manner attempt to dictate the employment or removal of any employee other than the Village manager and Village attorney. The council is free to make inquiries of Village employees, but no individual member of the council shall give orders to any officer or employee of the Village. Recommendations for improvements in Village government operations shall come through the Village manager, but each member of the council shall be free to discuss or recommend improvements to the Village manager, and the council is free to direct the Village manager to implement specific recommendations for improvement in the Village government operations.

(b) No present or former elected Village official shall hold any compensated appointive office or employment with the Village until one (1) year after leaving office.

(7) VACANCIES; FORFEITURE OF OFFICE; FILLING OF VACANCIES.

(a) Vacancies. – A vacancy in the office of a member of the council shall occur upon the incumbent's death, inability to fulfill the duties of the office, relocation of residence outside the Village, resignation, appointment to another public office, judicially

determined incompetence, or removal or forfeiture of office as described in this subsection.

(b) Forfeiture of office.

1. A member of the council may forfeit the office if the member:

- a. Lacks at any time during the term of office any qualification for the office prescribed by this Charter or by law;
- b. Violates any express prohibition of this Charter.
- c. Is convicted of a felony or criminal misdemeanor, which felony or misdemeanor involves the office of Village council.
- d. Is found to have violated any standard of conduct or code of ethics established by law for public officials or has been suspended from office by the Governor, unless subsequently reinstated as provided by law; or
- e. Misses three (3) consecutive regularly scheduled council meetings without justifiable reason or unless excused by the council.

2. If any of these events should occur, a hearing shall automatically be conducted at the next regularly scheduled council meeting or a special meeting may be called, and the member may be declared to have forfeited office by majority vote of the council.

(c) Filing of vacancies.

1. A vacancy on the council shall be filled by a majority vote of the remaining members of the council for the period of time until the next election, when a council member shall be elected for the remainder of the term vacated. If more than six (6) months remain in the unexpired term and a majority of the remaining

council members cannot reach a decision within sixty (60) days after a vacancy occurs, the vacancy shall be filled by a special election.

2. In the event that all of the council members are removed by death, disability, recall, forfeiture of office, or resignation, the Governor shall appoint interim council members who shall call a special election at least thirty (30) days, but no more than sixty (60) days, after such appointment. Such election shall be held in the same manner as the initial elections under this charter. However, if there are fewer than six (6) months remaining in any unexpired terms, the interim council appointed by the Governor shall serve out the unexpired terms. Appointees must meet all requirements for candidates as provided in this Charter.

SECTION 6. ADMINISTRATION.

(1) VILLAGE MANAGER.

- (a) The council shall appoint a Village manager, or a management firm to fulfill the duties of a Village manager, who shall serve at the pleasure of the council. The qualifications of the Village manager or firm may be established by ordinance.
- (b) The Village manager or firm may be removed by a majority vote of the council.
- (c) During the absence or disability of the Village manager, the Village council may by resolution designate a properly qualified person to temporarily execute the functions of the Village manager. Such person shall have the same powers and duties as the Village manager and may be removed by the Village council at any time upon a majority vote of the council.
- (d) The Village manager or firm shall:

- 392 1. Appoint, hire, suspend, demote, or dismiss any Village employee under the
393 Village manager's jurisdiction in accordance with the law, and may authorize any
394 department head to exercise these powers with respect to subordinates in that
395 department.
- 396 2. Direct and supervise the administration of all departments of the Village except
397 the office of the Village attorney.

- 398 (2) VILLAGE ATTORNEY. – There shall be a Village attorney who shall be a member of
399 The Florida Bar in good standing, be appointed by the council, and serve as the chief legal
400 advisor to the council and Village administrators, departments, and agencies. The council
401 may remove the Village attorney for any reason by a majority vote of its members.

402

403 **SECTION 7. DEPARTMENTS; PERSONNEL; PLANNING.**

- 404 (1) DEPARTMENTS; BOARDS; AGENCIES. – The council may establish, modify, or
405 terminate such department, board or agencies as it determines necessary for the effective
406 administration of employees of the Village's departments, boards, and agencies.
- 407 (2) PERSONNEL. – Consistent with all applicable state and federal laws, the council shall
408 provide by ordinance for the establishment, regulation, and maintenance of a system
409 governing personnel policies necessary for the effective administration of employees of
410 the Village's departments, boards, and agencies.
- 411 (3) PLANNING. – Consistent with all applicable state and federal laws with respect to land
412 use, development, and environmental protection, the Village shall:
- 413 (a) Designate an employee, agency, or agencies to execute the planning functions with
414 such decision making responsibilities as may be specified by ordinance or general

415 law.

416 (b) Adopt a comprehensive plan and ensure that zoning and other land use control
417 ordinances are consistent with the plan, all in accordance with general law and this
418 Charter. The Palm Beach County Comprehensive Plan, as it exists on the day the
419 Village commences corporate existence, shall serve as the initial comprehensive plan
420 of the Village until the Village adopts its own comprehensive plan pursuant to Chapter
421 163, Florida Statutes.

422 (c) Adopt zoning and development regulations, to be specified by ordinance consistent
423 with this Charter, to implement the plan.
424

425 **SECTION 8. FINANCIAL MANAGEMENT.**

426 (1) FISCAL YEAR. – The fiscal year of the Village shall begin on the first day of October
427 and end on the last day of September of each year.

428 (2) EXPENDITURE OF VILLAGE FUNDS. – No Village funds shall be expended except
429 pursuant to a duly approved appropriations or for the payment of bonds, notes, or other
430 indebtedness duly authorized by the council and only from such funds so authorized.

431 (3) BUDGET ADOPTION. – The council shall adopt a budget in accordance with applicable
432 general law, after a minimum of two public hearings on the proposed budget. A resolution
433 adopting the annual budget shall constitute appropriation of the amounts specified therein
434 as expenditures from funds indicated.

435 (4) EXPENDITURES. – The budget shall not provide for expenditures in an amount greater
436 than the revenues budgeted.

(5) APPROPRIATIONS. –

(a) If, during the fiscal year, revenues in excess of such revenues estimated in the budget are available for appropriation, the council by resolution may make supplemental appropriations for the year in an amount not to exceed such excess.

(b) If, at any time during the fiscal year, it appears probable to the Village manager that the revenues available will be insufficient to meet the amount appropriated, the Village manager shall report to the council without delay, indicating the estimated amount of the deficiency, 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 deficiency and, for that purpose, the council may by resolution reduce one (1) or more appropriations accordingly.

(c) No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated, or by more than the unencumbered balance thereof. Notwithstanding any other provisions of law, the supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption.

(6) BONDS; INDEBTEDNESS. –

(a) Subject to the referendum requirements of the State Constitution, if applicable, the Village may from time to time borrow money and issue bonds or other obligations or evidence of indebtedness (collectively, “bonds”) of any type or character for any of the purposes for which the Village is now or hereafter authorized by law to borrow money, including to finance the cost of any capital or other project and to refund any

and all previous issues of bonds at or before maturity. Such bonds may be issued pursuant to one or more resolutions adopted by a majority of the council.

(b) The Village may assume all outstanding indebtedness related to facilities that it acquires from other units of local government and be liable for payment of such indebtedness in accordance with its terms.

(7) REVENUE BONDS. – Revenue bonds may be issued by the Village as authorized by law.

(8) ANNUAL AUDIT. – The council shall provide for an independent annual financial audit of all Village accounts and may provide for more frequent audits as it deems necessary. Such audits shall be made by a certified public accountant or a firm of such accountants who have no personal interest, directly, or indirectly, in the fiscal affairs of the Village government or in any of its officers.

(9) SHORTFALLS. – The state is not liable for financial shortfalls of the Village.

SECTION 9. INITIATIVE AND REFERENDUM.

The powers of initiative and referendum are reserved to the qualified registered voters of the Village. The election laws of the State shall govern the exercise of the powers of initiative and referendum under this Charter.

SECTION 10. REFERENDUM ELECTION: TRANSITION.

(1) REFERENDUM ELECTION. – The referendum election called for by this action shall be held on November 8, 2022 ballot:

“Shall the Village of Loxahatchee be created and its Charter adopted? **YES / NO**”

In the event this question is answered affirmatively by a majority of voters voting in the referendum, the Charter will take effect as provided herein. The referendum election shall be conducted by the Supervisor of Elections of Palm beach County in accordance with the Florida Election Code, and the cost of such election shall be funded by the Board of County Commissioners of Palm Beach County.

(2) INITIAL ELECTION OF COUNCIL. –

(a) After the adoption of this Charter, the Board of County Commissioners of Palm Beach County shall call an election to be held March 14, 2023, for the election of five (5) Village council members. The election shall be conducted by the Supervisor of Elections of Palm Beach County in accordance with the Florida Election Code, and the cost of such election shall be funded by the Board of County Commissioners of Palm Beach County.

(b) An individual who wishes to run for one (1) of five (5) initial seats on the council shall qualify with the Supervisor of Elections of Palm Beach County in accordance with this Charter and general law.

(c) For the initial elections, the county canvassing board shall certify the results of the elections in accordance with general law.

(3) The two (2) council members receiving the highest number of votes and the Mayor shall each be elected to an initial term expiring upon certification of the election results for the March 2027 election. The two (2) remaining council members shall each be elected to an initial term expiring upon certification of the election results for the March 2025 election. Thereafter, all terms shall be for a period of four (4) years.

(4) SCHEDULE. –

(a) First election of council members. – At the time of its adoption, this Charter shall be in effect to the extent necessary so that the first election of members of the Village council may be conducted in accordance with this Charter.

(b) Time of taking full effect. – This Charter shall take full effect for all purposes on and after the date of the first meeting of the newly elected Village council provided in Paragraph (c).

(c) First council meeting. – On April 5, 2023, provided the results of the election of the Village council under this Charter have been certified, the newly elected members of the Village council shall meet at a location to be determined. In the event the results have not been certified by April 5, 2023, the newly elected members shall meet on the following Tuesday. The initial council shall have the authority and power to enter into contracts, provide for necessary Village officers and facilities and do such other things as it deems necessary and appropriate for the Village.

(5) FIRST YEAR EXPENSES. – The council, in order to provide moneys for the expenses and support of the Village, shall have the power to borrow money necessary for the operation of municipal government until such time as a budget is adopted and revenues are raised in accordance with this Charter.

(6) TRANSITIONAL ORDINANCES AND RESOLUTIONS. –

(a) All applicable county ordinances currently in place at the time of passage of the referendum, unless specifically referenced in this Charter, shall remain in place until and unless rescinded by action of the council. Except that a county ordinance, rule, or regulation that is in conflict with this Charter, or an ordinance, rule, or regulation

of the Village shall not be effective to the extent of such conflict. Any existing Palm Beach County ordinances, rules, and regulations, as of April 1, 2023, shall not be altered, changed, rescinded, or added to, nor shall any variance be granted, if such action would affect the Village without the approval of the council.

- (b) The village council shall adopt ordinances and resolutions required to effect the transition. Ordinances adopted within 60 days after the first council meeting may be passed as emergency ordinances. These transitional ordinances, passed as emergency ordinances, shall be effective for no longer than 90 days after adoption, and thereafter may be readopted, renewed, or otherwise continued only in the manner normally prescribed for ordinances.

(7) TRANSITIONAL COMPREHENSIVE PLAN. –

- (a) Until such time as the Village adopts a comprehensive plan, the applicable provisions of the Comprehensive Plan of Palm Beach County, as the same exists on the day the Village commences corporate existence, shall remain in effect as the Village's transitional comprehensive plan. However, except as otherwise set forth herein, all planning functions, duties, and authority shall thereafter be vested in the village council which shall be deemed the local planning agency until the council establishes a separate local planning agency. This charter shall not affect any of the rights and obligations, between and among any persons, which have been and are established by or result from any existing development orders in the area which are identified in Section 4 of this charter and as set forth in this Section 7.

- (b) Notwithstanding any other provision of general law or this charter, from the effective date of this charter until 60 months subsequent to the date initial land development

regulations adopted by the Village pursuant to Chapter 163, Florida Statutes, become final (hereafter, the “Transition Period”), the comprehensive plan and land development regulations of Palm Beach County shall govern the issuance of all development orders for a parcel or parcels of land located within or upon the lands identified in Palm Beach County Zoning Resolution R-2019-0389 (April 4, 2019) (collectively, the “Property”), and during such Transition Period all local government development orders and development permits associated with such Property shall be administered and issued by Palm Beach County pursuant to County development regulations, unless an affected landowner voluntarily elects to subject the Property, in whole or in part, to the Village’s comprehensive plan and land development regulations; provided, however, that neither the gross residential density nor the gross non-residential intensities assigned to the Property by County Zoning Resolution R-2019-0389 shall be increased by an owner thereof without first obtaining the approval of the Village council. The Village shall enter into any agreement as may be necessary with Palm Beach County to effectuate the provisions of this Section 10(7)(b) Notwithstanding any provision of law or this Charter, no amendment to this Section 10(7)(b) relating to the Property during the Transition Period shall be operative without an ordinance adopted by the affirmative vote of not less than four members of the Village council and an affirmative vote of a majority of the registered electors of the Village.

(c) The Village shall not annex any development parcel (Pod) identified on the approved Master Plan (as amended) for the Property prior to Palm Beach County issuing a building permit for such Pod. Annexation shall follow the procedures provided in

Section 171.0413, Florida Statutes (as amended). The Village may annex a Pod at the request of the owner(s) thereof, as provided in Section 171.044, Florida Statutes. Notwithstanding any provision of law or this Charter, no amendment to this Section 10(7)(c) shall be operative without an ordinance adopted by the affirmative vote of not less than four members of the Village council and an affirmative vote of a majority of the registered electors of the Village.

(8) TRANSITIONAL LAND DEVELOPMENT REGULATIONS. – To implement the transitional comprehensive land use plan when adopted, the Village shall in accordance with the procedures required by the laws of the state, adopt ordinances providing for land use development regulations within the corporate limits. Until the Village adopts ordinances, the following shall apply:

(a) The comprehensive land use plan and land use development regulations of Palm Beach County, as the same exists on the date that the Village commenced corporate existence, shall remain in effect as the Village's transitional land use development regulations and comprehensive land use plan.

(b) All powers and duties of the Palm Beach County Growth Management and Building Departments, the Palm beach County Special Magistrate, and Board of County Commissioners of Palm Beach County, as provided in these transitional land use development regulations, shall be vested in the council until such time as the council delegates all powers and duties, or a portion thereof, to another agency, department, or entity.

(c) Subsequent to the adoption of a local comprehensive land use plan and subject to general law, the council is fully empowered to amend, supersede, enforce, or repeal

the transitional land use development regulations, or any portion thereof, by ordinance.

(d) Subsequent to the commencement of the Village's corporate existence, an amendment of the comprehensive land use plan or land use development regulations enacted by the Board of County Commissioners of Palm Beach County shall not be deemed an amendment of the Village's transitional comprehensive land use plan or land use development regulations or otherwise take effect within the Village's municipal boundaries.

(9) STATE SHARED REVENUES. – The Village shall be entitled to participate in all shared revenue programs of the State of Florida effective immediately on the date of incorporation. The provisions of Chapter 218.23(1), Florida Statutes shall be waived for the purpose of eligibility to receive revenue sharing funds from the date of incorporation through the fiscal year 2022-2023. Initial population estimates for calculating eligibility for shared revenues shall be determined by the University of Florida Bureau of Economic and Business Research. Should the bureau be unable to provide an appropriate population estimate, the Palm Beach County Planning Division estimate should be utilized.

(10) LOCAL REVENUE SOURCES. – The Village shall be entitled to receive all local revenue sources available pursuant to general law, including but not limited to local communications services tax imposed under Chapter 202.19, Florida Statutes. The local communication services tax rate imposed by Palm Beach County will continue within the Village boundaries during the period commencing with the date of incorporation through January 1, 2024. Revenues from the tax shall be shared by Palm Beach County with the Village in proportion to the projected village population estimate of the Palm Beach

County Planning Division compared with the unincorporated population of Palm Beach County before the incorporation of the Village.

(11) LOCAL OPTION GAS TAX REVENUES. – Notwithstanding the requirements of Chapter 336.025, Florida Statutes to the contrary, the Village shall be entitled to receive local option gas tax revenues beginning October 1, 2022. The amount of said revenues distributed to the Village shall be in accordance with general law, Palm Beach County ordinance or interlocal agreement negotiated with the Board of County Commissioners of Palm Beach County.

(12) CONTRACTUAL SERVICES AND FACILITIES. – Contractual services for law enforcement, fire rescue, emergency management, public works, parks and recreation, planning and zoning, building inspection, development review, animal control, library services, village manager or management firm, village attorney and solid waste collection may be supplied by a contract between the village and the Board of County Commissioners of Palm Beach County, special districts, municipalities, or private enterprise until such time as the council establishes such independent services. However, existing solid waste contracts shall be honored as required by Chapter 165.061(1)(f), Florida Statutes, and Article I, section 10 of the State Constitution. Facilities for housing the newly formed municipal operations may be rented or leased until the village selects more permanent facilities.

SECTION 11. CONTINUATION, MERGER, AND DISSOLUTION OF EXISTING DISTRICTS.

- 644 (1) PALM BEACH COUNTY FIRE RESCUE MUNICIPAL SERVICE TAXING UNIT. –
645 Notwithstanding the incorporation of the Village of Loxahatchee, that portion of the Palm
646 Beach County Fire Rescue Municipal Service Taxing Unit, a special taxing district created
647 by the Palm Beach County Commission that lies within the boundaries of the Village of
648 Loxahatchee, is authorized to continue in existence, until the village adopts an ordinance
649 to the contrary.
- 650 (2) LAW ENFORCEMENT. – Law enforcement services shall continue to be provided by the
651 Palm Beach County Sheriff's Office, until the village adopts an ordinance or resolution or
652 enters into an interlocal agreement to the contrary.
- 653 (3) PALM BEACH COUNTY LIBRARY TAXING DISTRICT. – Notwithstanding the
654 incorporation of the Village of Loxahatchee, that portion of the Palm Beach County Library
655 Taxing District, a dependent district of Palm Beach County created by Laws of Fla., Ch.
656 67-1869, as amended, that lies within the boundaries of the Village, is authorized but not
657 required to continue in existence.
- 658 (4) INDIAN TRAIL IMPROVEMENT DISTRICT CONTINUATION. – The Indian Trail
659 Improvement District, an independent special district created by a special act of the
660 Legislature, is authorized to continue in existence. Indian Trail Improvement District is
661 authorized to transfer certain District assets to the Village of Loxahatchee, which assets
662 shall become Village assets upon transfer.
- 663 (a) The assets, liabilities, and written contracts of the Indian Trail Improvement District,
664 including all rights, obligations, duties and relationships now existing by law or
665 agreement, shall be unaffected and shall remain in full force and effect and shall be
666 those of the District except as transferred to the Village of Loxahatchee.

- (b) The Indian Trail Improvement District shall continue to be responsible for the levy and collection of debt service and maintenance assessments for Unit of Development No. 18, also known as Madison Green, for the purpose of paying the outstanding bonded indebtedness under the Indian Trail Improvement District Water Control and Improvement Bonds Unit of Development No. 18. Series 2015, and for the purpose of maintaining the works of the District within Unit of Development No. 18. This responsibility shall terminate on August 1, 2031, when the bonds are fully paid. Effective August 1, 2031, Unit of Development No. 18 shall be removed from the boundaries of the Indian Trail Improvement District, and no longer be the responsibility of the District.
- (c) To the extent not inconsistent with this Charter, all resolutions, and policies of the Indian Trail Improvement District shall remain in effect until amended, revised, or repealed by the Village Council.

SECTION 12. GENERAL PROVISIONS.

- (1) CODE OF ETHICS. – It is essential to the proper conduct and operation of the Village that the officers and employees of the Village be independent and impartial and for their offices not to be used for private gain other than the remuneration provided by law or by ordinances. It is declared to be the policy of the Village that its officers and employees are agents of the people and hold their positions for the benefit of the public. Therefore, all Village officers and employees shall adhere to the standards of conduct as provided in Part III of Chapter 112, Florida Statutes, and other applicable Florida law.

(2) CHARTER AMENDMENTS. – This charter may be amended in accordance with the provisions for charter amendments as specified in the Municipal Home Rule Powers Act, Chapter 166 Florida Statutes, as the same may be amended from time to time, or its successor, or as may otherwise be provided by general law. The form, content, and certification of any petition to amend shall be established by ordinance.

(3) SEVERABILITY. – If any provisions of this act, or the application thereof to any person or circumstance, is held invalid, the invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared severable.

(4) ELIMINATION OF TRANSITIONAL ELEMENTS FROM THIS CHARTER. – Upon completion of the transitional phase provided in this charter, the sections of the charter relating to transition may be eliminated from this charter.

SECTION 13. EFFECTIVE DATES.

This act shall take effect only upon its approval by a majority vote of those qualified electors residing within the proposed corporate limits of the proposed Village of Loxahatchee as described in section 4, voting in a referendum election to be called by the Palm Beach County Commission and to be held on November 8, 2022, in accordance with the provisions of law relating to elections currently in force, except that:

(1) Section 1, Section 10(1) and this Section shall take effect upon becoming a law.

709 (2) If approved by the electorate, Section 10(2) and Section 10(3) shall take effect
710 immediately upon certification of the election results by the Palm Beach County
711 Supervisor of Elections.

712 (3) The remainder of this act shall take effect April 5, 2023.

713 Became a law with/without the Governor's approval _____.

714 Filed in Office Secretary of State _____.

EXHIBIT "A"

LEGAL DESCRIPTION

BEING PORTIONS OF TOWNSHIP 42 SOUTH, RANGE 40 EAST; TOWNSHIP 42 SOUTH, RANGE 41 EAST; TOWNSHIP 43 SOUTH, RANGE 40 EAST AND TOWNSHIP 43 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TOGETHER WITH:

TOWNSHIP 42 SOUTH, RANGE 40 EAST

THE SOUTH ONE-HALF (S 1/2) OF SECTIONS 13, 14, AND 15 AND ALL OF SECTIONS 23, 24, 25, 26, 32, 33, 35, AND 36; AND THE SOUTH HALF OF SECTION 34; AND ALL THAT PART OF SECTION 31 LYING NORTH AND EAST OF THE NORTH EASTERLY RIGHT-OF-WAY LINE OF LEVEE L-8, A PROJECT IN THE PLAN OF WATER CONTROL OF THE CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT.

TOGETHER WITH:

TOWNSHIP 42 SOUTH, RANGE 41 EAST

ALL OF SECTIONS 31, 33, 34, AND 35.

THE WEST 1/2 OF SECTION 17 AND ALL OF SECTIONS 18, 19, 20, 21, 22, 27, 28, 29, 30, AND 32.

PCNs: 00414216000005010, 00414216000005020, 00414216000005030, 00414216000005040, 00414216000005050,

00414216000005060, 00414216000005070, AND 00414216000005080 AND THAT AREA OF NORTHLAKE BOULEVARD BETWEEN THESE PCNs.

TOGETHER WITH:

TOWNSHIP 43 SOUTH, RANGE 40 EAST

ALL OF SECTIONS 4, 9, 10, 11, 14, AND 15; THAT PART OF SECTION 3 LYING NORTHERLY AND WESTERLY OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE "M" CANAL; THE WEST THREE-QUARTERS (W 3/4) OF SECTIONS 13, 24, AND 25; AND THAT PART OF THE WEST THREE-QUARTERS (W 3/4) OF SECTION 36 LYING NORTH OF THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 80 LESS PCNs 00404326010030010, 00404326010030020, 00404326010030030, 00404326010030040, 00404326010030050, 00404326010030060, 00404326010030190, 00404326010030200, 00404326010030210, 00404326010030220, 00404326010030230, AND 00404336000003020; AND ALL THAT PART OF SECTIONS 5, 8, AND 6 LESS PCNs 00404305000003010 AND 00404306000001010 LYING NORTH AND EAST OF THE NORTH EASTERLY RIGHT-OF-WAY LINE OF LEVEE L-8, A PROJECT IN THE PLAN OF WATER CONTROL OF THE CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT.

TOGETHER WITH:

TOWNSHIP 43 SOUTH, RANGE 41 EAST

ALL OF SECTIONS 2, 3, 4, 9, 10, AND 11.

TOGETHER WITH:

PARCEL 1

A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 15, TOWNSHIP 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, BEING BOUNDED AS FOLLOWS:

BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SECTION 15.

BOUNDED ON THE WEST BY THE RIGHT-OF-WAY FOR COCONUT BOULEVARD AS RECORDED IN OFFICIAL RECORDS BOOK 5778, PAGE 1279, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.

BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 131, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.

BOUNDED ON THE EAST BY THE RIGHT-OF-WAY FOR 120TH AVENUE NORTH AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 135, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.

CONTAINING: 35.15 ACRES, MORE OR LESS.

TOGETHER WITH:

SJE19-Jay

9/2/2021 1:44 PM

2021_0902_SJE_FCR_SRVY-BASE.dwg

9094000 JOB NO.	SHEET NO.		DATE	9/2/21
	1 7	DRAWN	JGF	
		CHECKED	JGF	

FCR BOUNDARY
INDIAN TRAIL IMPROVEMENT DISTRICT

© COPYRIGHT 2021 By
StormwaterJ Engineering, Inc.
This Drawing Is Provided For
Informational Purpose
Unless Signed And Sealed By
A Registered Professional
Engineer Representing
StormwaterJ Engineering, Inc.
C.A. 00009484

**STORMWATERJ
ENGINEERING, INC.**
Civil, Hydrologic & Hydraulic Engineers
1855 Indian Road, Suite 202, West Palm Beach, FL 33409
Ph (561)242-0028 • Fax (561)242-0109
stormj@stn.com

PARCEL 2

A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 15, TOWNSHIP 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, BEING BOUNDED AS FOLLOWS:
BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SAID SECTION 15
BOUNDED ON THE WEST BY THE RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 135, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 131, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
BOUNDED ON THE EAST BY THE RIGHT-OF-WAY FOR COCONUT BOULEVARD AS RECORDED IN OFFICIAL RECORDS BOOK 5778, PAGE 1279, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
CONTAINING: 30.71 ACRES, MORE OR LESS.
EXCEPTING THEREFROM THE ADDITIONAL RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS BOOK 12017, PAGE 1009, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
NET ACREAGE (LESS ADDITIONAL RIGHT-OF-WAY) 29.59 ACRES, MORE OR LESS
SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.

TOGETHER WITH:

PARCEL 3

A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 16, TOWNSHIP 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, BEING BOUNDED AS FOLLOWS:
BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SAID SECTION 16
BOUNDED ON THE WEST BY THE RIGHT-OF-WAY FOR 140TH AVENUE NORTH AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 133, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 125, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
BOUNDED ON THE EAST BY THE EAST LINE OF THE WEST ONE - HALF OF SAID SECTION 16.
EXCEPTING THEREFROM THE ADDITIONAL RIGHT-OF-WAY FOR NORTHLAKE BOULEVARD AS RECORDED IN OFFICIAL RECORDS BOOK 20418, PAGE 771, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
CONTAINING: 34.09 ACRES, MORE OR LESS.
SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS-OF-WAY OF RECORD.

TOGETHER WITH:

PARCEL 4

A PARCEL OF LAND LYING IN THE SOUTH 587.82 FEET OF SECTION 17, TOWNSHIP 42 SOUTH, RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA, BEING BOUNDED AS FOLLOWS:
BOUNDED ON THE SOUTH BY THE SOUTH LINE OF SECTION 17.
BOUNDED ON THE WEST BY THE WEST LINE OF THE EAST ONE-HALF OF SECTION 17.
BOUNDED ON THE NORTH BY THE RIGHT-OF-WAY FOR LAKE PARK WEST ROAD AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 125, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
BOUNDED ON THE EAST BY THE RIGHT-OF-WAY FOR 140TH AVENUE NORTH AS RECORDED IN OFFICIAL RECORDS BOOK 1229, PAGE 133, PUBLIC RECORDS, PALM BEACH COUNTY, FLORIDA.
CONTAINING: 35.73 ACRES, MORE OR LESS.

SJE19-Jay

9/2/2021 1:44 PM

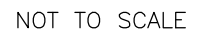
2021_0902_SJE_FCR_SRVY-BASE.dwg

91094000 JOB NO.	SHEET NO.		DATE	9/2/21
	2 7	DRAWN	JGF	
		CHECKED	JGF	

FCR BOUNDARY
INDIAN TRAIL IMPROVEMENT DISTRICT

© COPYRIGHT 2021 By
StormwaterJ Engineering, Inc.
This Drawing Is Provided For
Informational Purposes
Unless Signed And Sealed By
A Registered Professional
Engineer Representing
StormwaterJ Engineering, Inc.
C.A. 00009484





2021_0902_SJE FCR_SRVY-BASE.dwg

FCR BOUNDARY

INDIAN TRAIL IMPROVEMENT DISTRICT



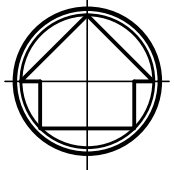
**STORMWATER
ENGINEERING, INC.**

Civil, Hydrologic & Hydraulic Engineers
1855 Indian Road, Suite 202, West Palm Beach, FL 33409
Ph (561)242-0028 • Fax (561)242-0109
storm@tda.com

LEGEND

SYM. DESCRIPTION

L	ARC LENGTH
R	RADIUS
Δ	DELTA / CENTRAL ANGLE
O.R.B.	OFFICIAL RECORD BOOK
P.B.C.R.	PALM BEACH COUNTY PUBLIC RECORD
P.B.	PLAT BOOK
PG.	PAGE
P.O.C.	POINT OF COMMENCE
P.O.B.	POINT OF BEGINNING



SCALE: 1" = 500'

15-42-41

S. LINE NORTHLAKE BLVD.
(O.R.B. 12017, PG. 1009, P.B.C.R.)

(LAKE PARK WEST ROAD)
(O.R.B. 1229, PG. 131, P.B.C.R.)

NORTHLAKE BLVD.

PARCEL 1

(PORTION OF SECTION 15, TOWNSHIP 42 SOUTH,
RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA)

HAMLIN BLVD.

(60' ROAD & DRAINAGE EASEMENT)

S. LINE SECTION 15-42-41

RIGHT-OF-WAY
(O.R.B. 5778, PG. 1279, P.B.C.R.)

22-42-41

E. LINE 120TH AVE. N.
(O.R.B. 1229, PG. 135, P.B.C.R.)

COCONUT BLVD.

120TH AVE. N.

SJE19-Jay

9/2/2021 1:44 PM

2021_0902_SJE_FCR_SRVY-BASE.dwg

91094000 JOB NO.	SHEET NO.		DATE	9/2/21
	4		DRAWN	JGF
	7		CHECKED	JGF

FCR BOUNDARY
INDIAN TRAIL IMPROVEMENT DISTRICT

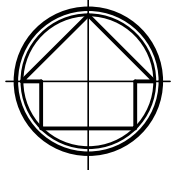
© COPYRIGHT 2021 By
StormwaterJ Engineering, Inc.
This Drawing Is Provided For
Informational Purposes
Unless Signed And Sealed By
A Registered Professional
Engineer Representing
StormwaterJ Engineering, Inc.
C.A. 00009484

**STORMWATERJ
ENGINEERING, INC.**
Civil, Hydrologic & Hydraulic Engineers
1855 Indian Road, Suite 202, West Palm Beach, FL 33409
Ph (561)242-0028 • Fax (561)242-0109
stormj@n.com

LEGEND

SYM. DESCRIPTION

L	ARC LENGTH
R	RADIUS
Δ	DELTA / CENTRAL ANGLE
O.R.B.	OFFICIAL RECORD BOOK
P.B.C.R.	PALM BEACH COUNTY PUBLIC RECORD
P.B.	PLAT BOOK
PG.	PAGE
P.O.C.	POINT OF COMMENCE
P.O.B.	POINT OF BEGINNING



SCALE: 1" = 500'

15-42-41

S. LINE NORTHLAKE BLVD.
(O.R.B. 12017, PG. 1009, P.B.C.R.)

(LAKE PARK WEST ROAD)
(O.R.B. 1229, PG. 131, P.B.C.R.)

NORTHLAKE BLVD.

130TH AVE. N.

PARCEL 2

(PORTION OF SECTION 15, TOWNSHIP 42 SOUTH,
RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA)

HAMLIN BLVD.

(60' ROAD & DRAINAGE EASEMENT)

RIGHT OF WAY
(O.R.B. 1229, PG. 135, P.B.C.R.)

S. LINE SECTION 15-42-41

RIGHT OF WAY
(O.R.B. 5778, PG. 1279, P.B.C.R.)

22-42-41

COCONUT BLVD.

SJE19-Jay

9/2/2021 1:44 PM

2021_0902_SJE_FCR_SRVY-BASE.dwg

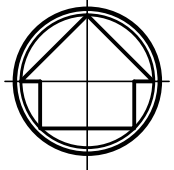
91094000 JOB NO.	SHEET NO.		DATE	9/2/21
	5		DRAWN	JGF
	7		CHECKED	JGF

FCR BOUNDARY
INDIAN TRAIL IMPROVEMENT DISTRICT

© COPYRIGHT 2021 By
StormwaterJ Engineering, Inc.
This Drawing Is Provided For
Informational Purposes
Unless Signed And Sealed By
A Registered Professional
Engineer Representing
StormwaterJ Engineering, Inc.
C.A. 00009484

**STORMWATERJ
ENGINEERING, INC.**
Civil, Hydrologic & Hydraulic Engineers
1855 Indian Road, Suite 202, West Palm Beach, FL 33409
Ph (561)242-0028 • Fax (561)242-0109
stormj@n.com

LEGEND	
SYM.	DESCRIPTION
L	ARC LENGTH
R	RADIUS
Δ	DELTA / CENTRAL ANGLE
O.R.B.	OFFICIAL RECORD BOOK
P.B.C.R.	PALM BEACH COUNTY PUBLIC RECORD
P.B.	PLAT BOOK
PG.	PAGE
P.O.C.	POINT OF COMMENCE
P.O.B.	POINT OF BEGINNING



SCALE: 1" = 500'

16-42-41

S. LINE NORTHLAKE BLVD.
(O.R.B. 20418, PG. 771, P.B.C.R.)

(LAKE PARK WEST ROAD)
(O.R.B. 1229, PG. 125, P.B.C.R.)

NORTHLAKE BLVD.

140TH AVE. N.

AVOCADO BLVD.

PARCEL 3

(PORTION OF SECTION 16, TOWNSHIP 42 SOUTH,
RANGE 41 EAST, PALM BEACH COUNTY, FLORIDA)

U-66 U-23 U-22

U-484

HAMLIN BLVD.

U-21

U-483

(60' ROAD & DRAINAGE EASEMENT)

RIGHT OF WAY
(O.R.B. 1229, PG. 133, P.B.C.R.)

S. LINE SECTION 16-42-41

E. LINE, W1/2
(16-42-41)

21-42-41

SJE19-Jay

9/2/2021 1:44 PM

2021_0902_SJE_FCR_SRVY-BASE.dwg

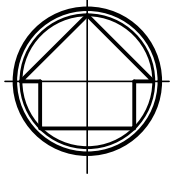
91094000 JOB NO.	SHEET NO.		DATE	9/2/21
	6		DRAWN	JGF
	7		CHECKED	JGF

FCR BOUNDARY
INDIAN TRAIL IMPROVEMENT DISTRICT

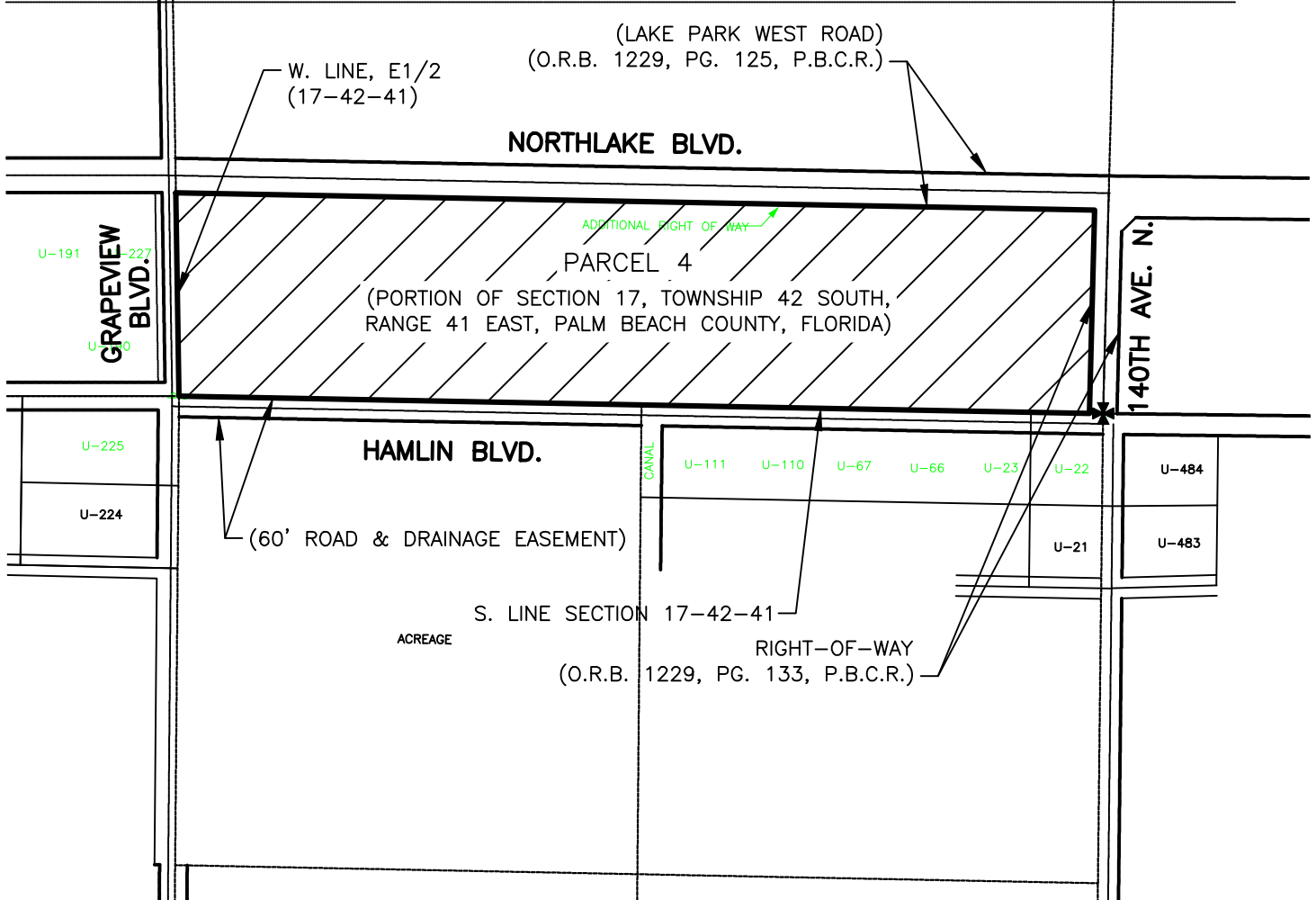
© COPYRIGHT 2021 By
StormwaterJ Engineering, Inc.
This Drawing Is Provided For
Informational Purposes
Unless Signed And Sealed By
A Registered Professional
Engineer Representing
StormwaterJ Engineering, Inc.
C.A. 00009484

**STORMWATERJ
ENGINEERING, INC.**
Civil, Hydrologic & Hydraulic Engineers
1855 Indian Road, Suite 202, West Palm Beach, FL 33409
Ph (561)242-0028 • Fax (561)242-0109
stormj@wn.com

LEGEND	
SYM.	DESCRIPTION
L	ARC LENGTH
R	RADIUS
△	DELTA / CENTRAL ANGLE
O.R.B.	OFFICIAL RECORD BOOK
P.B.C.R.	PALM BEACH COUNTY PUBLIC RECORD
P.B.	PLAT BOOK
PG.	PAGE
P.O.C.	POINT OF COMMENCE
P.O.B.	POINT OF BEGINNING



SCALE: 1" = 500'



SJE19-Jay

9/2/2021 1:44 PM

2021_0902_SJE_FCR_SRVY-BASE.dwg

9084000 JOB NO.	SHEET NO.		DATE	9/2/21
	7		DRAWN	JGF
	7		CHECKED	JGF

FCR BOUNDARY
INDIAN TRAIL IMPROVEMENT DISTRICT

© COPYRIGHT 2021 By
StormwaterJ Engineering, Inc.
This Drawing Is Provided For
Informational Purposes
Unless Signed And Sealed By
A Registered Professional
Engineer Representing
StormwaterJ Engineering, Inc.
C.A. 00009484

**STORMWATERJ
ENGINEERING, INC.**
Civil, Hydrologic & Hydraulic Engineers
1855 Indian Road, Suite 202, West Palm Beach, FL 33409
Ph (561)242-0028 • Fax (561)242-0109
stormj@stn.com



VILLAGE OF LOXAHATCHEE

Revised Municipal Incorporation Feasibility
Study

November 11, 2021

Clifford McCue and Consultants, Inc.

Table of Contents

Section 1: Introduction.....	1
Purpose.....	1
The Village of Loxahatchee Community.....	2
Section 2: Standards for Municipal Incorporation.....	3
Section 2.1 Compact, Contiguous and Amenable to Separate Municipal Government [F.S. § 165.061(1)(a)]	3
Section 2.2 Population [F.S. § 165.061(1)(b)].....	4
Section 2.3 Density [F.S. § 165.061(1)(c)]	5
Section 2.4 Boundaries [F.S. § 165.061(1)(d)]	5
Section 2.5 Municipal Charter [F.S. § 165.061(1)(e)]	6
Section 3.1 Location of area to be incorporated [F.S. § 165.041(1)(b)(1)]	8
Section 3.2 Major Reasons for Proposing Boundary Change under [F.S. § 165.041(1)(b)(2)] .	9
Section 3.3 Characteristics of the Village of Loxahatchee under [F.S. § 165.041(1)(b)(3)]	11
Section 3.3.a List of current land use designations under F.S. § 165.041(1)(b)(3)(a).....	11
Section 3.3.b List of current county zoning designations under F.S. § 165.041(1)(b)(3)(b)	15
Section 3.3.c General statement of present land use characteristics of the area under F.S. § 165.041(1)(b)(3)(c)	16
Section 3.3.d Description of proposed development under F.S. § 165.041(1)(b)(3)(d)	16
Section 3.3.e List of all Public Agencies Falling within Boundaries under [F.S. § 165.041(1)(b)(4)]	16
Section 3.3.f List of Current Services being Provided under [F.S. § 165.041(1)(b)(5)]	18
Section 3.3.g List of Proposed Services and Estimated Costs to be Provided under F.S. § 165.041(1)(b)(6).....	18
Section 3.3.h Names and Addresses of Officers or Persons Submitting the Proposal under [F.S. § 165.041(1)(b)(7)]	19
Section 4: Five-Year Operational Plan for the Village of Loxahatchee	20
Limitations of Financial Projections	20
Feasibility Study Time Period	20
Feasibility Study Financial Focus – the General Fund	21
Future Growth Factor.....	21
Timing of Certain Revenues	21
Evidence of Fiscal Capacity and Organization [F.S. § 165.041(1)(b)(8)]	22
Section 4.1: Village of Loxahatchee Revenues	22
Ad Valorem Property Tax Revenues [F.S. § 165.041(1)(b)(8)(a)].....	23

Identifying Property Tax Values.....	24
Public Service Tax	26
State Shared Revenues	27
Franchise Fees.....	27
Intergovernmental Revenues, Licenses and Permit Fees.....	27
User Fees (Charges for Services).....	29
Fine and Forfeitures	30
Interest Income.....	30
Miscellaneous Income	30
Section 4.2: Village of Loxahatchee Expenditures.....	32
Exclusions from Village of Loxahatchee Operational Budget	32
Contracted Services	32
Services to be Provided by the Village that are Currently Provided by the Indian Trail Independent District.....	34
General Governmental Expenditures.....	34
Personnel Expenses.....	35
Operating Expenditures:	35
Capital Outlays:	35
Data and Analysis to Support that Incorporation is Necessary and Financially Feasible under [F.S. § 165.041(1)(b)(9)]	45
Evaluation of Available Alternatives to Address Policy Concerns under [F.S. § 165.041(1)(b)(10)]	46
Information about the County’s Municipal Overlay [F.S. § 165.041(1)(c)]	46
Evidence that the Proposed Municipality Meets the Requirements for Incorporation under [F.S. § 165.061]	46
Conclusion	47
Appendix A: Sister-City Benchmark Analysis for Village of Loxahatchee.....	48
Appendix B: Proposed Charter	50

List of Tables

Table 1: Population Calculations for Village of Loxahatchee (26,293.2 Acres).....	5
Table 2: Village of Loxahatchee Community Profile.....	10
Table 3: Certain Services Provided within the Village of Loxahatchee.....	17
Table 4: Proposed Timeline for Budget Purposes	20
Table 5: Example of How Much a Single-Family Home would Pay in Property Taxes.....	24
Table 6: Village of Loxahatchee Property Tax (based on 2020 Assessed Value).....	24
Table 7: Estimated Property Tax Revenue Per Mill	25
Table 8: 5-Year Estimate of Property Tax Revenues	26
Table 9: Intergovernmental and Franchise Revenue Estimates	28
Table 10: Village of Loxahatchee Intergovernmental Revenue Estimates.....	29
Table 11: 5-Year Village of Loxahatchee Revenue Projections.....	31
Table 12: Capital Assets Rolled Forward Schedule	36
Table 13: 5-Year Village of Loxahatchee Expenditure Projections	38
Table 14: Cities Used for Benchmark Purposes	48
Table 15: Sister-City Comparison	48

List of Figures

Figure 1: Proposed Boundaries	4
Figure 2: Village of Loxahatchee Boundaries	9
Figure 3: Current Land Use Designations	13
Figure 4: Future Land Use Designations	14
Figure 5: Zoning Map	15

Section 1: Introduction

Prior to a special act of the Florida Legislature allowing municipal incorporation, a feasibility study needs to be completed. The feasibility study must address the topics listed in F.S. § 165.061 (Standards for incorporation, merger, and dissolution), paragraphs (b)1 through (b)11, which are further articulated in the State of Florida “Local Government Formation Manual” (2020-2022), Chapter 5, section XIX.

This feasibility study satisfies all the conditions identified in these two source documents.

Purpose

The Village of Loxahatchee proposes its municipal incorporation in order to better serve the local community by preserving, improving and promoting the existing quality of life, and maintaining the existing natural environment. The primary goals for incorporating as the Village of Loxahatchee include:

- Preservation of the existing quality of life, agricultural lands, agricultural and equestrian lifestyles and maintaining the existing natural environment.
- Improving agricultural and equestrian lifestyles.
- Promoting agricultural and equestrian lifestyles.
- Provide residents and other stakeholders direct control over future land use and other quality of life issues.
- Develop a long-range strategy to properly mitigate and manage future impacts from adjacent land development on the community and its natural resources and quality of life.
- Return and reinvest a greater share of the Village of Loxahatchee tax dollars to improving, preserving and promoting the community’s infrastructure, services and resiliency.
- Build a community-centered land use vision and comprehensive plan that maintains the rich quality of life and living environment while ensuring a resilient tax base under the control of current and future residents.

These goals are consistent with Florida Statutes, which identifies the following reasons for incorporation:

- Allow orderly patterns of urban growth and land use.
- Assure adequate quality and quantity of local public services.
- Ensure financial integrity of municipalities.
- Eliminate or reduce avoidable and undesirable differentials in fiscal capacity among neighboring local government jurisdictions.
- Promote equity in the financing of municipal services.

The Village of Loxahatchee Community

A community's identity can be defined in a number of ways. For example, it can be identified based on its geographical boundaries, its economic makeup, by its cultural history, or some combination of these factors.

Currently, the Village of Loxahatchee is an unincorporated community located in western Palm Beach County, with a 2021 population of 42,987, and is approximately 42.13 square miles of contiguous land. The area to be incorporated is located within the Indian Trail Improvement District, which covers approximately 94.47 square miles, and is bordered to the north by Palm Beach Gardens and the JW Corbett Wildlife Management Area (JW Corbett), to the east by Palm Beach Gardens and West Palm Beach, to the south by Loxahatchee Groves, Royal Palm Beach, and Wellington; and surrounds Westlake on three and one-half sides. The remainder of the areas bordering the proposed municipality are, and will remain, as unincorporated areas of Palm Beach County.

The Village of Loxahatchee straddles the western fringes of the highly developed eastern portion of Palm Beach County and the agricultural western portions of the County. Its large, spacious homes, equestrian lifestyle and many agricultural and natural areas give the area a rural character, although it is widely considered to be an exurban outgrowth of the South Florida Metropolitan Area. Most of today's residents living in the Village of Loxahatchee own single-family homes on lots of one and a quarter-acres or larger where families can enjoy rural, equestrian, and agricultural ways of living.

The Village of Loxahatchee has a thriving local economy based upon its high quality of life and other characteristics that sustain high property values. Therefore, the Village of Loxahatchee needs self-governance and adequate local representation to compliment ongoing services provided by the Palm Beach County government. The purpose for incorporation is to maintain and preserve, on a local level, the Village of Loxahatchee's rural charm and community identity. Unfortunately, communities surrounding the Village of Loxahatchee have had to grapple with unprecedented, rapid growth that continue unchecked even with the incorporation of many surrounding communities (see for example Westlake and Loxahatchee Groves). It is the current quality of life in the Village of Loxahatchee with its natural beauty, rural qualities, equestrian amenities, and relative open space that make the community unique and the "Last of Its Kind" in the South Florida Metropolitan Area.

Section 2: Standards for Municipal Incorporation

According to the Local Government Formation Manual (2020-2022) and F.S. §165.061, an area proposed for municipal incorporation must:

1. Be compact, contiguous, and amenable to separate municipal government;
2. Have a total population, as determined in the latest official state census, special census, or estimate of population, of at least 1,500 persons in counties with a population of 75,000 or less, and of at least 5,000 persons in counties with a population of more than 75,000;
3. Have an average population density of at least 1.5 persons per acre or have extraordinary conditions requiring the establishment of a municipal corporation with less existing density; and
4. Have a minimum distance of at least two miles from the boundaries of an existing municipality within the county or have an extraordinary natural boundary that requires separate municipal government.

In addition to the four standards discussed above, the proposed incorporation must include a municipal charter prescribing the form of government, clearly defining the responsibility for legislative and executive functions, and empowering the legislative body to exercise its power to levy any tax authorized by the Florida Constitution or as prescribed in general law. Moreover, the plan for any incorporation must honor existing solid waste contracts in the affected areas for the shorter of five years or the remainder of the contract term.

Each of the Standards for Incorporation described in state statute (F.S. §165.061), and as described by the *Local Government Formation Manual* (2020-2022) are addressed in the following sections.

Section 2.1 Compact, Contiguous and Amenable to Separate Municipal Government [F.S. § 165.061(1)(a)]

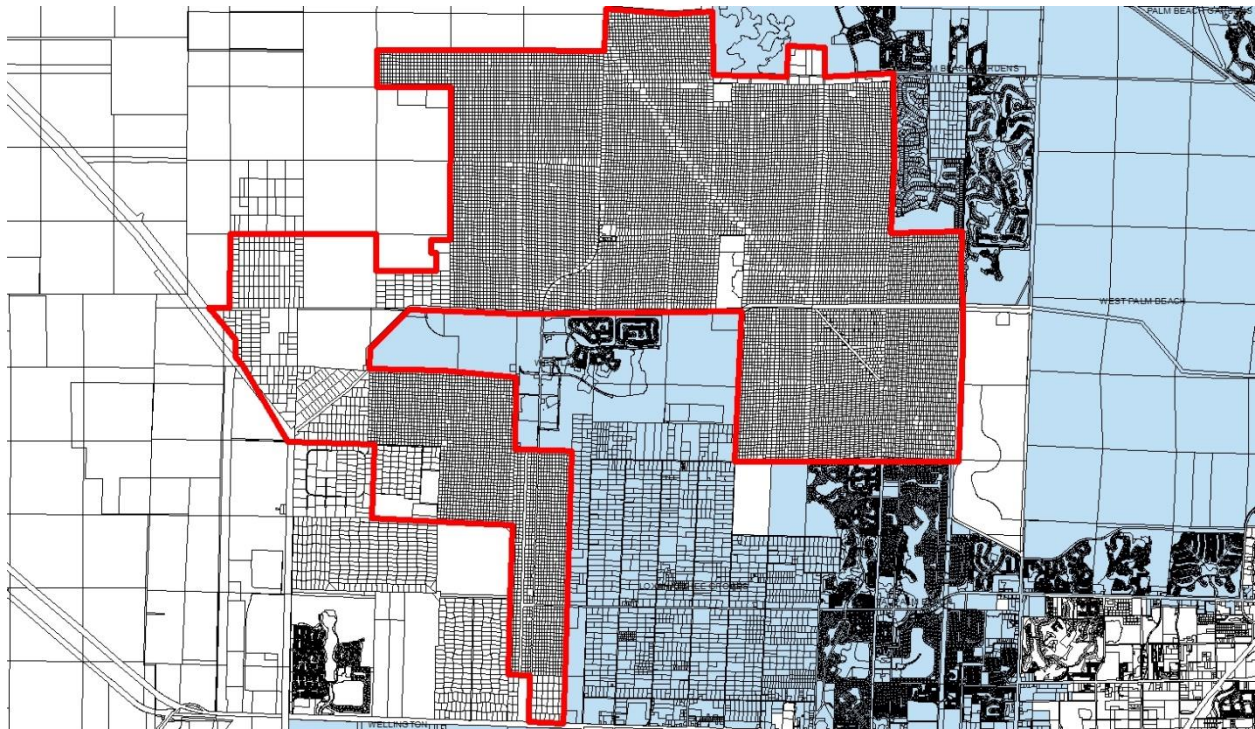
Figure 1 shows that the Village of Loxahatchee is compact and contiguous, making it amenable to separate municipal government. There are two obstacles to the Village of Loxahatchee's compactness and contiguity: the incorporation of the City of Westlake in 2016 and the GL Homes tract. The City of Westlake, as well as the proposed boundaries for the incorporation of the Village, previously were included together as the Acreage Census Designated Place. Population data for this area were previously collected as part of the 2010 U.S. Census. Before the incorporation of Westlake, this entire area existed as a single, compact, contiguous area based on federal definitions for census designated places based on the density of population despite only existing as improvement districts in unincorporated Palm Beach County. The infrastructure, ranging from park and road maintenance as well as drainage, does reinforce that these boundaries are compact and contiguous.

The second obstacle refers to the term "compact" as it relates to municipal incorporation. Currently the term compact is not defined within Chapter 165 of the 2021 Florida Statutes, nor is it defined in another chapter within the current statutes. According to Oxford Languages Dictionary compact is defined as "closely and neatly packed together; dense." Therefore,

whether or not the boundaries are compact is a matter of perspective. Is it a perfect square? No. Are there parts of the boundaries that are smaller than other parts? Yes.

The proposed boundaries as drawn have been effectively and successfully serviced as a limited general service special district since 1957. The same level of functionality should be expected as a general service municipality. These areas are a community of common interest. In addition, the areas are all unlike and not compatible with neighboring municipalities. To exclude areas, would be to disenfranchise residents and leave them with no service or ability to obtain services. The residents will have new, as well improved services and infrastructure available to them as a result of becoming a municipality. We contend that it is relatively compact and amenable to separate government.

Figure 1: Proposed Boundaries



Section 2.2 Population [F.S. § 165.061(1)(b)]

According to the Local Government Formation Manual a community must have a total population, as determined in the latest official state census, special census, or estimate of population, of at least 1,500 persons in counties with a population of less than 75,000, and of at least 5,000 persons in counties with a population of more than 75,000.

The population for Palm Beach County for 2019 was 1,497,000 based on the United States Census Bureau population estimates. The Bureau of Economic and Business Research at the University of Florida estimates Palm Beach County's 2020 population to be 1,466,494. The

statutory requirement is that the population of the area to be incorporated for a county this size must be at least 5,000 for counties with a population above 75,000. The Village of Loxahatchee has a 2021 population of 42,987. This population for the area to be incorporated is far above the minimum population requirement outlined in Florida statutes.

While the existing data show that the Village of Loxahatchee exceeds the minimum population requirements, future data shows that this trend is likely to continue. Projections from ESRI's Business Analyst Online database projects a 1.52% growth rate (statewide, 1.33%, national, 0.72%) from 2021-2026, which results in a 2026 projected population of 46,353 for the Village of Loxahatchee. Using the growth rate estimates for Palm Beach County from the Bureau of Economic and Business Research at the University of Florida (using the medium AVE-5 estimate), the population for the Village of Loxahatchee would be 45,391 in 2025.

Section 2.3 Density [F.S. § 165.061(1)(c)]

In addition to the population requirement the area must have an average population density of at least 1.5 persons per acre or have extraordinary conditions requiring the establishment of a municipal corporation with less existing density.

Based on measurements calculated using ESRI's Business Analyst Online and ArcMap GIS software, the Village of Loxahatchee is approximately 42.13 square miles. Converted into acres, this land area is slightly under 27,000 acres. Using the population figure of 39,553 from the 2010 Decennial Census, the average number of people per acre is 1.47. This density figure using the 2010 Decennial Census does not exceed the minimum population density requirement of 1.5 people per acre. Using 2021 population projections from ESRI's Business Analyst Online,¹ the number of people per acre increased from the current 1.47 based on the 2010 Decennial Census to 1.59 in 2021. Using the aforementioned growth projections, this density is projected to increase to 1.72 by 2026 – see table1 below for the estimates:

Table 1: Population Calculations for Village of Loxahatchee (26,293.2 Acres)

Year	Source	Population	Density per Acre
2000	U.S. Census	29,950	1.11
2010	U.S. Census	39,553	1.47
2021	ESRI	42,987	1.59
2026	ESRI	46,353	1.72

Section 2.4 Boundaries [F.S. § 165.061(1)(d)]

The final component of the standards as prescribed by the Local Government Formation Manual requires that a community must have a minimum distance of at least two miles from the

¹ ESRI's estimates were used due to the lack of data available based on the results from the 2020 Decennial Census at the time of this report.

boundaries of an existing municipality within the county or have an extraordinary natural boundary that requires separate municipal government.

Given the recent incorporation of Westlake and Loxahatchee Groves, coupled with the annexation of other adjacent areas by Palm Beach Gardens, Royal Palm Beach, and West Palm Beach, it is impossible to meet the minimum distance requirement due to the extensive population growth in Palm Beach County over the past decade. Given the uniqueness of the Village of Loxahatchee and the need to plan accordingly, in 1990 Palm Beach County designated the area as a “Unified Planning Area” (the only one in the County or the State at that time). On the basis of meeting the population requirement and the population density requirement, the Village of Loxahatchee should be exempt from this requirement due to already providing services to this area as an Improvement District, predating the recent wave of annexations and municipal incorporations.

The Village of Loxahatchee is impacted by the rate of development, annexation and encroachment by County enforcement standards that do not have the same level of concern about an agricultural-residential quality of life and are meant for urban and commercial zoned parcels.

Incorporation will also prevent pockets or unincorporated enclaves similar to Broward County that had selective annexation throughout the 1990’s into the first decade of the 2000’s. GL Homes has negotiated to include the Cowan Parcel of their property while excluding the rest of their property to the North. Indian Trail Improvement District has a developer agreement with GL Homes and once they decide to develop those lands, they will consent to annexation into the Village of Loxahatchee. As a result, one portion of the FPL lands adjacent to GL Homes property on the North as well as another parcel of land to the West is also excluded so as not to create an enclave. It is important to note these lands are all within Indian Trail Improvement District’s boundaries however are not currently serviced by Indian Trail. There is also the Cypress Groves Community Development District over these lands, which currently provides limited services to these agricultural lands. GL Homes has provided a letter stating they will consent to incorporation on a referendum.

Section 2.5 Municipal Charter [F.S. § 165.061(1)(e)]

Accordingly, a community must have a proposed municipal charter prescribing the form of government and clearly defining the responsibility for legislative and executive functions, and does not prohibit the legislative body from exercising its power to levy any tax authorized by the Florida Constitution or general law.

The Village of Loxahatchee form of government will be a council-manager form of government with a five-member city council. The mayor will be elected at-large by the entire electorate. Each Village council will be elected by district but on an at-large vote basis. The mayor and each council member will serve four (4) years with no more than two (2) consecutive terms in any position. The vice mayor shall be nominated and elected by the Village council. The terms will be staggered with the mayor and one (1) council member will be elected one separate election years from the other three (3) council members. The elections will be on the general election on the second Tuesday of November on even number years.

Per F.S. § 165.061(1)(e), there are no prohibitions in the charter regarding the power to levy any tax. The full charter is included in Appendix B.

Based on the criteria of F.S. § 165.061(1)(a) - 165.061(1)(e) the Village of Loxahatchee satisfies all criteria for incorporation, except as noted about the 2-mile distance from surrounding localities.

Section 3: Feasibility Study for Incorporating the Village of Loxahatchee

Since the Village of Loxahatchee satisfies the basic standards as described in Section 2, the second part of the justification for conversion includes a feasibility study. According to the *Local Government Formation Manual* (2020 – 2022), and consistent with F.S. § 165.041, a feasibility study is an analysis of the proposed area to be incorporated. The purpose of the feasibility study is to determine if the area: 1) meets the statutory requirements for incorporation, and 2) is financially viable.

According to the *Local Government Formation Manual*, a feasibility study must include the following:

1. The general location of territory subject to a boundary change and a map of the area that identifies the proposed change;
2. The major reasons for proposing the boundary change;
3. The following characteristics of the area:
 - a. A list of the current land use designations applied to the subject area in the county comprehensive plan;
 - b. A list of the current county zoning designations applied to the subject area;
 - c. A general statement of present land use characteristics of the area;
 - d. A description of development being proposed for the territory, if any, and a statement of when actual development is expected to begin, if known;
 - e. A list of all public agencies, such as local governments, school districts and special districts, whose current boundaries fall within the boundary of the territory proposed for the change or reorganization;
 - f. A list of current services being provided within the proposed incorporation area, including, but not limited to, water, sewer, solid waste, transportation, public works, law enforcement, fire and rescue, zoning, street lighting, parks and recreation, and library and cultural facilities, and the estimated costs for each current service;
 - g. A list of proposed services to be provided within the proposed incorporation area, and the estimated cost of such proposed services;
 - h. The names and addresses of three officers or persons submitting the proposal;

Each of the statutory requirements to satisfy Phase I of this study, following the Local Government Formation Manual and F.S. statute, is addressed below.

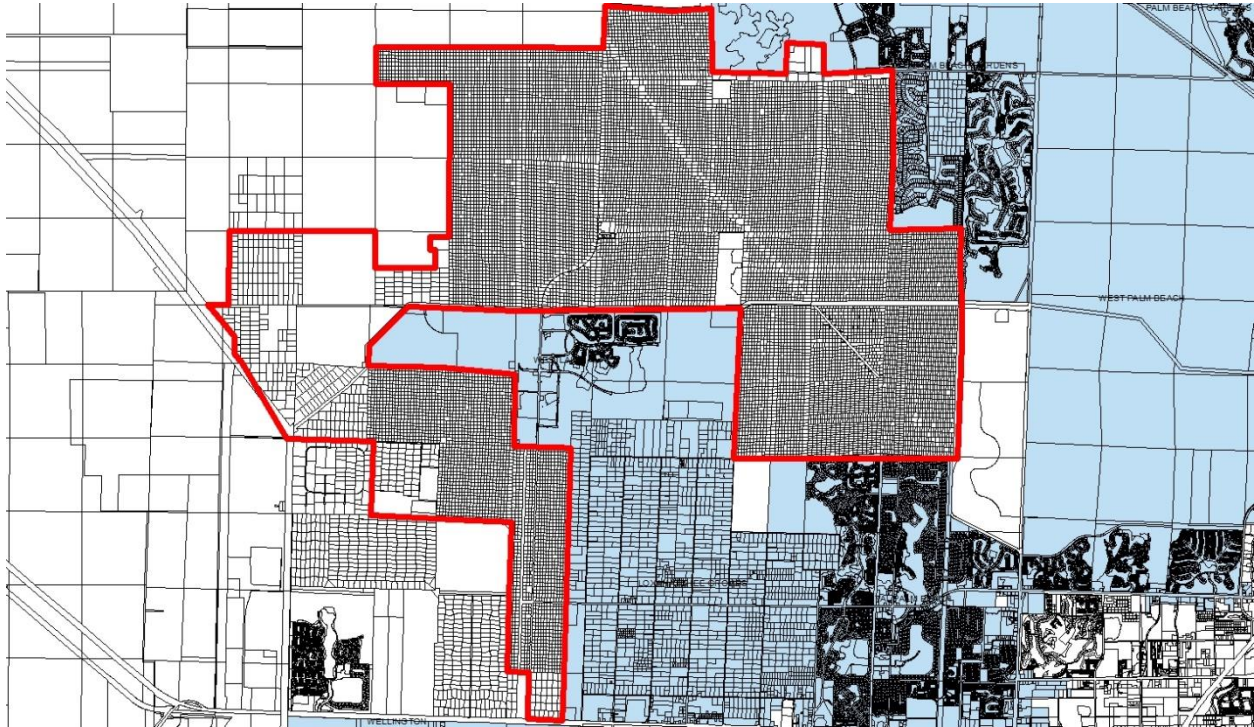
Section 3.1 Location of area to be incorporated [F.S. § 165.041(1)(b)(1)]

The proposed boundary of the area to be incorporated consists of a single contiguous area. The recent incorporation of Westlake means that roughly the middle third of the Acreage Census Designated Place is incorporated. In 2020, the decennial census designated Westlake as a

municipality and will begin collecting corresponding data for that area. A majority of the remainder of the Acreage CDP would be incorporated as the new municipality.

Specifically, the legal boundary of the area to be incorporated is as follows:

Figure 2: Village of Loxahatchee Boundaries



Section 3.2 Major Reasons for Proposing Boundary Change under [F.S. § 165.041(1)(b)(2)]

Over the last several decades, the Village of Loxahatchee has become a distinct and unique community. It is located in the western part of Palm Beach County, with a 2021 population of 42,987. It is located south and west of Palm Beach Gardens, west of West Palm Beach; west as well as north of Loxahatchee Groves and, Royal Palm Beach, north of Wellington, north, east, west and partially south of Westlake. The remainder of the areas bordering the proposed municipality are unincorporated areas of Palm Beach County. Most of the population lives in single family homes on lots of one and one-quarter acres or larger.

The Village of Loxahatchee is located between the western fringes of the highly developed portion of Palm Beach County and easternmost of the agricultural farmlands and rural portions of the County. Its large, spacious home site lots, and many agricultural and natural areas give the area a rural character, although it is widely considered to be an exurban outgrowth of the South Florida Metropolitan Area. The Village of Loxahatchee is located almost entirely within the Indian Trail Improvement District, responsible for maintaining the parks, roads, and drainage systems within its boundaries.

The Village of Loxahatchee community has the acute need to preserve and maintain its current quality of life, property values and environmental assets. The Village of Loxahatchee has a

thriving local economy based upon its high quality of life and other characteristics that drive high property values, including its rural charm, agricultural lands, equestrian trails, and limited development. The Village of Loxahatchee has its own localized government needs as a result of its rapid growth over the last twenty years. As the strains on the Village of Loxahatchee have escalated, the need for municipal incorporation and self-governance has become evident. Table 1 provides a general community profile of the Village of Loxahatchee. This profile was generated using ESRI Business Analyst Online and their projections to 2021 based on the proposed legal boundaries for incorporation.

Table 2: Village of Loxahatchee Community Profile

	Village of Loxahatchee
Population Summary	
2010 Total Population (Census)	39,553
2021 Total Population (ESRI)	42,987
2026 Total Population (ESRI)	46,353
Household Summary	
2021 Families	11,196
2021 Average Family Size	3.41
2026 Families	12,023
2026 Average Family Size	3.42
2021-2026 Annual Rate	1.44%
Housing Unit Summary	
2021 Housing Units	14,240
Owner Occupied Housing Units	12,069
Renter Occupied Housing Units	1,523
Median Household Income	
2021	\$92,144
2026	\$102,338
Median Home Value	
2021	\$350,484
2026	\$370,605
Per Capita Income	
2021	\$34,258
2026	\$39,157
Median Age	
2021	40.9
2026	41.0

Source: ESRI Business Analyst Online

The Village of Loxahatchee needs and desires self-governance and adequate local representation to compliment and better provide ongoing services currently managed by the Palm Beach County government. The Village of Loxahatchee community wants to protect the character of the community. The geographic size and populace basically require a more focused local

government than Palm Beach County can provide to the citizenry. Additionally, there are no other unincorporated areas similar in population grouping anywhere in the county and therefore, the county is not organized in such a way to properly represent and provide necessary services to the residents. The Village of Loxahatchee community is only represented by one (1) Palm Beach County Commissioner whose district also includes, but is not limited to Belle Glade, Royal Palm Beach, Loxahatchee Groves, Wellington, Westlake and large tracts of other unincorporated parcels.

In addition to Palm Beach Gardens' annexations and continued growth, the City of Westlake and other unincorporated portions of the County are also creating unprecedented growth in a rural area that is having a negative impact on the traffic, safety and rural lifestyle in this area of unincorporated Palm Beach County.

The City of Palm Beach Gardens is trying to use administrative mechanisms to continue its annexation of commercially zoned properties south of Northlake Boulevard within the proposed boundaries that directly abut residential properties. Palm Beach Garden's Land Development Codes are not representative of the Village of Loxahatchee community and will have adverse impacts upon the northern residents.

The Town of Loxahatchee Groves is also trying to annex properties that do not reflect the Town's Charter and Land Use that are currently in the proposed Village of Loxahatchee municipal boundaries. The Town's only reason was put on the record by the Town's Mayor who said it only became aware to try to annex these properties after the Indian Trail Improvement District made the initial announcement to consider conversion from a Special District to a municipality. Before this, the Town had no inclination or plans to annex west. The Town of Loxahatchee Groves is incapable of annexing large areas of the District, but could create enclaves by only annexing certain properties into its municipal boundaries which would be inconsistent with proper planning and local governance.

Overall, the potential annexation of certain areas by surrounding municipalities like Loxahatchee Groves, Palm Beach Gardens, Royal Palm Beach, West Palm Beach, Westlake and Wellington, whose land development codes and enforcement operations, would not be consistent with the lifestyles of the Village of Loxahatchee community.

The Village of Loxahatchee needs to maintain and preserve, on a local level, its rural charm and community identity. Unfortunately, communities surrounding the Village of Loxahatchee have had to grapple with historic rapid growth that went relatively unchecked until many of the surrounding communities actually incorporated (see for example Westlake and Loxahatchee Groves). It is the current quality of life in the Village of Loxahatchee with its natural beauty, rural qualities, equestrian amenities, and relative open space that make the community unique and the "Last of its Kind in South Florida".

Section 3.3 Characteristics of the Village of Loxahatchee under [F.S. § 165.041(1)(b)(3)]

Section 3.3.a List of current land use designations under F.S. § 165.041(1)(b)(3)(a)

The existing (Figure 2) and future (Figure 3) land use designations are based on the Palm Beach County Comprehensive Plan and the geographic information is from Palm Beach County's Information Systems Services. The existing land uses are largely single-family residential. A

majority of the future land uses in the area to be incorporated is designated as Rural Residential with one residential unit per 2.5 acres (RR2.5) based on the Future Land Use designation based on the Palm Beach County Comprehensive Plan. The remainder of the area largely carries residential and commercial Future Land Use designations. These designations include one residential unit per 10 acres (RR-10), one residential unit per 5 acres (RR-5), mixed use development (WCR), Commercial Low, one residential unit per five acres (CL/RR5), Commercial Low, 2.5 residential units per acre (CL/RR2.5), Institutional (INST), and Park (PARK) land use designations.

Figure 3: Current Land Use Designations

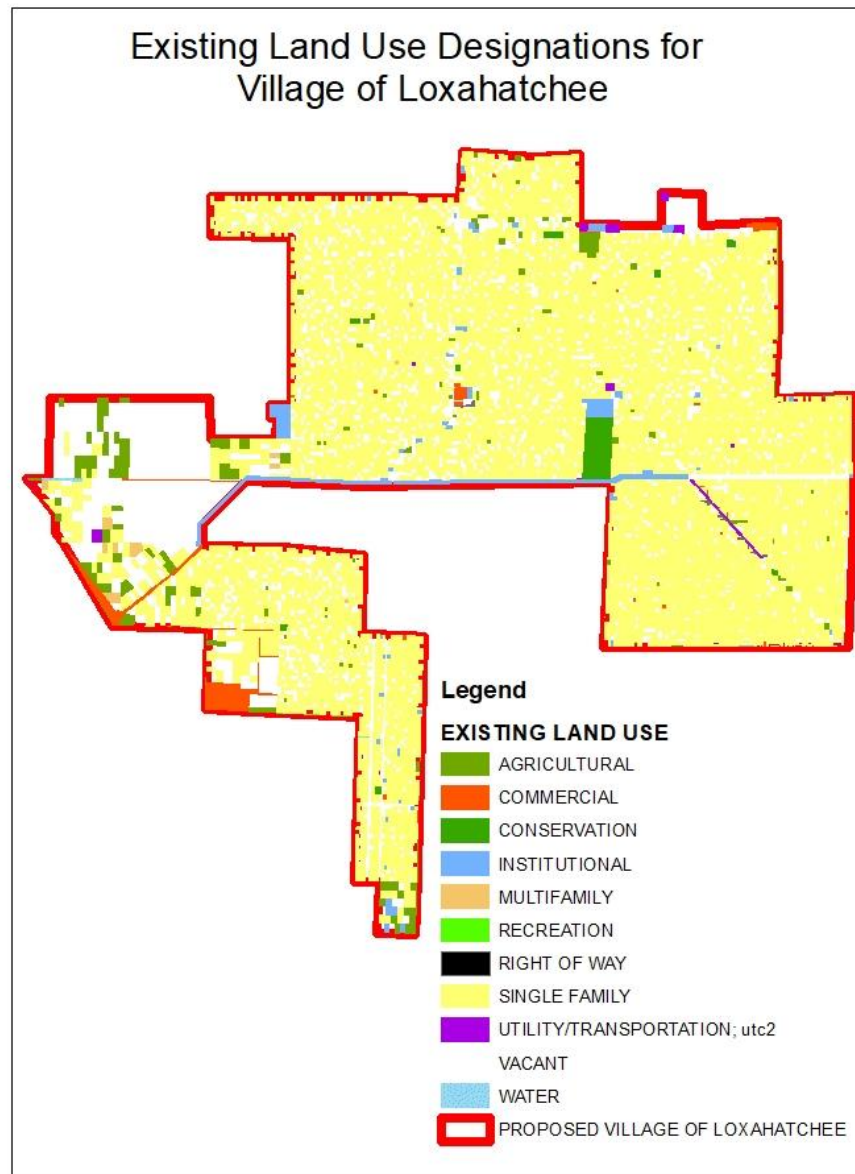
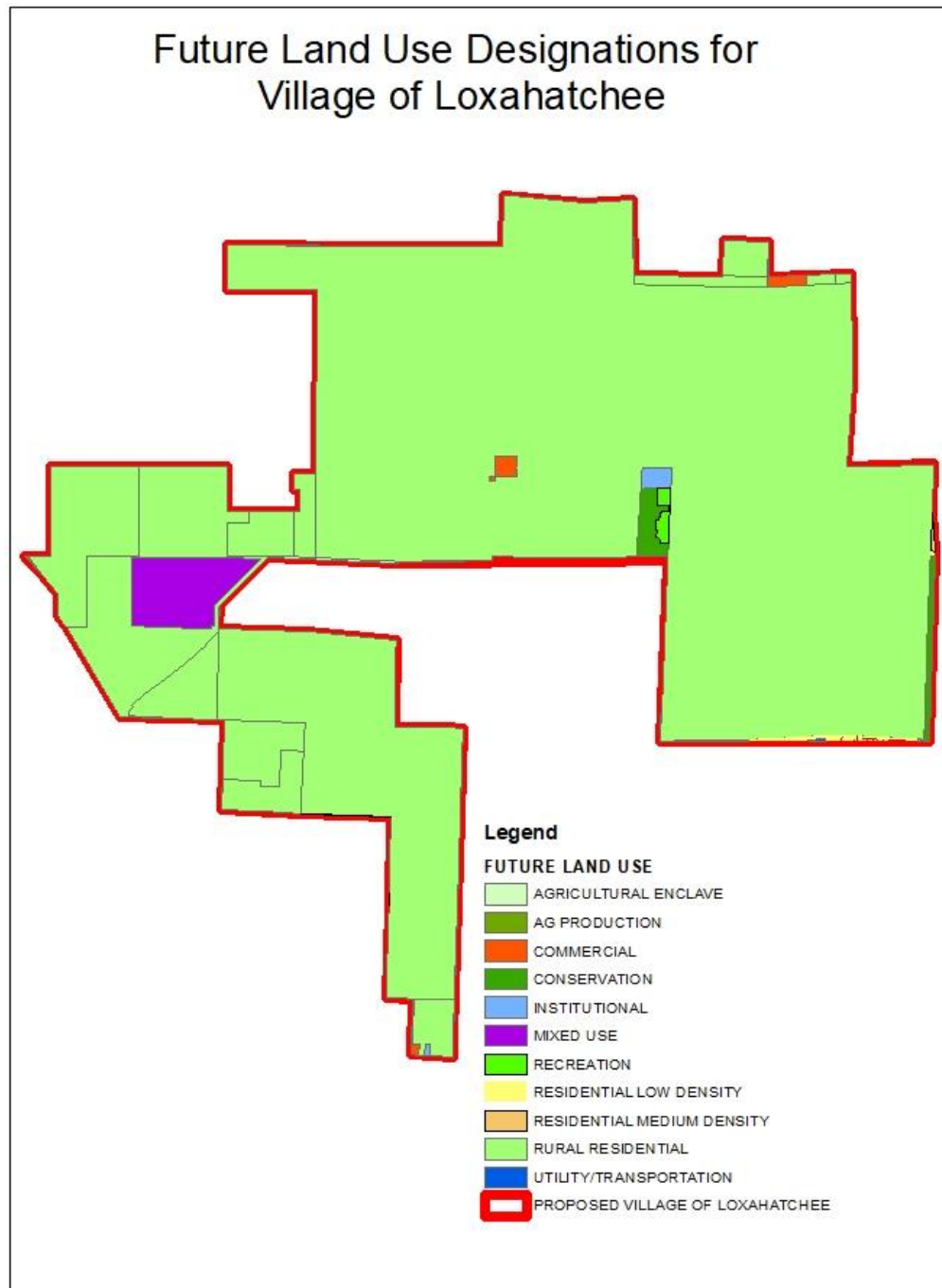


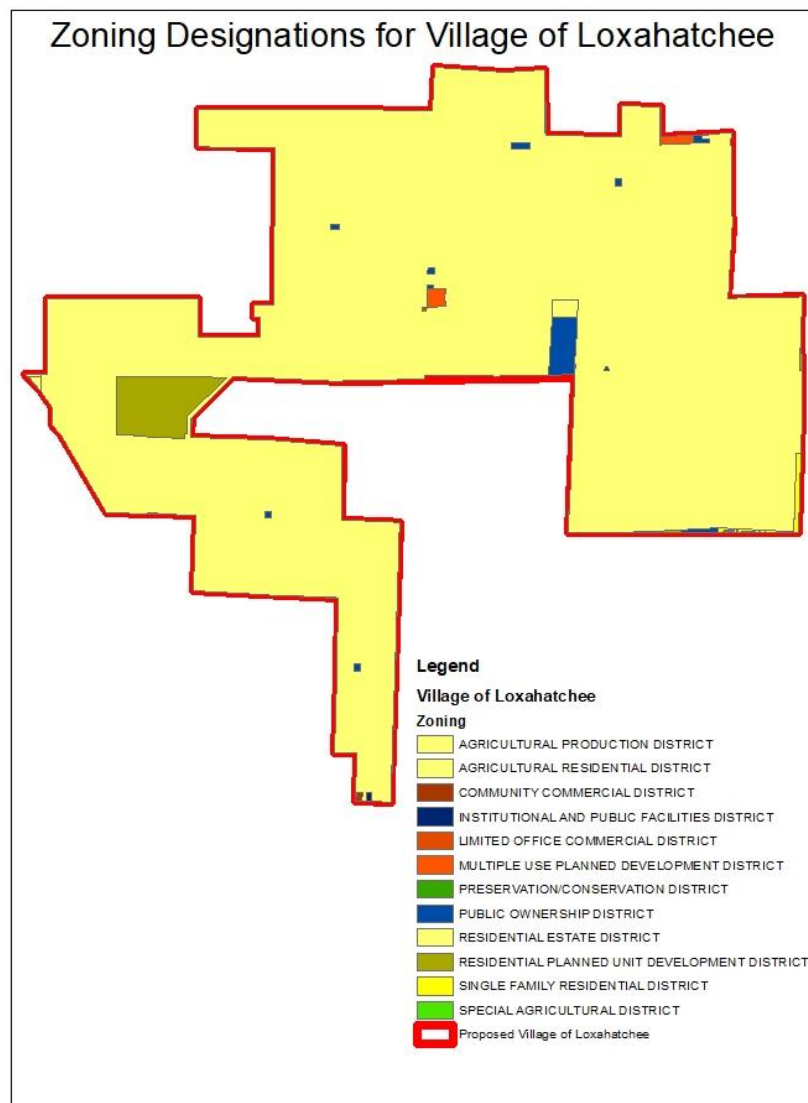
Figure 4: Future Land Use Designations



Section 3.3.b List of current county zoning designations under F.S. § 165.041(1)(b)(3)(b)

A large majority of the property is zoned as Agricultural Residential District (AR). The other zoning designations for smaller areas include Public Ownership District (PO), Residential Planned Unit Development District (PUD), Multiple Use Planned Development (MUPD), and Residential Estate District (RE). Figure 4 contains the location of these zoning designations within the proposed boundaries.

Figure 5: Zoning Map



Section 3.3.c General statement of present land use characteristics of the area under F.S. § 165.041(1)(b)(3)(c)

While a majority of the area is zoned as Agricultural Residential District, the largest land use in the area consists of single-family residential homes. The area to be incorporated already has a rich, diverse park system, with several parks in the area, and several additional parks adjacent to the area. Acreage Community Park, Citrus Grove Park, Coconut Park, Downers Dog Park, Hoefl Park, Nicole Hornstein Equestrian Park, Kidscape Park, Sycamore Park, and Temple Park are all within the area's proposed boundaries. Several schools serve the area, although some of these schools are adjacent to the area, with Pierce Hammock Elementary, Acreage Pines Elementary, Frontier Elementary, and Osceola Creek Middle School located within the proposed boundaries. Palm Beach County Fire Station #26 is located within the boundaries, as are several infrastructure-related uses such as pump stations.

Section 3.3.d Description of proposed development under F.S. § 165.041(1)(b)(3)(d)

This area is already largely developed, with a majority of uses being single-family housing. While future development is expected, it will likely be single-family residential development based on current zoning and future land use designation with commercial development occurring along the boundaries to the north and south of the proposed municipality and along certain county roads and major intersections. In areas already developed within the eastern part of the boundary, small-scale, largely residential development and/or redevelopment is likely due to the fact that most undeveloped parcels are scattered throughout the area and there are no undeveloped, large tracts of land for development.

Section 3.3.e List of all Public Agencies Falling within Boundaries under [F.S. § 165.041(1)(b)(4)]

Below is a list of the existing public agencies within the proposed Village of Loxahatchee boundaries and their associated 2020 millage rates and fees, where applicable.

- Palm Beach County Government (Millage Rate 4.7815)²
 - Countywide voted debt (Millage Rate is 0.0309)
- Palm Beach County Sheriff (Included in County Millage Rate)
- Palm Beach County Fire and Rescue MSTU (Millage Rate 3.4581)
- Palm Beach County Supervisor of Elections (Included in County Millage Rate)
- Palm Beach County Library (Millage Rate 0.5491)
 - Library voted debt (Millage Rate is 0.0342)
- Palm Beach County Health Care District (Millage Rate 0.7261)
- Palm Beach County School District (Millage Rate Required 3.2480)
 - Palm Beach County School Board Discretionary 3.7620)
- Children's Services Council (Millage Rate 0 .6497)

² All listed millage rates were gathered from the Palm Beach County Property Tax Assessors "Detailed Millage Rate Chart 2020" retrieved from https://www.pbcgov.org/papa/pdf/taxroll/2020_Final_Total_Millage_Rates_Levy.pdf Total Millage rate for unincorporated Palm Beach in 2020 was 17.5391.

- Indian Trail Improvement District – \$540 average cost per acre, non-ad valorem taxes.
- South Florida Water Management District (Millage Rate 0.1103)
 - SFWMD Basin (Millage 0.1192)
 - SFWMD Everglades Construction Project (Millage Rate 0.0380)
- Florida Inland Navigation District (Millage Rate 0.0320)
- Palm Beach County Court
- Circuit Court or the Fifteenth Judicial Circuit
- Fourth District Court of Appeal
- Florida Power and Light
- Water and Sewer (Village of Loxahatchee currently uses septic tanks and well water)
- Solid Waste Authority of Palm Beach County
- AT&T Internet & DIRECTV Services
- Xfinity or Comcast Spotlight

Table 2 provides a breakdown of the estimated costs for the specific services identified in Section 165.041(1)(b)5. Please note that to generate the estimated costs of those services, we used a simple and straight forward technique; specifically, we generated a per capita cost estimate based on Palm Beach County FY21 Adopted Budget for each service. In addition, to provide a more general indicator of traditional services provided by municipalities in the State, we conducted a sister-city comparison located in Appendix A.

Table 3: Certain Services Provided within the Village of Loxahatchee

Current Services Provided within the Village of Loxahatchee	Palm Beach County FY21 Budget*	Palm Beach County Population	Per Capita Costs for Services	Village of Loxahatchee Population	Estimated Service Costs
Water and Sewer	187,722,000	1,466,494	128.01	42,987	5,502,652
Solid Waste**	226,504,621	1,466,494	154.45	42,987	6,639,478
Transportation	172,621,401	1,466,494	117.71	42,987	5,060,011
Public Works	63,049,107	1,466,494	42.99	42,987	1,848,144
Law Enforcement	752,340,857	1,466,494	513.02	42,987	22,053,194
Fire and Rescue	496,058,404	1,466,494	338.26	42,987	14,540,845
Planning, Zoning and Building	65,185,751	1,466,494	44.45	42,987	1,910,775
Street Lighting	21,398,658	1,466,494	14.59	42,987	627,254
Parks and Recreation	82,462,174	1,466,494	56.23	42,987	2,417,195
Library	61,271,262	1,466,494	41.78	42,987	1,796,030
Cultural Facilities***	34,678,561	1,466,494	23.65	42,987	1,016,525

*Source: Palm Beach County FY21 Budget <https://discover.pbcgov.org/ofmb/budget/PDF/Annual/2021/FY%202021%20Budget>

**Solid Waste Data Retrieved from <https://swa.org/DocumentCenter/View/4204/FY-2021-Budget-In-Brief>

***Cultural Facilities Located in Parks and Recreation Budget

Section 3.3.f List of Current Services being Provided under [F.S. § 165.041(1)(b)(5)]

The Village of Loxahatchee is currently receiving most of its public services from Palm Beach County Government and the Indian Trail Improvement District. Currently Palm Beach County and the Indian Trail Improvement District levy a combination of ad valorem taxes (County) and non-ad valorem (ITID) assessments and fees on parcels within Village of Loxahatchee. However, there are a host of other public entities that are providing services to the Village of Loxahatchee.

Palm Beach County Government: Police and 911 are provided by Palm Beach County Sheriff, while Fire Protection and Emergency Medical Services are provided by Palm Beach County MSTU. Other services under the Palm Beach County Commission and Administration include development services (Building, Planning and Zoning), code enforcement, environmental services, economic development, emergency management, animal control, library, human services, waste management, and other less conspicuous governmental services.

Indian Trail Improvement District: The Indian Trail Improvement District (the District) was created by the Florida Legislature in 1957 as a Chapter 298, F.S District. The District is an independent special district that provides water management and infrastructure development services to properties in Village of Loxahatchee. The original legislation restricted the District to strictly water (canal) management. Over the years Indian Trail Improvement District's powers were amended to include road maintenance and recreation authority. The District now maintains, not only 164.2 miles of canals, but also 9 rural and equestrian parks, and more than 458 miles of roads.

Palm Beach County School Board: The Palm Beach County School Board provides education for K-12 children.

Palm Beach County Health Care District: is a dependent district that provides health care for low-income residents.

Children's Services Council: This dependent district enhances the lives of children and families in the County.

South Florida Water Management District (SFWMD): The SFWMD manages and protects water resources of the region.

South Florida Water Management District (SFWMD) Everglades Construction Project: The Project improves the water quality and clean-up the Everglades.

Florida Inland Navigational District (F.I.N.D.): FIND manages and maintains the Atlantic Intracoastal Waterway.

Section 3.3.g List of Proposed Services and Estimated Costs to be Provided under F.S. § 165.041(1)(b)(6)

The Village of Loxahatchee will be a full-service municipality responsible for providing all legislative, administrative, and program specific activities typically found in local governments

in Florida. Please refer to Section 4 for the proposed services and estimated costs for the Village of Loxahatchee.

Section 3.3.h Names and Addresses of Officers or Persons Submitting the Proposal under [F.S. § 165.041(1)(b)(7)]

Louis Colantuoni, Jr.
7849 Coconut Blvd.
West Palm Beach, FL 33412
561-236-5696
Lcolan4280@aol.com

Bob Morgan
13784 67th Street N.
West Palm Beach, FL 33412
305-975-4392
Bobmorgan731@gmail.com

Elizabeth Accomando
6521 Carol Street
Loxahatchee, FL 33470
561-402-1451
barkypines@gmail.com

Section 4: Five-Year Operational Plan for the Village of Loxahatchee

This section of the feasibility study documents the 5-year operational plan, including revenue and expenditure projections and the assumptions used, to demonstrate that the Village of Loxahatchee can more than adequately afford self-governance. In fact, as this analysis shows, the Village of Loxahatchee will be fiscally sound upon successfully incorporating and for the near future.

Limitations of Financial Projections

As with all financial projections, typically there will be differences between projected and actual results because circumstances used to project revenues and expenditures frequently do not occur as expected, and those differences may be material. Although State law requires that local governments balance their budgets, this projection does not attempt to anticipate possible municipal decisions to close budget gaps and prevent deficits in the future as a result of changing circumstances or future policy decisions of the municipal council. Moreover, there is no obligation to update this report for events and circumstances occurring after its release.

Feasibility Study Time Period

For the purpose of this feasibility study, it is assumed that the Village of Loxahatchee will commence operations in Fiscal Year (FY) 2023-2024, the first potential complete fiscal year of operations.³ Consistent with the stated statutory requirements, FY 2023-2024 – FY 2027-2028 are used in generating the 5-year operational budget. Moreover, for determining the fiscal capacity of the Village, it is assumed that FY 2023-2024 estimates are based on a complete budget year, rather than a partial budget year.

Table 4: Proposed Timeline for Budget Purposes⁴

Date	FY 2023-2024 Budget Calendar
On or about December 31, 2022	Village of Loxahatchee Incorporation becomes final
On or about December 31, 2022	Preliminary Tax Roll from Palm Beach County Property Tax Appraiser
On or about June 30, 2023	Projected Millage Rate for FY24 is submitted to Palm Beach County Property Tax Appraiser
On or about August 1, 2023	Proposed budget delivered to legislative body
On or about August 1, 2023	DR-420 submitted to Palm Beach County Property Tax Appraiser
September, 2023	First Public hearing to adopt millage rate and budget
September, 2023	Final Public hearing to adopt millage rate and budget
October 1, 2023	FY 2023-2024 Budget goes into effect
November 2023	Village of Loxahatchee begins to receive ad valorem tax revenue

³ The exact date that Village of Loxahatchee will commence operations requires a number of necessary actions to take place, and successful passage of an act to incorporate by the Florida legislature. Therefore, no specific date can be determined at this time. In addition, no estimate was made based on a partial first-year budget. All analysis provided herein is based on a complete fiscal year.

⁴ This timetable assumes that the Local Government Affairs Subcommittee reviews and the Senate approves the feasibility study and proposed charter in 2022.

Feasibility Study Financial Focus – the General Fund

The 5-year operational plan is limited to projecting the revenues and expenditures of the Village of Loxahatchee general fund. No attempt was made to project revenues and expenses for other typical government-wide funds, such as proprietary funds (enterprise funds) or fiduciary funds (trust and agency funds). According to generally accepted accounting principles developed by the Governmental Accounting Standards Board, if the Village of Loxahatchee were to establish fiduciary or enterprise funds in the future, these funds are treated differently for accounting purposes (please refer to *Concepts Statement No. 1* of the Governmental Accounting Standards Board), and are typically self-sustaining or propriety-based funds.

For the general fund, revenues are recognized when they are earned and they are measurable and available. “Measurable” means the amount of the transaction is determinable. “Available” means only if the amounts are collectible within the current fiscal period or soon enough thereafter (commonly 60 days) to pay expenditures of the current fiscal period. Expenditures are recognized when the general fund incurs a liability, but only when a payment is due and expected to be paid with available current financial resources. Long-term liabilities such as debt service payments, claims and judgments, and compensated absences are not budgeted or recognized as expenditures in governmental funds until they become due as it is only at that time they are liquidated with current financial resources.

Future Growth Factor

All revenue and expenditure assumptions used herein attempt to model what may actually occur in the future. However, like any model, there are a host of assumptions to baseline the analysis, and therefore different models will likely produce different results. In addition, applying a simple growth factor (such as 3%), may be overly conservative for some revenues and expenditures, such as property tax values and new construction, employee health care costs, wage growth through merit-based incentive pay, or even state shared revenues based on consumptions or population. For other revenues and expenditures, a 3% growth rate may be overly optimistic, such as occupational business tax revenues, general operating expenses for departments, or parking ticket revenues. Therefore, this feasibility study uses various growth factors.

Timing of Certain Revenues

Local governments in Florida operate on an October 1 – September 30 fiscal year, however, the State of Florida operates on a July 1 – June 30 fiscal year. In order for the newly incorporated Village of Loxahatchee to qualify for ad valorem and various state shared revenues, it must meet property appraiser deadlines and comply with state mandated criteria for state shared revenue.

If the Village of Loxahatchee becomes a legal entity on or about December 31, 2022 and complies with TRIM requirements, it should begin to receive property tax revenues collected by the Palm Beach Property Tax Appraiser between November and January 2023.

The Village of Loxahatchee must meet the criteria established in F.S. § 218.23 to be eligible to participate in revenue sharing beyond minimum entitlement. In order to qualify, it must:

1. Report its finances for the most recently completed fiscal year to the Department of Banking and Finance.

2. Make provisions for annual post-audits of its financial accounts in accordance with the provisions of state law.
3. For local governments, eligible after 1972, levy ad valorem taxes (excluding debt service or other special millage) that will produce the equivalent of 3 mills per dollar of assessed valuation (in the year of incorporation for new local governments) certified by the property appraiser or collect an equivalent amount of revenue from occupational license tax or a utility tax (or both) in combination with the ad valorem tax.
4. Certify that its law enforcement officers, as defined in F.S. § 943.10(1) meet the qualifications established by the Criminal Justice Standards and Training Commissions, and salary plans meet the provisions of Chapter 943, F.S., and that no law enforcement officer receives an annual salary of less than \$6,000; the minimum law enforcement officer salary requirements may be waived if the municipality certifies that it is levying ad valorem taxes at the 10 mills.
5. Certify that its firefighters, as defined in F.S. § 633.30(1), meet the qualifications set by the Division of State Fire Marshal, and that the provisions of F.S. § 633.382 have been satisfied.
6. Certify that each dependent special district that is budgeted separately from the general budget has met the provisions for an annual post-audit of its financial accounts in accordance with the provisions of law.
7. Certify to the Department of Revenue that the requirements of F.S. § 200.065 (TRIM) are met, if applicable, this certification is made annually within 30 days of adoption of an ordinance or resolution establishing a final property tax levy, or not later than November 1 if no property tax is levied.
8. Notwithstanding the requirement that municipalities produce revenue equivalent to a millage rate of 3 mills per dollar of assessed value (as described in #3 above), no municipality that was eligible to participate in revenue sharing in the three years prior to initially participating in half-cent sales tax shall be ineligible to participate in revenue sharing solely due to a millage or a utility tax reduction afforded by the Local Government Half-Cent Sales Tax.

Evidence of Fiscal Capacity and Organization [F.S. § 165.041(1)(b)(8)]

The statute explicitly states that the feasibility study must provide evidence of fiscal capacity and the operational plan including the existing tax bases, ad valorem taxable value, utility taxes, sales and use taxes, franchise fees, license and permit fees, charges for services, and other revenues sources, as appropriate

Section 4.1: Village of Loxahatchee Revenues

There are a variety of revenue sources local governments in Florida can use to pay for services provided within their community. Ultimately, a responsible local government will use a variety of revenue sources that produce long-term financial solvency that satisfies local public services demands. Depending on these needs, local government officials should conscientiously

formulate a mix of revenues that will pay for local government operations and services without unduly burdening the local tax base.

Home rule authority is granted by the Florida State Constitution. Under Home Rule, local governments have the discretion to perform any public service and enact any ordinance unless specifically prohibited by the State. The Florida Constitution restricts local governments to levying taxes that specifically have been enacted by the Florida Legislature. The lone exception is property tax. It is the only local revenue source authorized by the Constitution and is capped at 10 mills for general operating purposes. A mill is equal to \$1 of tax for each \$1,000 of taxable property value.

Ad Valorem Property Tax Revenues [F.S. § 165.041(1)(b)(8)(a)]

Property taxes are based on the value of real and personal property. Each year the Palm Beach County Property Appraiser determines the total value of each parcel of property. The value of residential property is based solely on the value of the real estate, which includes the buildings and improvements. The value of commercial property includes the value of the real estate and all relevant tangible and intangible property. This value is called "assessed value."

All Florida residents are eligible for a Homestead Exemption on their homes, condominiums, coop apartments, and certain mobile home lots if they qualify. Currently there are a number of property tax limitations placed on local governments. Under "Save our Homes" (SOH), the assessed value of homesteaded property cannot increase more than 3 percent each year, unless new construction or improvements occur on the property. The yearly limit varies based on the change in the CPI, but it cannot be more than 3 percent. For most homesteads, this limitation results in an assessed value that is lower than the market value of the home. In addition, *Amendment 1* allows portability of the SOH differential (which is the difference between the assessed value of a homestead and the market value). This portability allows some or all of the difference between the old homesteaded assessed value and its market value can be applied to the assessment of a new home in the first year it is owned. After which the SOH limit will apply for each year thereafter. The value of the portable SOH differential depends on how the value of the new home compares to the value of the old home.

In addition to SOH and Amendment 1 there are other exemptions on property taxes that property owners can claim, including:

- Disability Exemption
- Disability Exemption for Blind Persons
- Exemption for Widowed Persons
- Veteran's Disability Exemption
- Full Exemption for Veteran's Service-Connected Total and Permanent Disability
- Deployed Military Exemption
- Additional Exemption for Combat-Wounded Florida Disabled Veterans
- Full Exemption for Totally and Permanently Disabled Persons
- Surviving Spouse of Military Veteran or First Responder
- "Granny Flat" Exemption
- First Responders Tax Exemption

- Senior Citizen Tax Exemption

Ad valorem taxes are based on taxable value.⁵ The property tax is calculated by multiplying taxable value of property by .001, and then multiplying that number by the rate of taxation, which is referred as "mills" or "millage rate." For example, a single-family home valued at \$300,000, \$400,000 and \$500,000, with the standard deduction of \$50,000, at a millage rate of 3 mills, they would pay the following:

Table 5: Example of How Much a Single-Family Home would Pay in Property Taxes

Taxable Value of Property	\$300,000	\$400,000	\$500,000
Less Homestead Exemption	(\$50,000)	(\$50,000)	(\$50,000)
Taxable Value	\$250,000	\$350,000	\$450,000
Millage Rate	3 mills	3 mills	3 mills
Tax Bill	\$750	\$1,050	\$1,350

All property taxes are due and payable on November 1 each year or as soon as the assessment roll is certified by the Palm Beach County Property Appraiser. Palm Beach County will mail each property owner a notice of taxes due to the local government and the discount rate for paying taxes (4 percent if paid in November, 3 percent if paid in December, 2 percent if paid in January and 1 percent if paid in February.) There is no discount if taxes are paid in the month of March, and taxes are considered delinquent after April 1.

Identifying Property Tax Values

Assessed value for the Village of Loxahatchee is based on information retrieved from the Florida Property Tax Data Portal from the Florida Department of Revenue. Using the GIS parcel shapefile for Palm Beach County, property tax data were joined to the parcel shapefile. Based on the proposed boundary for the Village of Loxahatchee, parcels from the county dataset were selected. Once these parcels were isolated, the data were exported into Microsoft Excel to calculate the assessed value. The property tax categories come from the Property Tax Oversight section of the Florida Department of Revenue.

Table 6: Village of Loxahatchee Property Tax (based on 2020 Assessed Value)

	TOTAL VALUE
Just Value	\$ 4,470,924,966
Assessed Value – School District	\$ 3,240,392,416
Assessed Value – Non-School District	\$ 3,184,130,148
Taxable Value – School District	\$ 2,831,553,994
Taxable Value – Non-School District	\$ 2,487,229,000
New Construction	\$ 53,039,665

⁵ While a complicated formula is used to calculate assessed value, hence property taxes, including deductions, after subtracting all lawful exemptions, the remaining value is called "taxable value."

The Village of Loxahatchee taxable value (non-school district) is \$2,487,229,000.⁶ Based on this valuation, the Village of Loxahatchee property tax revenue for fiscal year 2023-2024 per one mill levied is:

Taxable value	\$2,487,229,000
x the discount factor ⁷	0.95
Revised Taxable Rate	\$2,362,867,550
Millage	1
Estimated Property Tax per mill	\$2,362,868

Using the 2021 taxable value minus the 95% discount factor the following table shows how much revenue the Village of Loxahatchee could collect at different millage rates starting in FY 2023-2024.

Table 7: Estimated Property Tax Revenue Per Mill

Millage Rate	Estimated Revenue
1	\$2,362,868
2	\$4,725,736
3	\$7,088,604
4	\$9,451,472
5	\$11,814,340
6	\$14,177,208
7	\$16,540,076
8	\$18,902,944
9	\$21,265,812
10	\$23,628,680

Estimating property tax revenues over the 5-year span requires looking specifically at the different components of assessed value of taxable property, including new construction, and the millage rate imposed by the elected body.

- Assessed value of taxable land: Capped consistent with Amendment I and SOH – no more than 3% per annum or the CPI if less than 3%. Please note that this value

⁶ Please note that taxable value for the Village of Loxahatchee does not include property that can be assessed for taxing purposes, including taxable value of personal property for operating purposes, taxable value of centrally assessed property for operating purposes, and new construction. Moreover, the value is based on 2021 assessed values.

⁷ Historically, local governments in Florida have used a 95% discount factor to capture potential property tax appraisal appeals, discounts, delinquencies, and non-payments.

does not account for any future annexations that may occur, the value of new construction, or the sale of current parcels within the Village of Loxahatchee.

- Millage rate: Given this is a policy decision by the elected officials of the Village of Loxahatchee, no attempt was made to estimate future millage rate changes. Therefore, a 3-mill rate is imposed across all five years.
- New construction: As noted on table 4, new construction within the Village of Loxahatchee was \$53,180, 640. Since the community is rather stable in terms of new construction over the last five years, and applying a 3-mill rate to this amount generates \$212,723. Please note that this figure does not account for any future land development occurring within the Village's boundaries.

Based on these conditions, the annual growth rate for property tax revenues in the Village of Loxahatchee will be based on the average taxable value growth based on Palm Beach County Property Tax Appraisers Office (<https://www.pbcgov.org/papa/asps/web/TaxRollInfo.aspx>). The average county growth rate from 2017 to 2020 is based on the total assessed value (line 25) of \$208,805,696,217 in 2017 and 246,164,733,165 in 2020. This represents a 5.97% average increase in county taxable value. To provide more conservative estimates despite this county increase in value, a 4% annual growth rate will be used for this study (which includes the value of new construction).

Table 8: 5-Year Estimate of Property Tax Revenues

	Taxable Value (95% @ 4%)	Estimated Property Tax Revenues Per Mill	Property Tax Revenues - 3 Mills
FY 2023-2024 (Base Year)	\$2,362,868	\$2,362,868	\$7,088,604
FY 2024-2025	\$2,457,383	\$2,457,383	\$7,372,148
FY 2025-2026	\$2,555,678	\$2,555,678	\$7,667,034
FY 2026-2027	\$2,657,905	\$2,657,905	\$7,973,715
FY 2027-2028	\$2,764,221	\$2,764,221	\$8,292,664

Public Service Tax

The Public Service Tax, also called the "Utility Tax", is another substantial revenue source for local governments in Florida. This tax is levied by the local government on specific utility services collected by the utility provider, even if the provider is the local government itself. The tax is incorporated into the utility bill and is based on relative consumption.

Florida Statutes § 166.231 provides local governments the authority to assess a tax based on the purchase of electricity, telephone and telegraph, water and heating fuels (natural gas, propane, fuel oil and kerosene) at a rate not to exceed 10 percent. Many local governments apply this tax on a broader definition of telecommunications, which include intrastate long distance, cellular,

paggers, etc. In this case the maximum rate allowed is 7 percent on all applicable telecommunications.

State Shared Revenues

This category is referred to as "revenue sharing." These revenues are collected by one government and shared with other governmental units. The statutory requirements for eligibility in state revenue sharing are addressed in the preceding section of this report. For this study, it is assumed that the Village will comply with all the provisions of state law to qualify for state shared revenues. A one-year lag has been included to recognize that population estimates for state revenue sharing purposes are based on the population of the prior year.

The half-cent sales tax allocation factor for each municipal government is computed by dividing the municipality's total population by the sum of the county's total population plus two-thirds of the county's incorporated population. Each municipality's distribution is determined by multiplying the allocation factor by the sales tax monies earmarked for distribution within its respective county. A one-year lag in population reporting for purposes of computing the half-cent sales tax revenue has been incorporated into the per capita estimates for the Village.⁸

Franchise Fees

Franchise fees are typically levied on a company or utility for the privilege of doing business within the local government's jurisdiction and/or for utilizing a local government's right-of-way to transact business. A 1987 Florida League of Cities survey indicates that franchise fees are levied on electricity, telephone (1 percent maximum), water, sewer, natural gas, cable television (5 percent maximum), solid waste collection, taxis, marinas, mass transit and golf courses. These fees are generally levied at rates of up to 6 percent of gross billings, except where noted above.

Intergovernmental Revenues, Licenses and Permit Fees

No attempt was made to model the various formulas used by the Florida Department of Revenue for determining state shared revenues. In addition, no effort was made to estimate potential federal or state grants or other intergovernmental revenues, such as federal payments in lieu of taxes (Chapter 69, Title 31 of the United States Code). These revenue sources, although typically minor in comparison to shared revenues, are dependent on the Village of Loxahatchee and various levels of government agreeing to establish these payments.

For each of the revenue items identified below, a simplified procedure was used. It is based on the premise that since the Village of Loxahatchee is located in unincorporated Palm Beach County, the per capita share of the County's revenues can be used to estimate these revenue sources for the Village of Loxahatchee. The formula applied is:

⁸ Sections 212.20(6) and 218.60-62, FS, provide definitions and the distribution formula for the Local Government Half Cent Sales Tax. Sections 218.63 and 218.23, FS, specify the eligibility requirements that local governments must satisfy in order to participate in the Local Government Half-Cent Sales Tax Program. Section 218.64, FS, stipulates the restrictions on the uses of these funds. In addition to the Half Cent Sales Tax, on November 8, 2016, the voters of Palm Beach County approved an Infrastructure Surtax. Proceeds are distributed 50% to the School District, 30% to Palm Beach County, and 20% to Cities.

- Palm Beach County FY 2021 Revenue Estimates
- 2020 Unincorporated Population of Palm Beach County: 1,466,494⁹
- Palm Beach County Revenue Per Capita
- Village of Loxahatchee Population 2021 Estimate (42,987)

In addition to the standard Intergovernmental revenues where Palm Beach County was used to base the projections on for the Village of Loxahatchee, an additional source has to be computed. Again, as a policy decision by the Village of Loxahatchee's legislative body, they can impose an additional 1/6 cent sales tax. For this study, it is assumed that the Village of Loxahatchee will impose this additional sales tax.¹⁰

Table 9: Intergovernmental and Franchise Revenue Estimates

Revenue Category	Palm Beach County FY 2021 Budget	Palm Beach County Population	Per Capita Rate	Village of Loxahatchee Population	Village of Loxahatchee Estimated Revenues
Licenses, Permits & Other Taxes					
Franchise Fee	35,245,000	1,466,494	24.0335	42,987	1,033,128
Utility Service Tax	44,690,000	1,466,494	30.474	42,987	1,309,986
Local Option Gas Taxes	52,420,000	1,466,494	35.7451	42,987	1,536,575
Communications Services Tax	17,412,000	1,466,494	11.8732	42,987	510,393
Building Permits	24,000,000	1,466,494	16.3656	42,987	703,508
Other Licenses, Permits & Other Taxes	9,456,621	1,466,494	6.4485	42,987	277,202
Licenses, Permits & Other Taxes	\$183,223,621				\$5,370,791
Intergovernmental Revenues					
State Shared Revenue	34,230,000	1,466,494	23.3414	42,987	1,003,377
½ Cent Sales Tax ¹¹	94,290,000	1,466,494	64.2962	42,987	2,763,901
Constitutional Gas Tax	18,784,000	1,466,494	12.8088	42,987	550,612
Intergovernmental Revenues	\$147,304,000				\$4,317,889

⁹ The unincorporated population of Palm Beach County was taken from the "Population Allocation Model" developed by the County Planning Division, and retrieved from <https://discover.pbcgov.org/pzb/planning/Projects-Programs/Population-Demographics.aspx>.

¹⁰ In addition to the Half Cent Sales Tax, on November 8, 2016, the voters of Palm Beach County approved an Infrastructure Surtax. Proceeds are distributed 50% to the School District, 30% to Palm Beach County, and 20% to Cities.

¹¹ Sections 212.20(6) and 218.60-62, FS, provide definitions and the distribution formula for the Local Government Half Cent Sales tax. Sections 218.63 and 218.23, Florida Statutes, specify the eligibility requirements that local governments must satisfy in order to participate in the Local Government Half-Cent Sales Tax Program. While Section 218.64, Florida Statutes, stipulates the restrictions on uses of the funds.

Population growth rate factor produced by ESRI (1.45%) is used to annualize the base moving forward.¹²

Table 10: Village of Loxahatchee Intergovernmental Revenue Estimates

Revenue Category	FY 2023-2024	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028
Licenses, Permits & Other Taxes					
Franchise Fee	1,033,128	1,048,108	1,063,306	1,078,724	1,094,365
Utility Service Tax	1,309,986	1,328,981	1,348,251	1,367,800	1,387,634
Local Option Gas Taxes	1,536,575	1,558,855	1,581,458	1,604,389	1,627,653
Communications Services Tax	510,393	517,794	525,302	532,919	540,646
Building Permits	703,508	713,709	724,058	734,557	745,208
Other Licenses, Permits & Other Taxes	277,202	281,221	285,299	289,436	293,632
Licenses, Permits & Other Taxes	\$5,370,791	\$5,448,668	\$5,527,674	\$5,607,825	\$5,689,138
Intergovernmental Revenues					
State Shared Revenue	1,003,377	1,017,926	1,032,686	1,047,660	1,062,851
1/2 Cent Sales Tax	2,763,901	2,803,977	2,844,635	2,885,882	2,927,727
1/6 Cent Sales Tax	922,927	936,309	949,886	963,659	977,632
Constitutional Gas Tax	550,612	558,596	566,695	574,912	583,249
Intergovernmental Revenues	\$5,240,816	\$5,316,808	\$5,393,902	\$5,472,114	\$5,551,459

User Fees (Charges for Services)

The Florida Comptroller defines user fees as "voluntary payments based on direct measurable consumption of publicly provided goods and services." User fees are derived from charges for water, waste water, natural gas, electricity, mass transit, garbage collection, parks and recreation, building inspections, public transportation, special public safety services and a variety of other goods and services.

User fees have substantially increased as a proportionate share of a municipal budget since the 1970's. For some services, fees are charged at rates below the actual cost and partially are offset by taxes. This is necessary for some services so that residents on fixed incomes are not excluded due to high prices. For other services, user fees cover the full cost of service delivery.

For the purpose of this study, it is assumed that the Village of Loxahatchee will charge for various services, including planning and zoning fees, athletic programs and summer camps, and lot mowing and clearing. However, since the actual rate and what is to be charged are policy decisions, revenues from this source are estimated to be \$300,000. This value was based on a Sister-City analysis conducted for this study (please refer to Appendix A for a discussion of the Sister-City benchmark process). More importantly, if the Village of Loxahatchee decided not to

¹² According to the Palm Beach County Planning Department the population growth of the unincorporated area from 2020 – 2025 is estimated to be 5.50%. Therefore, the ESRI estimate may underestimate the actual growth of these revenue sources.

charge for these services, it would have no material effect on this feasibility study, i.e. no significant impact on the ability of the Village of Loxahatchee to pay for expected operational expenses.

Fine and Forfeitures

Fines and forfeitures are financial penalties imposed for violations of the law. Fines include moving and parking tickets (including those from traffic cameras), court-imposed fines, and other criminal justice-related charges and penalties. A forfeiture is when the police seize property that is believed to be connected to a crime. (The US Census Bureau excludes library fines, sales of confiscated property, and any penalties relating to tax delinquency from these totals).

Although fines constitute a small share of the overall revenue for local governments in the State, depending on the nature of certain forfeitures, this could be material. However, for this feasibility study, only code enforcement, public safety, and false alarm fines are included in the revenue mix. Moreover, since the amounts are insignificant to the overall revenue total, these sources are projected to remain the same over the study horizon at \$5,000 for code enforcement fines, \$4,000 for public safety fines, and \$1,000 for false alarm fines.

Interest Income

During any fiscal year, local governments will have idle cash that should be invested, even short-term. According to the Government Finance Officers Association (GFOA), *Best Practices: Investment Policy*, local governments should develop an investment policy that describes how the entity will invest government funds, including investment objectives, preferences or tolerance for risk, constraints on the investment portfolio, and how the investment program will be managed and monitored.

For this study, a minimum amount of interest income is provided. This is based in part on the Village of Loxahatchee developing an investment policy, and in part on the fact that during certain times during the year, the Village of Loxahatchee will have cash to pay bills. Given there is no policy in place currently, it is assumed that the majority of interest income will come from short-term investments, as defined by the GFOA.

For this study, only \$20,000 in interest income was used, and no adjustments for future growth was offered.

Miscellaneous Income

Miscellaneous income represents all other sources that are not expressly captured from the revenue categories discussed in previous section. These types of income typically include sale of surplus equipment, rents and royalties, sponsorships, and donations.

Like charges for operating services, fines and forfeitures, and interest income, miscellaneous income typically produces limited revenues for local governments in Florida. Therefore, a minimum of \$50,000 is used for this study. Moreover, no projections were made for future years.

Table 11 provides the base and projected revenues by source for the Village of Loxahatchee. It becomes quickly apparent that a number of other revenue sources could have been included for this study, but since many of these others sources are immaterial to the overall fiscal health of a local government, they were not included herein.

Table 11: 5-Year Village of Loxahatchee Revenue Projections

REVENUES	Fiscal Year				
	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
AD VALOREM TAXES					
Ad Valorem Taxes (3 mills)	7,088,604	7,372,148	7,667,034	7,973,715	8,292,664
UTILITY SERVICE TAX					
Utility Service Tax	1,309,986	1,328,981	1,348,251	1,367,800	1,387,634
OTHER TAXES					
Local Option Gas Tax	1,536,575	1,558,855	1,581,458	1,604,389	1,627,653
Communication Service Tax	510,393	517,794	525,302	532,919	540,646
FRANCHISE FEES					
Electrical Franchise Fees	1,033,128	1,048,108	1,063,306	1,078,724	1,094,365
PERMITS & FEES					
Building Permits	703,508	713,709	724,058	734,557	745,208
Plan Check Fees	5,000	5,000	5,000	5,000	5,000
Certificate of Use	1000	500	500	500	500
STATE SHARED REVENUE					
State Shared Revenue	1,003,377	1,017,926	1,032,686	1,047,660	1,062,851
1/2 Cent Sales Tax	2,763,901	2,803,977	2,844,635	2,885,882	2,927,727
1/6 Cent Sales Tax	922,927	936,309	949,886	963,659	977,632
Constitutional Gas Tax	550,612	558,596	566,695	574,912	583,249
CHARGES FOR SERVICES					
Charges for Services	300,000	300,000	300,000	300,000	300,000
FINES & FORFEITURES					
Code Enforcement Fines	5,000	5,000	5,000	5,000	5,000
Public Safety	4,000	4,000	4,000	4,000	4,000
False Alarm Fines	1,000	1,000	1,000	1,000	1,000
INVESTMENT INCOME					
Interest Income	20,000	20,000	20,000	20,000	20,000
MISCELLANEOUS INCOME					
Miscellaneous Income	50,000	50,000	50,000	50,000	50,000
TOTAL G/F REVENUEUS	17,809,010	18,241,903	18,688,811	19,149,718	19,625,129

Section 4.2: Village of Loxahatchee Expenditures

According to F.S. 165.041(1)(b), a feasibility study for incorporation requires a listing of the services to be provided within the proposed incorporation area and their estimated costs. This section details the expenditures associated with operating the Village of Loxahatchee government. As noted in the proposed Charter, the Village of Loxahatchee will be a full-service municipality.

Exclusions from Village of Loxahatchee Operational Budget

Certain operations that some local governments provide, such as solid waste, water and wastewater treatment services, and even electrical power, will not be provided directly by the Village of Loxahatchee. Each one of these major services, and justification for not including them in the operational plan for Village of Loxahatchee is provided below.

Solid Waste: If the voters in the Village of Loxahatchee vote for incorporation, consistent with current practices, the existing solid-waste contracts will be honored for, at minimum, five years [F.S. § 165.041(1)(b)(11)]. The Local Government Formation Manual specifically states “The plan for any incorporation must honor existing contracts for solid waste collection services in the affected areas for the shorter of five years or the remainder of the contract term” (p. 19). Therefore, the Solid Waste Authority of Palm Beach will continue to collect residential and commercial garbage and trash within the Village of Loxahatchee. Since residents and businesses in the Village of Loxahatchee currently pay for these services, there is no additional expenses included in this feasibility study.

Water and Wastewater Services: In the Village of Loxahatchee, a significant majority of residential units are currently on well-water and septic. Moreover, for those commercial and residential units who currently receive Palm Beach County Water Utilities Department services, there are no additional expenses associated with providing water and wastewater for the Village of Loxahatchee.

Contracted Services

The second important part of the expenditures analysis regards specific services that will be contracted rather than actually provided by the Village of Loxahatchee. Below is the list of contracted services.

Legal Services: For the entire part of this feasibility study, it is assumed that the Village of Loxahatchee will contract with a legal firm that specializes in local government law. The original agreement will be for three years, with one-year renewable contracts thereafter. The base price is estimated to be \$316,000 with an escalation clause that increases the contract price 5% in the 4th year.

Palm Beach Sheriff's Office: Palm Beach County Sheriff's Department currently provides policing services within the proposed municipal boundaries of the Village of Loxahatchee. The Sheriff's Office noted that if they were to provide the same level of services to the area, it would cost around \$6,500,000 (email from Major Eric Coleman,

Palm Beach County Sheriff's Office). Consequentially this amount will be used for the first three years (contractual arrangement) for estimating future costs. From there, it is anticipated that a new contract with the Village of Loxahatchee will be negotiated, with a potential escalation of costs. This increase is projected to be 10% from the current base for the final two years of the projections.

According to Major Eric Coleman, West Regional Bureau, Palm Beach County Sheriff's Office, the following services will be provided to the Village for the estimated \$6.5 million:

Indian Trails [Village of Loxahatchee]: 1st year of contract

- 4 sectors, 6 deputies per sector (Minimum 4 on duty 24x7) = 24 deputies
- 2 Motors
- 2 Detectives
- 2 Street Team
- 5 Sergeants
- 1 Clerical Specialist
- 42 Crossing Guards
- Captain and lieutenant assigned to D15 at no charge to Indian Trails

2nd year: add two patrol deputies

3rd year: add two patrol deputies

4th year: add two patrol deputies

As personnel are added, we will add an additional sector, totaling 5 sectors (Minimum 5 deputies on duty 24 x 7).

Support services included

- Communications 24x7
- Crime Scene
- Traffic Homicide
- Violent Crimes Division - Robbery/Homicide/Gang detectives
- Crimes Against Children/Sex Crimes
- Computer Crimes
- Financial Crimes
- SWAT Team
- Narcotics
- Crossing guard supervision
- Fleet
- Computers
- Radios
- Legal
- Central Records
- Crime Analysis Unit
- Behavioral Services

- Tactical Unit
- K-9
- Police Athletic League
- Media Department
- Internal Affairs
- Training Division
- Watch Commanders
- Command Duty Officers
- Major

Fire and EMS: Pursuant to F.S. 125.01(1)(q) and (r), the Florida Legislature has empowered counties to establish Municipal Service Taxing Units ("MSTU"s) and to levy a tax within the MSTU for certain essential municipal services, including the provision of fire-rescue services. Currently, Palm Beach County Fire Rescue operates a MSTU for unincorporated areas, as well as providing services to a number of local governments in the county. Therefore, the Village of Loxahatchee, pursuant to Section 125.01(1)(q), will remain within the Fire Rescue MSTU. As a result, there is no additional costs associated with providing these services.

Services to be Provided by the Village that are Currently Provided by the Indian Trail Independent District.

As noted in the proposed Charter, the Village of Loxahatchee will enter into an inter local government agreement with the Indian Trail Independent District (ITID) to provide certain services that are currently provided by the District. The two functions the Village will take over from the District are roadways and parks and recreation. The District will still provide their residents with water control, water supply, and protecting the land within its boundaries from the effects of water by using the construction and maintenance of canals, ditches, levees, dikes, pumping plants, and other works and improvements. Therefore, all the expenses associated with roadways and parks and recreation are included in the proposed operational plan for the Village. If, for some reason, the Village and the District do not enter into the inter local government agreement once the Village is incorporated, those identified expenses associated with roadways and parks and recreation would be removed from the five-year operational budget. The fiscal impact for the Village if they did not enter into the inter local government agreement with the District would be approximately a \$3,000,000 reduction in expenses each year.

General Governmental Expenditures

The three major expenditure categories as defined by the State of Florida *Uniform Accounting System Manual*¹³ are used herein to estimate expenditures for each department in the general fund.

¹³ Uniform Accounting System File, Retrieved from <https://www.myfloridacfo.com/division/aa/manuals/localgovernment/2011uasmanualcounty122910.pdf>

Personnel Expenses

For each position used to compute personnel expenditures, two approaches were used. For those positions that are currently occupied by ITID personnel which will be transferred to the Village, those actual costs are included. For any new position, the Bureau of Labor Statistics (BLS), *Occupational Outlook Handbook* was used to establish baseline salaries. For example, according to the BLS, the median pay for a code enforcement officers were \$62,860, while a recreation supervisor is \$28,440 per year. In addition to new positions salaries, calculations for Social Security/FICA, Medicare, unemployment, workmen's compensation, healthcare, and retirement were estimated based on the U.S. Small Business Administration, which states that it generally costs between 1.25 to 1.4 times the annual salary for employees for these benefits. Therefore, each salary line includes a 1.3% multiplier to capture these additional personnel expenses. These additional expenses were also compared to the ITID average costs, which was approximately 30%. Other personnel expenses, such as accumulated vacation and sick leave were not added to the estimated costs. For future year estimates, all personnel costs are expected to increase 2.5%.

Operating Expenditures:

Operating expenditures typically include all the materials and supplies, and other associated operating costs (i.e. utilities and rent, training and travel) that are related to providing the programs/services of each department. Basically, these expenditures include goods and services, which primarily benefit the current period, and are not defined as personnel services or capital outlays.

Like personnel costs, actual ITID operating expenses associated specifically with certain functions are used to establish the baseline estimates. For those new activities/departments, according to U.S. Census Bureau, *2019 State & Local Government Finance Historical Datasets and Tables*,¹⁴ approximately 42% of the actual cost of direct local government expenditures are associated with operating and capital expenses. This was computed by taking current operational expenses for local government (\$1,276,519,167) and divide this by salaries and wages (\$736,643,392). The next step was to isolate the operating expenses by removing capital outlays, assistance and subsidies, interest on debt, and insurance benefits and repayments. Based on this analysis, it was determined that operating expenses represented 26% of all local government expenditures, and was used for those departments where actual operating costs had to be estimated.

Capital Outlays:

Capital outlays are divided into two separate classes. Those typically associated with operating a department and cost less than \$10,000 are classified as capital expenditures and are treated as part of the department's budget. For example, general operating capital would include office furniture, office equipment, and computer hardware and software. Using the same logic as

¹⁴ Annual Survey of State and Local Government Finances, Retrieved from <https://www.census.gov/programs-surveys/gov-finances.html>

operating expenses above, capital expenditures account for 16% of local government expenditures.

Those capital items which are projected to last longer than three years and cost more than \$10,000 are typically itemized within the Capital Fund. Capital grouped under this category would include major equipment, buildings, and technology infrastructure. Moreover, how the Village of Loxahatchee may want to finance these items is a policy decision beyond this study to be undertaken upon successful incorporation – for example the Village of Loxahatchee could issue debt, use pay-as-you-go financing, or even lease these items through a public-private partnership. Therefore, major capital expenditures are not captured herein.

Once the Village of Loxahatchee is incorporated, major capital items, such as the administration building, equipment related to roadways, as well as parks and recreation facilities and associated land will be transferred from the ITID to the new Village through an interlocal agreement. To avoid listing each asset and keep this study manageable, table 12 lists those assets by major category. If the ITID and the Village cannot agree on transferring those responsibilities and associate assets, the net effect would be a decrease of approximately \$2,900,000 in annual expenditures for the Village. How the Village of Loxahatchee may want to finance capital assets if the interlocal agreement does not occur is a policy decision beyond this study – for example the Village could issue debt, use pay-as-you-go financing, or even lease these items through a public-private partnership. A possible consideration that the Village may consider regarding certain capital assets (such as administration buildings) is the fact that over the past 18 months the normal office space and functionalities of both the private and public sector have changed substantially. Currently there are many studies that show that a significant number of professionals, para-professionals and administrative staff do not want to return to a full-time office space and are just as productive.

Table 12: Capital Assets Rolled Forward Schedule

	<u>Village of Loxahatchee</u>
Not being depreciated:	
Land	2,378,722
Land improvements	0
Construction in progress	8,024,407
	<u>10,403,129</u>
Being depreciated:	
Park improvements	5,760,362
Roads and pathways	22,849,681
Buildings	874,980
Drainage structures	0
Machinery and equipment	4,668,269
	<u>34,153,291</u>
Accumulated depreciation:	
Park improvements	(4,474,745)
Roads and pathways	(12,750,553)
Buildings	(853,218)

Drainage structures	-
Machinery and equipment	(2,903,355)
	<u>(20,981,872)</u>
Total being depreciated, net	<u>13,171,420</u>
Grand total, net	<u><u>23,574,549</u></u>

The following table itemizes the positions, associated operating expenditures, and capital expenditures for the Village of Loxahatchee along with the five-year operational forecast. Please note that the amount for the Mayor and Council Members are solely for their pay and benefits per the Code, with a 1% annual growth rate. All other expenses, such as travel, memberships, and related reimbursable expenses are included in the operating expenses for the Village.

Table 13: 5-Year Village of Loxahatchee Expenditure Projections

EXPENDITURES		Positions	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
ADMINISTRATION							
Mayor and Commission		5	119,600	120,796	122,004	123,224	124,456
City Manager's Office							
	Village Manager	1	261,947	268,496	275,208	282,088	289,140
	Chief Construction Officer	1	173,697	178,039	182,490	187,053	191,729
	Administrative Secretary	1	85,180	87,310	89,492	91,730	94,023
Legal Counsel	Contract Services		316,000	316,000	316,000	331,800	331,800
City Clerk	Village Clerk	1	67,331	69,014	70,740	72,508	74,321
Information Technology							
	Network and Media Specialist	1	83,959	86,058	88,209	90,415	92,675
Human Resources							
	Chief Human Resources Officer	1	121,134	124,162	127,266	130,448	133,709
Total Administration		11	1,228,848	1,249,875	1,271,410	1,309,265	1,331,854
FINANCE							
Director's Office							
	Chief Financial Officer	1	145,055	148,681	152,398	156,208	160,114

Financial Operations

Senior Accountant	1	88,785	91,005	93,280	95,612	98,002
Accountant	1	79,946	81,945	83,993	86,093	88,245
Accounting Specialist	1	68,592	70,307	72,064	73,866	75,713

Purchasing

Purchasing Specialist	1	83,112	85,190	87,320	89,503	91,740
-----------------------	---	--------	--------	--------	--------	--------

Total Finance	5	465,490	477,127	489,055	501,282	513,814
---------------	---	---------	---------	---------	---------	---------

PLANNING AND ZONING

Director's Office and Staff

Planning Director	1	126,750	129,919	133,167	136,496	139,908
Development Review Coordinator	1	66,950	68,624	70,339	72,098	73,900
Administrative Assistant	1	50,180	51,435	52,720	54,038	55,389

Code Enforcement

Code Enforcement Officer	1	88,004	90,204	92,459	94,771	97,140
Code Enforcement Officer	1	88,004	90,204	92,459	94,771	97,140

Total Planning and Zoning	5	419,888	430,385	441,145	452,173	463,478
---------------------------	---	---------	---------	---------	---------	---------

BUILDING DEPARTMENT

Director's Office and Staff

Building Official	1	123,714	127,425	131,248	135,185	139,241
Administrative Assistant	1	50,180	51,685	53,236	54,833	56,478

Inspectors

Building Inspector	1	75,009	77,259	79,577	81,965	84,424
Plumbing Inspector	1	70,361	72,472	74,646	76,886	79,192

Mechanical Inspector	1	59,031	60,802	62,626	64,505	66,440
Electrical Inspector	1	72,100	74,263	76,491	78,786	81,149
Building Permit Supervisor	1	89,522	92,207	94,973	97,823	100,757
Building Code Compliance Officer	1	61,564	63,411	65,313	67,272	69,290
<hr/>						
Total Building Department	8	601,480	619,525	638,111	657,254	676,971

PUBLIC WORKS/OPERATIONS

Director's Office

Chief Operating Officer	1	128,566	131,780	135,075	138,452	141,913
Administrative Assistant	1	50,180	51,435	52,720	54,038	55,389
Customer Service Rep	1	51,462	52,749	54,067	55,419	56,804
Capital Improvement Sup.	1	79,750	81,744	83,787	85,882	88,029
<hr/>						
Total Director's Office	4	309,958	317,707	325,650	333,791	342,136

ROADS

Crew Chief	4	307,223	314,903	322,776	330,845	339,117
Grader MEO III	6	401,883	411,930	422,228	432,784	443,604
Maint Equip Oper 1	2	94,732	97,100	99,527	102,015	104,566
Maint Equip Oper 2	7	386,188	395,843	405,739	415,883	426,280
Maint Equip Oper 3	6	390,806	400,576	410,591	420,855	431,377
Roadway Management Sup.	1	92,390	94,700	97,067	99,494	101,981
Sign Tech	1	50,267	51,524	52,812	54,132	55,485
<hr/>						
Total Roads	27	1,723,489	1,766,576	1,810,740	1,856,009	1,902,409

FLEET

Dump Truck MEO 3	3	195,549	200,438	205,449	210,585	215,850
Fleet Mechanic	2	159,207	163,187	167,267	171,449	175,735
Fleet Supervisor	1	102,851	105,422	108,058	110,759	113,528
<hr/>						
Total Fleet	6	457,607	469,047	480,773	492,793	505,113

CAPITAL PROJECTS

Crew Chief	1	76,806	78,726	80,694	82,711	84,779
Maint Equip Oper 1	1	47,366	48,550	49,764	51,008	52,283
Maint Equip Oper 2	2	110,340	113,098	115,925	118,824	121,794
Maint Equip Oper 3	1	65,134	66,763	68,432	70,143	71,896
<hr/>						
Total Capital Projects	5	299,645	307,136	314,815	322,685	330,752

Total Public Works/Operations	42	2,790,699	2,860,466	2,931,978	3,005,277	3,080,409
-------------------------------	----	-----------	-----------	-----------	-----------	-----------

PUBLIC SAFETY

Police	Contract with PBSO	0	6,500,000	6,500,000	6,500,000	7,150,000	7,150,000
Fire & EMS	MSTU	0	0	0	0	0	0
<hr/>							

Total Public Safety	0	6,500,000	6,500,000	6,500,000	7,150,000	7,150,000
---------------------	---	-----------	-----------	-----------	-----------	-----------

PARKS AND RECREATION

Director's Office

Parks & Rec Director	1	121,722	124,765	127,884	131,081	134,358
Facilities, Parks & Rec. Manager	1	77,940	79,889	81,886	83,933	86,031
Parks & Recreation						
Equestrian Specialist	1	58,558	60,022	61,522	63,061	64,637
Park Specialist I	6	316,627	324,543	332,656	340,973	349,497
Park Specialist II	2	158,227	162,183	166,237	170,393	174,653
Recreation Specialists	1	53,909	55,257	56,638	58,054	59,505
Total Parks and Recreation	12	786,983	806,658	826,824	847,495	868,682

OPERATING EXPENSES

Accounting & Auditing Fees	46,667	46,667	46,667	46,667	46,667
Books, Publications, Dues, Subscriptions	4,207	4,207	4,207	4,207	4,207
Charges and Fees	6,187	6,187	6,187	6,187	6,187
Chemicals	10,000	10,000	10,000	10,000	10,000
Computer Programming & Maintenance	97,267	97,267	97,267	97,267	97,267
Contractual Services - Janitorial	16,600	16,600	16,600	16,600	16,600
Contractual Services - Other	259,393	259,393	259,393	259,393	259,393
Contractual Services - Professional	98,933	98,933	98,933	98,933	98,933
Deputy Sheriffs	29,500	29,500	29,500	29,500	29,500
Dyed Diesel Fuel	173,250	173,250	173,250	173,250	173,250
Education & Training	5,000	5,000	5,000	5,000	5,000
Engineering Fees	226,000	226,000	226,000	226,000	226,000
Equipment Leasing, Long-Term (Non - Capital)	142,130	142,130	142,130	142,130	142,130
Equipment Rental, Short - Term	73,400	73,400	73,400	73,400	73,400
Gasoline	5,000	5,000	5,000	5,000	5,000
General Insurance	173,333	173,333	173,333	173,333	173,333

Janitorial Supplies	9,733	9,733	9,733	9,733	9,733
Lubricants and Fluids	22,815	22,815	22,815	22,815	22,815
Maintenance - Asphalt Roads and All Sidewalks (Unit Specific)	143,400	143,400	143,400	143,400	143,400
Maintenance-Non - Asphalt Roads (Unit Specific)	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Meetings/Meals	1,833	1,833	1,833	1,833	1,833
Postage & Delivery	600	600	600	600	600
Printing, Signage & Forms	2,667	2,667	2,667	2,667	2,667
Records Management	5,333	5,333	5,333	5,333	5,333
Reimbursable Expenses	-13,699	-13,699	-13,699	-13,699	-13,699
Repairs & Maintenance - Building	59,100	59,100	59,100	59,100	59,100
Repairs & Maintenance - Equipment	175,400	175,400	175,400	175,400	175,400
Repairs & Maintenance - Fields & Grounds	164,400	164,400	164,400	164,400	164,400
Repairs & Maintenance - Vehicles	54,487	54,487	54,487	54,487	54,487
Safety Supplies	2,350	2,350	2,350	2,350	2,350
Surveying Supplies	5,267	5,267	5,267	5,267	5,267
Telephones & Communications	36,333	36,333	36,333	36,333	36,333
Tools	14,940	14,940	14,940	14,940	14,940
Trash Pickup	46,600	46,600	46,600	46,600	46,600
Travel	8,000	8,000	8,000	8,000	8,000
Uniforms	27,217	27,217	27,217	27,217	27,217
Utilities	90,375	90,375	90,375	90,375	90,375

Total Operating	0	3,574,018	3,574,018	3,574,018	3,574,018	3,574,018
-----------------	---	-----------	-----------	-----------	-----------	-----------

CAPITAL - OPERATING

Capital Outlay-Computer Equipment	30,000	30,000	30,000	30,000	30,000
Capital Outlay-Vehicles	70,000	70,000	70,000	70,000	70,000

Total Capital - Operating	0	100,000	100,000	100,000	100,000	100,000
---------------------------	---	---------	---------	---------	---------	---------

TOTAL EXPENDITURES	<u>83</u>	<u>16,467,407</u>	<u>16,618,055</u>	<u>16,772,541</u>	<u>17,596,765</u>	<u>17,759,226</u>
---------------------------	-----------	-------------------	-------------------	-------------------	-------------------	-------------------

Data and Analysis to Support that Incorporation is Necessary and Financially Feasible under [F.S. § 165.041(1)(b)(9)]

The ability of the Village of Loxahatchee to develop a self-governed, multi-purpose municipality in order to maintain and preserve, on a local level, its rural charm and community identity, is only limited by the fact that it is an unincorporated section of Palm Beach County. Self-governance will allow the Village of Loxahatchee to meet its stated goals of preserving the existing quality of life and maintaining the existing natural environment, providing residents direct control over future land use and other quality of life issues within the Village of Loxahatchee, and to take a long-range look at what future impacts and adjacent land development will have on the Village of Loxahatchee through the development of a comprehensive plan upon incorporation. Ultimately incorporation is necessary so the Village of Loxahatchee can return a greater share of statewide collected tax dollars to the community and build a community-centered land use plan that maintains the rich quality of life and living environment under the control of current and future residents.

Despite much of the area existing as a Census Designated Place, the U.S. Census and the State of Florida do not have accurate, current data, nor are projections applicable to this geographic area at either the federal, state, or county level. Given these issues regarding the lack of available data, ESRI 5-year projections were used. These projections combine publicly-available data and privately-purchased data to create their projections at the local level. These projections, based on multiple sources of data, are used to triangulate local projects. Specifically, their Methodology Statement: 2020/2025 ESRI Updated Demographics white paper (available at <https://doc.arcgis.com/en/esri-demographics/reference/methodologies.htm>) points out that using recent U.S. Census data, whether from the most recent decennial census and/or American Community Survey, may result in great inaccuracy related to smaller geographies in unincorporated areas. Moreover, the ESRI projections use cohort-survival methodologies similar to what the State of Florida's Office of Economic & Demographic Research for their projections. The difference is that the Office of Economic & Demographic Research projections cannot easily be applied to smaller-scale, unincorporated geographies. Finally, ESRI made conservative adjustments based on the population and employment impacts from COVID-19.

To measure population change at smaller geographic levels not collected by the U.S. Census, ESRI utilizes four different sources, three of which are proprietary: Experian, the U.S. Postal Service, Metrostudy, and Axiometrics. The U.S. Postal Service has monthly counts of residential deliveries for every single postal route in the entire country. This data source provides a far more accurate picture of household growth and decline than other public data sources. Mail carrier routes, though, often overlap, especially in smaller areas that are unincorporated. To address this overlap issue, ESRI created a database called Address Based Allocation back in 2005 to provide better baseline data for their projections. This database links carrier routes to block groups. Perhaps more importantly, the accuracy of these data was independently tested by four different outside vendors, with the accuracy of ESRI's methodology existing as the most accurate estimate. The data from Metrostudy include construction projects by location. These data contain the number of units planned, an inventory of units under construction, sold, and/or closed, the type of housing, and the target markets. Axiometrics housing data is used to ensure that the multifamily housing market is included for rental properties as well as student apartments. The newest estimates generated by ESRI, with the

inclusion of the Axiometrics rental data, means that the most recent projections are far more accurate in capturing rental properties.

Evaluation of Available Alternatives to Address Policy Concerns under [F.S. § 165.041(1)(b)(10)]

Status Quo: If the residents in the proposed area do not vote in favor of incorporation, all current services will remain under the provision of the Indian Trail Improvement District and Palm Beach County.

Special Taxing District: Unlike a municipality, a special district does not have the same legal rights, such as the ability to use Home Rule for governance to its fullest extent. In addition, if the Village of Loxahatchee is not incorporated, those services not directly provided by Indian Trail Improvement District would not qualify for creating another special district in the proposed municipal boundaries.

Annexation/Merger with an Existing Municipality: One of the major reasons for municipal incorporation of the Village of Loxahatchee is to provide more input and planning related to land use. A review of surrounding localities demonstrates that surrounding land use philosophies and that of the Village of Loxahatchee are not necessarily in unison. In fact, given that the Village of Loxahatchee is the only remaining unincorporated area in the county that provides equestrian trails, dirt roads, and similar rural characteristics, none of the surrounding communities would provide a fit that would not impinge on the existing character of this unique area.

County Neighborhood Overlay: The community could work with the County to try to create an overlay that would protect the existing land uses and create codes specific to the area. However, this option is not likely to be a successful option. This option would require extensive support from the county commission coupled with a very lengthy process. It would increase administrative costs to the county to create separate rules, as well as provide separate and unique code enforcement for rules created in the overlay. This option would subject the County to other unincorporated areas requesting the same privileges, resulting in unique rules for many areas in the County. Discussions with the County staff regarding this option does not seem appealing or desirable to the staff. Furthermore, it would not address the potential to have areas of the community annexed into other municipalities.

Information about the County's Municipal Overlay [F.S. § 165.041(1)(c)]

No municipal overlay was adopted or exists for the Village of Loxahatchee based on data from Palm Beach County.

Evidence that the Proposed Municipality Meets the Requirements for Incorporation under [F.S. § 165.061]

The proposed boundaries for the Village of Loxahatchee meet all the feasible requirements with the exception of being located at least two miles from the nearest municipality. Despite this distance issue, the Village of Loxahatchee meets the population size and density requirements, is amenable to separate municipal government, has a charter that prescribes a council-manager

form of government, and enables the legislative body to levy taxes under the Florida Constitution.

Conclusion

This feasibility study demonstrated that the Village of Loxahatchee satisfies all the requirements stated in Florida State statutes and conforms to the criteria for incorporation identified in the *Local Government Formation Manual, 2020-2022* except for the 2-mile separation between the proposed municipality and surrounding municipalities. The existing population meets the population requirement as well as the population density requirement. Due to the fast rate of growth and development in Palm Beach County over the last two decades, the minimum distance requirement is not met due to municipalities that were recently incorporated. Moreover, several surrounding municipalities annexed properties over the last decade that border the area to be incorporated. The fact that the area meets the population requirements based on existing, not proposed, population benchmarks demonstrate the feasibility of this area to be self-governed. Finally, the creation of the municipal charter provides a viable framework for governance of the area to be incorporated.

Appendix A: Sister-City Benchmark Analysis for Village of Loxahatchee

To establish a reasonable baseline to justify the defensible estimates used in this feasibility study, a benchmark analysis was conducted. A benchmark is defined as “a standard or point of reference against which things may be compared or assessed” (Oxford Languages). To establish a benchmark, and consistent with benchmarking practices, a sister city comparison was used in this study to judge the validity of certain estimates.

Sister City Comparison for Benchmark Analysis

Data were gathered from 18 comparable cities in Florida based upon population, median household income, and per capita income. Of these 18 comparable cities, the list was narrowed to the following 5 communities based on having comparable populations to the Village of Loxahatchee within the State.

Table 14: Cities Used for Benchmark Purposes

<u>City</u>	<u>Population</u>	<u>Median Household Income</u>
Greenacres	41,117	49,884
Altamonte Springs	44,143	52,888
North Miami Beach	43,041	43,788
Village of Loxahatchee	42,987	92,144
Winter Garden	46,051	73,739
Royal Palm Beach	40,396	82,852

For each of the benchmark cities, FY 2020 budget data was collected regarding their individual revenues and expenditures. The full results of this analysis are provided on Table 15. Based on these calculations, revenues and expenditures are compared using the sister cities estimates and the estimates provided above. Again, this is solely for benchmarking purposes and to check the validity of the estimated revenues and expenditures for the incorporation of the Village of Loxahatchee.

Table 15: Sister-City Comparison

	Greenacres	Altamonte Springs	North Miami Beach	Winter Garden	Royal Palm Beach		Village of Loxahatchee
Population	41,117	44,143	43,041	46,051	40,396	Average	42,987
Median Household Income	\$49,884	\$52,888	\$43,788	\$73,739	\$82,852	for All Cities	\$92,144
GENERAL FUND REVENUES							
Ad Valorem	12,117,534	10,420,878	20,020,335	16,172,254	5,436,026	12,833,405	7,117,701
Utility Services	3,025,165	4,206,800		5,561,982	4,572,387	4,341,584	1,309,986
Other Taxes	2,211,004	3,405,000	15,940,450	275,642	2,681,564	4,902,732	5,628,751
Intergovernmental Revenues	5,470,120	5,101,000	7,052,876	10,315,853	5,364,528	6,660,875	5,240,816
Permit and Fees	2,567,875	4,961,000	877,750	5,420,508	1,122,868	2,990,000	709,508

Charges for Services	4,740,682	7,169,161	1,560,456	4,676,113	475,300	3,724,342	300,000
Fines and Forfeitures	113,400	205,000	1,755,000	53,727	446,500	514,725	10,000
Miscellaneous Revenues	778,211	718,400	12,665,680	910,161	1,121,935	3,238,877	1,804,250
TOTAL G/F REVENUES	31,023,991	36,187,239	59,872,547	43,386,240	21,221,108	39,206,542	22,121,012

GENERAL FUND EXPENDITURES

City Commission	238,809	240,000	513,683	241,273	301,652	307,083	119,600
City Manager	392,403	317,967	1,573,766	1,257,434	1,839,723	1,076,259	725,917
Communications/Marketing	-	-	529,861			529,861	0
City Attorney	230,000	550,000 ^a	988,040	339,162	320,000	375,440	316,000
Financial Services	1,002,096	1,720,853	2,003,814	2,048,736	939,308	1,542,961	560,490
Information Technology Services	767,787	4,136,000		1,389,909	1,009,280	1,825,744	0
Human Resources	368,477	628,698	747,181	618,487		590,711	0
City Clerk	314,370	545,225	594,961	280,604		433,790	67,331
Police	10,722,058	12,267,272	25,141,960	12,121,533	8,098,508	13,670,266	6,500,000
Fire & EMS	8,282,064	-		8,336,374		8,309,219	0
Development-Support Services		1,033,496			1,392,917	1,213,207	0
Building	1,216,182	153,733	769,981	2,404,304		1,136,050	529,380
Engineering				770,077	1,029,934	900,006	0
Planning and Zoning	663,133		748,322	533,176		648,210	419,888
Economic Development				304,823		304,823	0
Public Works	2,851,925	844,235	15,241,224	546,637	2,682,035	4,433,211	1,404,377
Facilities Management		2,634,573		1,030,750		1,832,662	299,645
Fleet Management		1,871,615		819,877		1,345,746	457,607
Roads & Streets				1,118,982		1,118,982	1,723,489
Recreation		4,541,057	7,531,535	1,497,405		4,523,332	786,983
Parks & Grounds	993,495	2,549,881		6,709,267	5,610,602	3,965,811	0
Other	3,264,982	1,742,738	1,305,322			2,104,347	7,407,289

TOTAL G/F EXPENDITURES	31,307,781	35,227,343	57,689,650	42,368,810	23,223,959	52,187,722	21,317,997
-------------------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Notes: Total expenditures for the Village of Loxahatchee captures all possible departments that are included in the comparison.

Altamonte Springs: Estimated based on City Commission and City Attorney itemized in City Manager budget

North Miami Beach: Budget for Mayor/Commission included \$8,774,049 for non-departmental expenditures

North Miami Beach: Misc. Revenues includes \$12,156,600 in Fund Balance Carryforward

Appendix B: Proposed Charter

HOUSE OF REPRESENTATIVES
LOCAL BILL ECONOMIC IMPACT STATEMENT FORM

****Read all instructions carefully.****

The House local bill policy prohibits a local bill from being considered by a committee or a subcommittee without an Economic Impact Statement. This form must be prepared by an individual who is qualified to establish fiscal data and impacts and has personal knowledge of the information given (for example, a chief financial officer of a local government) and include information for the first two full fiscal years after the effective date of the local bill. Please file this completed form with the Clerk of the House as soon as possible after a local bill is filed. Additional pages may be attached as necessary.

BILL #: _____
SPONSOR(S): _____
RELATING TO: _____
[Indicate area affected (city, county, or special district) and subject]

☐ **Check if this is a revised Economic Impact Statement**

I. REVENUES:

These figures are new revenues in the first two full fiscal years after the effective date of the bill that would not otherwise exist but for the passage of the bill. The term "revenue" contemplates, but is not limited to, taxes, fees, and special assessments. For example, license plate fees may be a revenue source. If the bill will add or remove property or individuals from the tax base, include this information as well.

	<u>First FY</u>	<u>Second FY</u>
Revenue decrease due to bill:	\$ _____	\$ _____
Revenue increase due to bill:	\$ _____	\$ _____

II. COST:

Include all costs, both direct and indirect, including start-up costs, in the first two full fiscal years after the effective date of the bill. If the bill repeals the existence of a certain entity, state the related costs, such as satisfying liabilities and distributing assets.

Expenditures for implementation, administration, and enforcement:

<u>First FY</u>	<u>Second FY</u>
\$ _____	\$ _____

Please include explanations and calculations regarding how each dollar figure was determined in reaching total cost.

III. FUNDING SOURCE(S):

State the specific sources from which funding will be received, for example, license plate fees, state funds, borrowed funds, or special assessments. If certain funding changes are anticipated to occur beyond the first two full fiscal years after the effective date of the bill, explain the change and at what rate taxes, fees, or assessments will be collected in those years.

	<u>First FY</u>	<u>Second FY</u>
Local:	\$ _____	\$ _____
<hr/>		
<hr/>		
State:	\$ _____	\$ _____
<hr/>		
<hr/>		
Federal:	\$ _____	\$ _____
<hr/>		
<hr/>		

IV. ECONOMIC IMPACT:

Potential advantages:

Include all possible outcomes linked to the bill, such as increased efficiencies, and positive or negative changes to tax revenue. If an act is being repealed or an entity dissolved, include the increased or decreased efficiencies caused thereby. Include specific figures for anticipated job growth.

1. Advantages to individuals:

2. Advantages to businesses:

3. Advantages to government:

Potential disadvantages:

Include all possible outcomes linked to the bill, such as inefficiencies, shortages, or market changes anticipated. Include reduced business opportunities, such as reduced access to capital or training, and state any decreases in tax revenue as a result of the bill.

1. Disadvantages to Individuals: _____

2. Disadvantages to Businesses: _____

3. Disadvantages to Government: _____

V. DESCRIBE THE POTENTIAL IMPACT OF THE BILL ON PRESENT GOVERNMENTAL SERVICES:

VI. SPECIFIC DATA USED IN REACHING ESTIMATES:

Include the type(s) and source(s) of data used, percentages, dollar figures, all assumptions made, history of the industry/issue affected by the bill, and any audits.

VII. CERTIFICATION BY PREPARER

I hereby certify I am qualified to establish fiscal data and impacts and have personal knowledge of the information given. I have reviewed all available financial information applicable to the substance of the above-stated local bill and confirm the foregoing Economic Impact Statement is a true and accurate estimate of the economic impact of the bill.

PREPARED BY: Clifford McCue
[Must be signed by preparer]

Print preparer's name: _____

Date

TITLE (such as Executive Director, Actuary, Chief Accountant, or Budget Director):

REPRESENTING: _____

PHONE: _____

E-MAIL ADDRESS: _____



JUSTUS REID*
BERNARD LEBEDEKER
JEFFREY C. PEPIN
ROBERT MACHATE
RICHARD SLAWSON*, **

J. MICHAEL BURMAN*
DEAN XENICK
MEGAN WEGERIF
DAVID MUNIZ

*Board Certified, Civil Trial Law

**Of Counsel

December 1, 2021

Via Email:

Rick.Roth@myfloridahouse.gov and Rick@rothfarms.com

Rick Roth

100 Village Square Crossing, Suite 104

Palm Beach Gardens, FL 33410-4531

Re: Minto PBLH, LLC, a Florida Limited Liability company; Seminole Improvement District, a Special Improvement District of the State of Florida vs. Indian Trail Improvement District, a Special Improvement District of the State of Florida

Dear Mr. Roth;

As you may know, my law firm represents Indian Trail Improvement District (hereinafter "Indian Trail") in the above referenced litigation. It has been brought to my attention that a great deal of misinformation has been directed to the general public and the Florida Legislative Delegation regarding the above litigation by Minto and Seminole, their agents and representatives. I have been requested to correct this rampant misinformation campaign.

At the outset it should be clear that Minto and SID initiated this lawsuit. They filed it on June 11, 2020. They are the Plaintiffs and Counter-Defendants. Indian Trail responded and countersued. The City of Westlake is not a party to this litigation.

Although this lawsuit came to a head as a result of Minto and SID's attempt to connect to 140th Ave. (essentially an Indian Trail district road) it's scope and breath goes well beyond that. In essence Minto and Seminole claim that all of Indian Trail's district roads are "public" roads and not under the control of Indian Trail. They further claim that they have unfettered access over all of Indian Trail's roads by reason of a Right of Way Agreement and other easements granted to their predecessors in the '60's and '70's.

ONE CLEARLAKE CENTRE, 250 S. AUSTRALIAN AVE., #602, WEST PALM BEACH, FLORIDA 33401

PHONE: 561-659-7700 || FAX: 561.659.6377

WWW.REIDBURMANLAW.COM

Minto and Seminole seek to dump a massive amount of traffic on Indian Trail district roads without paying for same or assuming any maintenance or repair responsibilities. As you know, Indian Trail is essentially a rural, equine community and has been so since its inception. Its roads were not designed for the traffic Minto and Seminole seek to introduce nor are they designed or built to meet County standards.

Indian Trail does not seek to deny access to residents of Seminole or Westlake, for that matter, to their roads but merely asserts that all who wish to connect to its roads go through a permitting process. It should be noted that Palm Beach County, itself, recognizes Indian Trail's rights to require those wishing to connect to its roads and access them go through a permitting process.

Specifically, the ITID Special Legislative Act, Chap. 2002-330, Laws of Florida, Section 5, provides in relevant part that, in conjunction with Chapter 298, Florida Statutes, the district has the power to "construct, improve, pave, and maintain roadways and roads" when necessary and convenient to provide access to develop areas suitable for cultivation and settlement as a result of the "drainage and reclamation operations of the district." The act expressly states that Chapter 298 is applicable to ITID and its power to maintain and upkeep its roadways.

Section 298.28, Florida Statutes, states that "no connection with the works or improvements of said plan of drainage of said district, or with any canal, ditch, drain or artificial drainage, wholly within said district, shall be made, caused or affected by any landowners, company or corporation, municipal or private by means of, or with, any ditch, drain, cut, fill, roadbed, levee, embankment or artificial drainage, wholly without the limits of said district, unless such connection is consented to by the board of supervisors, or in the manner provided for in this chapter."

The Right of Way Agreement was executed in 1966. The Easement(s) that Minto and Seminole rely on were executed in 1976. These documents were executed when all of the acreage was nothing more than agriculture or citrus groves. They were executed for the convenience of the owners of the property in that area at that time for the movement of agricultural equipment, etc. The only real estate development in the general area was Royal Palm Beach Colony which was laid out in one and a quarter acre lot increments. It is horn book law in the State of Florida that an easement holder cannot expand the easement beyond what was contemplated at the time it was granted. In other words, one looks to the intent of the parties at the time these documents were executed and clearly a massive traffic generator such as the City of Westlake was not in anyone's contemplation at that time.

Indian Trail Improvement District's roads ("District Roads") are not "public" roads within the strict, self-serving interpretation the Plaintiff wishes to impose on the word "public". "Public Roads" are defined in FS §335.01(1) as "[a]ll roads which are open and available for use by the public **and dedicated to the public use, according to law or by prescription...**" (emphasis added). "Openness" or "accessibility" to public use is an insufficient criterion to categorize District Roads as "public roads". While District Roads may be "open and accessible" as a functional matter, with one minor exception they have deliberately never been "dedicated" to the public, either expressly (e.g., by grant in the original recorded easements; by recorded plats; or acquired by eminent domain) or by implication (e.g., by prescription through use by non-District landowners). District Roads are not included in the "integrated, balanced statewide transportation system" created by the Florida Transportation Code, FS §334.01. District Roads are an autonomous roadway network functionally connected to, but operated and maintained by an independent special district, outside the State's hierarchical system of "public roads".

District roads are meant and were originally granted for the express and limited purpose of providing Indian Trail's landowners ingress and egress to and from their individual properties. They continue to be operated and maintained according to that principle. District Roads are, by design, an "open grid". This design reflects the original developer's assumption that the sparse, low density development pattern of the area in the 1950's and early 1960s would continue indefinitely. The "open grid" pattern maximized the development potential of the original developer's property. The District Road grid was designed to provide dirt roads with low traffic impact in a rural setting. The fact that non-landowners might access the grid was incidental to the primary goal of maximizing the value of the land within the District for residential development. At the time, no significant development was planned on adjacent property that would generate significant "pass-through" traffic. The District Road grid was not an invitation to the universe of drivers to cut through the "Acreage" on their way to other destinations. This pattern does not reflect the developer's intention to "dedicate" to or confer a blanket of "rights" to use District Roads on the general public, or on adjacent landowners like Minto. Indian Trail Improvement District was formed by the developers to operate and maintain District Roads in perpetuity for the benefit of their purchasers and their successors, not for the benefit of the general public. If that had been their intent, the developers would either have expressly conveyed their roads to "the Public" (in which case, they would have been accepted as such by the District or by Palm Beach County), or created a municipality to operate the roads, as they did with the Village of Royal Palm Beach.

Furthermore, because the District is not a municipality, its landowners have no means to relieve themselves of the burden of accommodating pass-through traffic on District Roads. Because they are not included in the integrated statewide road system, the District is ineligible to receive external funding, county or state tax dollars, gas tax dollars, or funding from other sources. Maintenance of District Roads depends exclusively upon the assessments paid by the landowners

within the unit of development. Nor can the burden of road construction and maintenance be adjusted through the use of ad valorem taxation, as could potentially a municipality with “Home Rule” authority. Construction and maintenance of District improvements is paid solely by the landowners within each unit of development directly served. For example, homeowners in Units of Development Units 1 and 3 living along Persimmon Boulevard (access to which is the express purpose of Plaintiffs’ complaint) would be required to pay assessments for any improvements, or maintenance of, that road. No other District Units pay for that roadway. The fundamental inequity to District landowners raised by Plaintiff’s complaint is another reason why District Roads cannot be considered “public roads” as Plaintiff uses the phrase.

Specifically, Plaintiffs seek to gain unlimited access to ITID’s roadway system, and other works, without contributing any funds for the maintenance, repair, upgrading, or upkeep of those roads. ITID’s roads are designed and maintained for low volume traffic serving the needs of local residential neighborhoods and are unpaved in many sections. They are not designed to safely and efficiently handle the high-speed, high-volume traffic from outside areas that SID and Minto are seeking to allow, especially when that traffic includes heavy-duty dump trucks used in the development of Minto’s property. If ITID was forced to accommodate the high-speed, high-volume urban traffic from SID and Minto, the impact of increased outside traffic volume would at some point require ITID to upgrade the affected roads in its boundaries to a higher design standard in order to satisfy minimum accepted safety standards and to protect the public health, safety, and welfare of both ITID’s residents and the outside users themselves. This would require significant capital investment by ITID, and ultimately, its landowners, as ITID is ineligible for relief from ad valorem taxation, or intergovernmental revenue transfers for road construction, such as the Gas Tax. To allow SID and Minto access to ITID’s roadway system requiring a system upgrade without contributing any funds for its maintenance, upgrade, or repair, would be inequitable. This is especially true as Plaintiffs’ proposed connection to 140th Avenue North is not a necessity and both SID and Minto have numerous options to avoid the use of ITID’s roads altogether.

With regard to the future of this lawsuit, it is our opinion that Indian Trail has a very strong defense in this case as well as a strong claim to maintain its sovereignty over its roads through the permitting process granted to it by the Florida Legislature. Obviously, no one can guarantee a result. If a new municipality were created within Indian Trail’s boundaries, it would be a policy decision for that party to decide whether or not to join this lawsuit. It would not be required. For the same reason the City of Westlake has chosen not to join this lawsuit, the Indian Trail municipality can make the same decision. I cannot speak to whether or not the Plaintiffs in this case would seek to join this new municipality as a Defendant. As trial counsel in this case, I am not and was not involved in Indian Trail incorporation issues. I have no knowledge of what District assets may or may not be included in the control of the new municipality. I can advise you that individual Indian Trail landowners bordering its roads own the fee simple interest in the real

property to the center line of the road. The roads themselves are currently owned, repaired, and maintained by the District as Works of the District pursuant to the Statutes which I have outlined above.

In conclusion, I would be happy to meet with you and/or others to discuss what I have written here or provide any additional information you may seek regarding the lawsuit itself.

Very truly yours,

/S/ J. Michael Burman

J. Michael Burman, Esq.

JMB/amn

CC: Mike Caruso, Chairman

(mikecaruso7@gmail.com and Mike.Caruso@myfloridahouse.gov)



WILTON SIMPSON
President of the Senate

THE FLORIDA LEGISLATURE

OFFICE OF ECONOMIC AND DEMOGRAPHIC RESEARCH



CHRIS SPROWLS
Speaker of the House of
Representatives

November 29, 2021

Eric H. Miller, Policy Chief
Florida House of Representatives
State Affairs Committee
Local Administration & Veterans Affairs Subcommittee
209 House Office Building
402 South Monroe Street
Tallahassee, FL 32399-1300

Mr. Miller:

At the Subcommittee's request, the Office of Economic and Demographic Research (EDR) evaluated the *Village of Loxahatchee: Revised Municipal Incorporation Feasibility Study – November 11, 2021*, with regard to the requirements and standards expressed in Chapter 165, F.S. EDR also considered whether the Study's methodologies, findings, projections, and recommendations accurately reflect the feasibility of municipal incorporation.

After analyzing the data and information submitted in this Feasibility Study (hereinafter, "the Study") and other available data, EDR believes that the proposed municipality of Loxahatchee (hereinafter, "Loxahatchee") violates one of the six statutory standards of incorporation (i.e., Standard 4: minimum 2-mile distance from an existing municipality). Additionally, EDR has identified concerns or deficiencies with respect to several of the Study's 11 required elements, particularly Element 8 regarding evidence of fiscal capacity and Element 9 regarding data and analysis to support the conclusions that incorporation is necessary and financially feasible.

This response consists of two parts. Part One is EDR's evaluation with respect to the elements of a feasibility study expressed in Section 165.041(1)(b), F.S. Part Two is EDR's evaluation with respect to the standards for municipal incorporation expressed in Section 165.061(1), F.S.

Part One: EDR's Evaluation of the Feasibility Study

Pursuant to Section 165.041(1)(b), F.S., a feasibility study, which is prepared to inform the Florida Legislature on the feasibility of a proposed municipal incorporation, shall contain 11 elements. This section addresses each of these elements.

Element 1

The location of territory subject to boundary change and a map of the area which identifies the proposed change. *Section 165.041(1)(b)1., F.S.*

Staff Analysis: The Revised Study (p.2) states: "Currently, the Village of Loxahatchee is an unincorporated community located in western Palm Beach County, with a 2021 population of 42,987, and is approximately 42.13 square miles of contiguous land." Additionally, the Study's Appendix includes a legal description of the proposed boundaries, a boundary map, and several additional parcel maps.

The review of the proposed municipality's legal description and maps for both accuracy and legal sufficiency is outside EDR's purview. In its September 22, 2021 letter to the Study's proponents following submission of the original Study dated September 3, 2021, the Local Administration & Veterans Affairs Subcommittee (hereinafter, "the Subcommittee's letter") did not comment on this particular element. Therefore, it is assumed that this element has been satisfied.

Element 2

The major reasons for proposing the boundary change. Section 165.041(1)(b)2., F.S.

Staff Analysis: The Revised Study (pp.9-11) lists the following primary reasons that led community leaders to explore the viability of Loxahatchee's incorporation.

1. The Village wants to protect the community's character, which requires a more focused local government than Palm Beach County government can provide. The community is currently represented by only one county commissioner.
2. Unprecedented growth is having negative impacts on traffic, public safety, and the community's rural lifestyle.
3. The City of Palm Beach Gardens is trying to annex commercially-zoned properties in the northern portion of the proposed area of incorporation that would directly abut residential properties and have adverse impacts upon those residents.
4. The potential annexation of certain areas within the proposed area of incorporation by surrounding communities would not be consistent with the Village's community lifestyle.

An assessment of the validity and reasonableness of the provided discussion is more appropriate for policymakers.

Element 3

The following characteristics of the area: (a) a list of the current land use designations applied to the subject area in the county comprehensive plan; (b) a list of the current county zoning designations applied to the subject area; (c) a general statement of present land use designations of the area; and (d) a description of development being proposed for the territory, if any, and a statement of when actual development is expected to begin, if known. Section 165.041(1)(b)3., F.S.

Staff Analysis: The Revised Study (pp.11-16) provides discussions and maps of current and future land use designations, county zoning designations, land use characteristics, and a description of proposed development. ***The Subcommittee's letter (pp.1-2) stated that this element was deficient because the image quality of the Study's land use and zoning maps made it unclear which designations apply to areas on each map. In its October 3, 2021 response (pp.1-4), the Study's proponents (hereinafter, "the proponents' response to the Subcommittee") provided updated current and future land use and current zoning maps, which are now included in the Revised Study. Whether or not these discussions and updated maps are sufficient is outside EDR's purview.***

Element 4

A list of all public agencies, such as local governments, school districts, and special districts, whose current boundary falls within the boundary of the territory proposed for the change or reorganization. Section 165.041(1)(b)4., F.S.

Staff Analysis: The Revised Study (pp.16-17) provides a list of public agencies and private sector utility companies that currently provide services within the proposed area of incorporation. ***It appears that this element has now been satisfied.***

Element 5

A list of current services being provided within the proposed incorporation area, including, but not limited to, water, sewer, solid waste, transportation, public works, law enforcement, fire and rescue, zoning, street lighting, parks and recreation, and library and cultural facilities, and the estimated costs for each current service. Section 165.041(1)(b)5., F.S.

Staff Analysis: The Revised Study (p.18) states that Loxahatchee currently receives most of its public services from Palm Beach County and the Indian Trail Improvement District. These services are funded by a combination of ad valorem taxes for services provided by the County and non-ad valorem assessments and fees for services provided by the District. Residents currently receive governmental services (i.e., fire protection and EMS, development services, code enforcement, environmental services, economic development, emergency management, animal control, library, human services, and waste management) from Palm Beach County Government. The Sheriff's Department provides law enforcement and 911 services. The Indian Trail Improvement District, an independent special district, was originally created by the Florida Legislature in 1957 to provide water (canal) management. Over the years, the powers have been expanded to include road maintenance and parks and recreation services. Additionally, other government services are being provided by the Palm Beach County School Board, the Palm Beach County Health Care District, the Children's Services Council, the South Florida Water Management District, and the Florida Inland Navigational District. ***The Subcommittee's letter (p.2) stated that this element was deficient because the estimated costs for each service were not included. The proponents' response to the Subcommittee (pp.5-6) provided estimated service costs, which are now included as Table 3 (p.17) in the Revised Study. With the addition of this cost information, it appears that this element has now been satisfied.***

Element 6

A list of services to be provided within the proposed incorporation area, and the estimated cost of such proposed services. Section 165.041(1)(b)6., F.S.

Staff Analysis: The Revised Study (pp.18-19) states that Loxahatchee will be a full-service municipality responsible for providing all legislative, administrative, and program-specific activities found in local governments in Florida. Additionally, the Revised Study refers the reader to Section 4 (pp.20-44) for the proposed services and estimated costs. ***Since Section 4 is entitled Five-Year Operational Plan for the Village of Loxahatchee, the requirements of this element overlap with those of Element 8. Consequently, EDR's response to the issues of which services will be provided and their estimated costs will be addressed in the response to Element 8.***

Element 7

The names and addresses of three officers or persons submitting the proposal. Section 165.041(1)(b)7., F.S.

Staff Analysis: The Revised Study (p.19) provides the names and addresses of the three individuals submitting the incorporation proposal. ***EDR did not attempt to contact these individuals for the purpose of verifying this information.***

Element 8

Evidence of fiscal capacity and an organizational plan as it relates to the area seeking incorporation that, at a minimum, includes: (a) existing tax bases, including ad valorem taxable value, utility taxes, sales and use taxes, franchise taxes, license and permit fees, charges for services, fines and forfeitures, and other revenue sources, as appropriate; and (b) a 5-year operational plan that, at a minimum, includes proposed staffing, building acquisition and construction, debt issuance, and budgets. Section 165.041(1)(b)8., F.S.

Staff Analysis: Section 4 of the Revised Study (pp.20-44) entitled Five-Year Operational Plan for the Village of Loxahatchee includes discussions of proposed revenues (pp.22-31) and proposed expenditures (pp.32-44). Table 11 (p.31) lists the projected revenues from 18 total sources that will be utilized by Loxahatchee during the first five years of municipal operations. Table 13 (pp.38-44) lists the projected expenditures, identifying the costs associated with salary and benefits for municipal employees and the provision of municipal services.

EDR has the following comments regarding REVENUES.

- 1. Although the Revised Study includes Table 2: Proposed Timeline for Budget Purposes (p.20), it would have been useful if the Study's authors had included a complete incorporation/revenue timeline, which would specify actual or anticipated dates (i.e., month & year) of activities critical to Loxahatchee's formation and organization. Such a timeline would better assist local citizens and state reviewers in understanding this proposal. Based on prior incorporation proposals reviewed by EDR staff, such activities could include, at a minimum, dates of initial incorporation study submission, revised incorporation study submission (if any), community meetings addressing incorporation proposal, approval of final study by local delegation, submission of final study to the Florida Legislature, approval of local bill, incorporation referendum, formation of legal entity, first meeting and election of municipal officers, receipt of initial state revenue-sharing proceeds, and receipt of initial ad valorem tax revenues. The Subcommittee's letter (p.2) noted an apparent deficiency of the Study's timeline with respect to the levy of ad valorem taxes and the receipt of state revenue sharing. The proponents' response to the Subcommittee (p.7) acknowledged that all references to FY 2022-2023 should be FY 2023-2024, which are reflected in the Revised Study.***
- 2. In the five-year revenue projections table (Table 11, p.31), the presentation of revenues does not use a conventional presentation format such as the Uniform Accounting System's Chart of Accounts. A local government uses this format when submitting its Annual Financial Report (AFR) to the State. The use of such a format provides a more accurate presentation of revenues by type, particularly the tax revenues. For example, the AFR-Taxes category should include the separately listed revenue sources: Ad Valorem Tax, Communications Services Tax, Discretionary Sales Surtaxes, Local Option Gas Tax, and Utility Service Tax. In Table 11, the Discretionary Sales Tax revenues are referred to as the 1/6 Cent Sales Tax and incorrectly categorized this as a State Shared Revenue rather than a Tax. The use of this confusing name was also mentioned in the Subcommittee's letter (p.2). The use of the AFR-Permits, Fees, and Special Assessments category should include the separately listed revenue sources: Franchise Fees and Permits & Fees. The use of the AFR-Miscellaneous Revenues category should include the separately listed revenue sources: Investment Income and Miscellaneous Income.***
- 3. In the Original Study dated September 3, 2021 submitted for legislative and agency review, the five-year revenue projections (Table 9, pp.28-29) included two revenue sources identified as Non-***

Ad Valorem Taxes and Debt Revenue. Together, these revenues totaled \$4.28 million in the first budget year. The corresponding table in the Revised Study (Table 11, p.31) no longer includes these revenues, and total revenues have been reduced by the corresponding amounts. EDR staff did not find any explanation of why these revenue sources were eliminated in the Revised Study.

- 4. The five-year revenue projections table (Table 11, p.31) includes the Constitutional Gas Tax as a State Shared Revenue. In the first budget year, this revenue source represents 3.1% of total revenues. Of note, the Constitutional Fuel Tax is not a revenue source authorized for municipal governments. It is a county revenue source, and counties are not statutorily required to share the proceeds with their respective municipal governments. Consequently, EDR staff believes the annual revenues from this tax, ranging from approximately \$551,000 to \$583,000, should be excluded from the revenue projections unless evidence is provided that Palm Beach County intends to share this source.***
- 5. The Revised Study (pp.23-26) provides a discussion of the projected Ad Valorem Tax revenues based on recent estimates of taxable values within the area of incorporation. For EDR's assessment, see Element 9, second comment for an overview. Since the Florida Department of Revenue (DOR) is one of the named agencies asked to evaluate this Study, its comments on the validity of Loxahatchee's projected ad valorem taxable values and tax revenues will also be of great import. This is a critical determination since the Ad Valorem Tax is Loxahatchee's largest revenue source, constituting approximately 40% of first year revenues.***
- 6. The Revised Study (p.27) states that no attempt was made to model the various formulas used by DOR for determining state revenue sharing. Some prior municipal incorporation feasibility studies reviewed by EDR have included a state revenue-sharing analysis prepared by DOR; however, this study does not include such an analysis. Since DOR is one of the named agencies asked to evaluate this Study, it is the agency best suited to comment on the validity of the projected state-shared revenues (i.e., the Local Government Half-cent Sales Tax Program (LHC) revenues and Municipal Revenue Sharing Program (MRS) revenues). This will be an important determination since these state revenue-sharing programs constitute approximately 21% of first year revenues. Based on values reported by DOR, EDR calculated compound annual growth rates (CAGRs) of 3.54% for LHC–Ordinary Distributions to Municipalities within the County and 4.76% for MRS–Distributions to Municipalities within the County between 2010 and 2021. Therefore, the Study's 1.45% annual growth rate for these state-shared revenues appears to be conservative. [Note: EDR's CAGR calculation for LHC-Ordinary Distributions is based on revenues of \$65,375,585 in 2021 and \$44,588,229 in 2010. EDR's CAGR calculation for MRS distributions is based on revenues of \$29,880,706 in 2021 and \$17,918,634 in 2010.]***
- 7. Since the authors made no attempt to model the various state revenue-sharing formulas, the Revised Study (pp.27-28) utilizes a population allocation model for a number of revenue sources, including the state-shared revenues. It is based on the premise that since Loxahatchee is located in unincorporated Palm Beach County, the per capita share of the county's revenues can be used to estimate the proposed municipality's revenue by multiplying the county's per capita share by Loxahatchee's estimated population. With respect to the projected state-shared revenues in Table 11 (p.31), this methodology may be flawed. First, county governments receive County Revenue Sharing Program monies while municipal governments receive Municipal Revenue Sharing Program monies. These separate revenue-sharing programs have different revenue sources that fund the respective programs, and each program has its own allocation formula. Consequently,***

Loxahatchee's projection of state-shared revenue is inappropriately based on the county's receipt of County Revenue Sharing monies, which municipal governments do not receive. Second, the Local Government Half-cent Sales Tax Program has different allocation formulas for county governments and municipal governments. The state revenue-sharing analysis prepared by DOR should be able to address the validity of the Study's state-shared revenue projections.

- 8. This same methodology discussion (pp.27-28) includes a couple of factual errors. First, it lists Palm Beach County's 2020 unincorporated population as 1,466,494. Actually, this is the countywide population. The county's 2020 unincorporated population is 639,000. Second, the Study states "Again, as a policy decision by the Village of Loxahatchee's legislative body, they can impose an additional 1/6 cent sales tax. For this study, it is assuming that the Village of Loxahatchee will impose this additional sales tax." The proponents' response to the Subcommittee (p.8) clarified that the "1/6 Cent Sales Tax" refers to the county's levy of the Local Government Infrastructure Surtax and correctly stated that the surtax proceeds are distributed 50% of the school district, 30% to the county government, and 20% to the municipal governments pursuant to an interlocal agreement. Unfortunately, the Revised Study's language gives the reader the false impression that Loxahatchee could authorize a local option sales tax. Pursuant to Section 212.055(2)(a)1., F.S., the levy of the Local Government Infrastructure Surtax "shall be pursuant to ordinance enacted by a majority of the members of the county governing authority and approved by a majority of the electors of the county voting in a referendum on the surtax." The state revenue-sharing analysis prepared by DOR typically includes an analysis of local option sales tax distributions. Based on the recent LFY 2021-22 local discretionary sales surtax estimates calculated by DOR and published in EDR's 2021 Local Government Financial Information Handbook, it appears that the Study may have understated Loxahatchee's revenues. Three Palm Beach County municipalities each having a total population that is approximately 3,000 to 4,000 less than Loxahatchee are expected to receive significantly more surtax proceeds. Loxahatchee's first-year revenue is projected to be \$922,927 compared to FY 2020-21 estimates of \$3,168,425, \$3,083,553, and \$3,157,003 for Greenacres, Lake Worth Beach, and Royal Palm Beach, respectively. The DOR analysis should be able to further address the validity of the Study's local option sales tax projections.*
- 9. The state revenue-sharing analysis prepared by DOR typically includes an analysis of local option fuel tax distributions. Consequently, the DOR analysis should be able to address the validity of the Study's first-year local option fuel tax projection of \$1,536,575. The Revised Study (p.28) includes a figure of \$52,420,000 as the Local Option Gas Tax base from the County's FY 2021 budget but does not specifically identify which local option fuel taxes (i.e., Ninth-cent Fuel Tax, 1-6 Cents Local Option Fuel Tax, and/or 1-5 Cents Local Option Fuel Tax) are included in this base for its per capita share allocation model. Based on the recent LFY 2021-22 revenue estimates calculated by DOR and published in EDR's 2021 Local Government Financial Information Handbook, it appears that the Study's base reflects all three fuel taxes since the county government's combined estimated distribution totals \$50.3 million. If this is the case, it may be problematic for the following reasons. First, pursuant to s. 336.021(1)(b), F.S., the county's governing body may provide, by joint agreement with one or more municipalities located within the county, for the authorized transportation purposes and the distribution of the Ninth-cent Fuel Tax proceeds within both the incorporated and unincorporated areas of the county. Of note, the county is not required to share the tax proceeds with its respective municipalities. Second, pursuant to s. 336.025(4)(b), F.S., any newly incorporated municipality, eligible for participation in the distribution of monies under the Local Government Half-cent Sales Tax and Municipal Revenue Sharing Programs and located in a*

county levying the 1 to 6 cents or 1 to 5 cents fuel tax, is entitled to receive a distribution of the tax revenues in the first full fiscal year following incorporation. The distribution is equal to the county's per lane mile expenditure in the previous year times the number of lane miles within the municipality's jurisdiction or scope of responsibility, in which case the county's share would be reduced proportionately; or as determined by the local act incorporating the municipality. [Note: Palm Beach County currently levies both the 1-6 Cents and 1-5 Cents taxes at the maximum rates with distributions pursuant to interlocal agreements.] With regard to these particular taxes, it is unclear if the draft charter provides the necessary clarification. Section 10(11) states: "LOCAL OPTION GAS TAX REVENUES. - Notwithstanding the requirements of Chapter 336.025, Florida Statutes to the contrary, the Village shall be entitled to receive local option gas tax revenues beginning October 1, 2022. The amount of said revenues distributed to the Village shall be in accordance with general law, Palm Beach County ordinance or interlocal agreement negotiated with the Board of County Commissioners of Palm Beach County." According to the timeline (p.17), Loxahatchee's incorporation will become final on or about December 31, 2022, making it infeasible for Loxahatchee to begin receiving local option fuel tax revenues on October 1, 2022. Furthermore, it is unclear which local option fuel taxes Loxahatchee receives, and how those tax proceeds will be distributed.

- 10. Pursuant to s. 166.231(1), F.S., municipalities and charter counties may levy by ordinance the Public Service Tax (PST), also known as the Utility Service Tax, on the purchase of electricity, metered natural gas, liquefied petroleum gas, manufactured gas, and water service. The tax is levied only upon purchases within the municipality or within the charter county's unincorporated area. In an attempt to verify the Study's PST revenue projection, EDR used an alternative methodology. Loxahatchee's proportional share of Palm Beach County's unincorporated population was calculated and multiplied by the county's reported FY 2019-20 PST revenues from its AFR, which are collected within the county's unincorporated area.*

Loxahatchee's % of Palm Beach County's 2020 Unincorporated Pop.: $(42,987/639,000) = 6.73\%$.

Palm Beach County's FY 2019-20 PST Revenues via its AFR:

Electricity: \$43,184,286

Gas: \$1,805,486

Total: \$44,989,772

Loxahatchee's Estimated FY 2019-20 PST Revenues:

*Electricity: $\$43,184,286 * 6.73\% = \$2,905,106$*

*Gas: $\$1,805,486 * 6.73\% = \underline{\$121,459}$*

Total: \$3,026,565

Since Loxahatchee's figures reflect hypothetical FY 2019-20 revenues, the total revenue figure could be grown into the Revised Study's first-year of operations (i.e., FY 2023-24) using a CAGR calculated from the county's historical PST collections. Based on EDR calculations, the CAGR in the county's PST revenue collections during 2015-2020 was 2.41%. [Note: Palm Beach County's reported PST revenues were \$39,936,057 in 2014-15 and \$44,989,772 in 2019-20.] Consequently, Loxahatchee's FY 2023-24 PST revenue forecast would be \$3,329,270 using this alternative methodology, which is substantially greater than the Study's first-year PST revenues of \$1,309,986. Furthermore, EDR assumes an annual growth rate of 2.41% compared to the Study's annual growth rate of 1.45%. Therefore, the Study's PST revenues may be significantly understated.

- 11. The Revised Study (p.31) outlines the expected municipal revenues originating from the Communications Services Tax (CST). Section 10(10) of the draft charter states: “LOCAL REVENUE SOURCES. – The village shall be entitled to receive all local revenue sources available pursuant to general law, including but not limited to local communications services tax imposed under Chapter 202.19, Florida Statutes. The local communications services tax rate imposed by Palm Beach County will continue within the village boundaries during the period commencing with the date of incorporation through January 1, 2024. Revenues from the tax shall be shared by Palm Beach County with the village in proportion to the projected village population estimate of the Palm Beach County Planning Division compared with the unincorporated population of Palm Beach County before the incorporation of the village.” The Study provides first-year (i.e., FY 2023-24) CST revenue of \$510,393 and assumes an annual revenue growth rate of 1.45%.**

Using the most recent FY 2021-22 CST estimates for Palm Beach County Government prepared by DOR and the official 2020 population estimate for unincorporated Palm Beach County, an alternative methodology to calculate a CST revenue estimate for Loxahatchee, as suggested by the charter’s provisions, is illustrated below.

FY 2021-22 Palm Beach County CST Estimate (based on current 5.72% tax rate): \$18,354,759.

Loxahatchee’s % of Palm Beach County’s 2020 Unincorporated Pop.: (42,987/639,000) = 6.73%.

Loxahatchee’s CST FY 2021-22 Revenue Estimate: 6.73% * \$18,354,759 = \$1,234,767

Since Loxahatchee’s figures reflect hypothetical FY 2021-22 revenues, the total revenue figure could be grown into the Study’s first-year of operations (i.e., FY 2023-24) using a CAGR calculated from the county’s historical CST distributions. Based on EDR calculations, the CAGR in the county’s CST revenues during 2015-2020 was -6.11%. [Note: Palm Beach County’s reported CST revenues were \$25,468,348 in 2014-15 and \$18,582,065 in 2019-20.] Consequently, Loxahatchee’s FY 2023-24 CST revenue forecast would be \$1,088,484 using this alternative methodology, which is significantly greater than the Study’s revenue of \$510,393. However, EDR assumes an annual growth rate of -6.11% compared to the Study’s annual positive growth rate of 1.45%. Although the Study’s CST revenues may be significantly understated, the positive growth rate assumption may be inappropriate.

- 12. The Revised Study (p.31) outlines the expected municipal revenues originating from the Franchise Fee (FF), and the stated revenues appear to be limited to those fees only imposed on electricity. In an attempt to verify the Study’s FF revenue projection, EDR used an alternative methodology. Loxahatchee’s proportional share of Palm Beach County’s unincorporated population was calculated and multiplied by the county’s reported FY 2019-20 FF revenues from its AFR. As previously demonstrated, Loxahatchee’s proportional share of the county’s unincorporated population is 6.73%.**

Palm Beach County’s FY 2019-20 FF Revenues via its AFR:

Electricity:	\$34,469,370
Telecommunications:	\$1,939,053
Solid Waste:	\$1,904,940
Total:	\$38,313,363

Loxahatchee's Estimated FY 2019-20 FF Revenues:

<i>Electricity:</i>	<i>\$34,469,370 * 6.73% = \$2,318,834</i>
<i>Telecommunications:</i>	<i>\$1,939,053 * 6.73% = \$130,445</i>
<i>Solid Waste:</i>	<i>\$1,904,940 * 6.73% = \$128,150</i>
<i>Total:</i>	<i>\$2,577,428</i>

Since Loxahatchee's figures reflect hypothetical FY 2019-20 revenues, the total revenue figure could be grown into the Study's first-year of operations (i.e., FY 2023-24) using a CAGR calculated from the county's historical FF collections. Based on EDR calculations, the CAGR in the county's FF revenue collections during 2015-2020 was -0.14%. [Note: Palm Beach County's reported FF revenues were \$38,575,751 in 2014-15 and \$38,313,363 in 2019-20.] Consequently, Loxahatchee's FY 2023-24 PST revenue forecast would be \$2,563,393 using this alternative methodology, which is substantially greater than the Study's first-year FF revenues of \$1,033,128. However, EDR assumes an annual growth rate of -0.14% compared to the Study's annual positive growth rate of 1.45%. Although the Study's FF revenues may be significantly understated, the positive growth rate assumption may be inappropriate.

- 13. The Revised Study (p.31) outlines the expected municipal revenues originating from Building Permits (BP). In an attempt to verify the Study's BP revenue projection, EDR used the same alternative methodology previously discussed.***

Palm Beach County's FY 2019-20 BP Revenues via its AFR: \$28,106,436

Loxahatchee's Estimated FY 2019-20 BP Revenues: \$28,106,436 * 6.73% = \$1,890,785

Since Loxahatchee's figures reflect hypothetical FY 2019-20 revenues, the total revenue figure could be grown into the Study's first-year of operations (i.e., FY 2023-24) using a CAGR calculated from the county's historical BP collections. Based on EDR calculations, the CAGR in the county's BP revenue collections during 2015-2020 was 9.89%. [Note: Palm Beach County's reported BP revenues were \$17,535,915 in 2014-15 and \$28,106,436 in 2019-20.] Consequently, Loxahatchee's FY 2023-24 PST revenue forecast would be \$2,757,680 using this alternative methodology, which is substantially greater than the Study's first-year BP revenues of \$703,508. Furthermore, EDR assumes an annual growth rate of 9.89% compared to the Study's annual growth rate of 1.45%. Therefore, the Study's BP revenues and annual growth rate may be understated.

- 14. The Revised Study (p.29) states that "... it is assumed that the Village of Loxahatchee will charge for various services, including planning and zoning fees, athletic programs and summer camps, and lot mowing and clearing. However, since the actual rate and what is to be charged are policy decisions, revenues from this source is estimated to be \$300,000. This value was based on a Sister-City analysis conducted for this study (please refer to Appendix A for a discussion of the Sister-City benchmark process)." Furthermore, Appendix A (pp.48-49) states that "Data were gathered from 18 comparable cities in Florida based upon population, median household income, and per capita income. Of these 18 comparable cities, the list was narrowed to the following 5 communities: Altamonte Springs, Greenacres, North Miami Beach, Royal Palm Beach, and Winter Garden. These cities were selected based on the fact that they were the closest in terms of population to the Village of Loxahatchee within the State." EDR prepared two separate comparisons for benchmark analysis, which are included as attachments to this evaluation. The first is a comparison of Loxahatchee's projected first-year revenues and expenditures to those of other similarly-***

populated municipalities. The second is a comparison of Loxahatchee's projected first-year revenues and expenditures to those of municipalities incorporated since 2000.

EDR has the following comments regarding EXPENDITURES.

- 1. The Revised Study (pp.18-19) states: "The Village of Loxahatchee will be a full-service municipality responsible for providing all legislative, administrative, and program specific activities typically found in local governments in Florida." Additionally, the Revised Study (p.32) states: "As noted in the proposed Charter, the Village of Loxahatchee will be a full-service municipality." EDR has concern that these statements are inaccurate and misleading. Although not statutorily-defined, one definition of a full-service city is one that is capable of funding and providing a complete array of in-house public services to residents without contracting out with third-party agencies. The Revised Study (pp.32-33) notes that the following municipal-type services will be contracted: legal services, police, fire and EMS. Furthermore, Section 10(12) of the draft charter states: "CONTRACTUAL SERVICES AND FACILITIES. – Contractual services for law enforcement, fire rescue, emergency management, public works, parks and recreation, planning and zoning, building inspection, development review, animal control, library services, village manager or management firm, village attorney and solid waste collection may be supplied by a contract between the village and the Board of County Commissioners of Palm Beach County, special districts, municipalities, or private enterprise until such time as the council establishes such independent services."***
- 2. In the Revised Study's five-year expenditure projections (Table 13, pp.38-44), the presentation of expenditures does not use a conventional presentation format, such as in the Uniform Accounting System's Chart of Accounts, which a local government follows when submitting its AFR to the State. In the Chart of Accounts, expenditures are categorized by the following functional areas: General Government Services, Public Safety, Physical Environment, Transportation, Economic Environment, Human Services, Culture / Recreation, and Other Uses and Non-Operating.***
- 3. Given the methodologies described in the Revised Study (pp.35-37) for determining personnel, operating, and capital outlay expenses, it is difficult to assess the validity of the expenditure projections. It would have been helpful to know which positions are currently occupied by Indian Trail Improvement District personnel, whose positions might likely become municipal positions upon incorporation, and which positions are newly established. Furthermore, only a single lump sum figure per position is provided, so it is difficult to assess salary versus other personnel costs.***
- 4. In the Revised Study, the five-year expenditure projections (Table 13, pp.38-44) list a total of 78 funded employee positions, excluding the elected mayor and commissioners. Using financial data reported by municipal governments pursuant to s. 166.241, F.S., EDR reviewed the number of regular or permanent positions projected in their respective FY 2020-21 final adopted budgets. Comparing Loxahatchee's figure of 78 to the figures reported by the ten other similarly-populated municipalities, EDR found that only Cutler Bay would have a lower number of budgeted positions than Loxahatchee (i.e., 52 compared to 78). All other comparison cities reported more budgeted positions, in some cases significantly more, than Loxahatchee, ranging from the low of 135 in Greenacres to the high of 464 in Plant City. EDR acknowledges that all the comparison cities, with the exception of Cutler Bay, incorporated prior to 2000 and have therefore been in existence for longer periods of time. However, it does raise the question if Loxahatchee's 78 budgeted positions will be enough to support its "government-lite" structure.***

Element 9

Data and analysis to support the conclusions that incorporation is necessary and financially feasible, including population projections and population density calculations, and an explanation concerning methodologies used for such analysis. Section 165.041(1)(b)9., F.S.

Staff Analysis: The Revised Study (pp.45-46) provides a discussion of the data and analysis to support its conclusion that incorporation is necessary and financially feasible, including the methodologies used for such analysis.

EDR has the following comments.

- 1. The Revised Study (p.5) states: "While the existing data show that the Village of Loxahatchee exceeds the minimum population requirements, future data shows that this trend is likely to continue. Projections from ESRI's Business Analyst Online database projects a 1.52% growth rate (statewide 1.33%, national 0.72%) from 2021-2026. which results in a 2026 projected population of 46,353 for the Village of Loxahatchee." EDR's analysis of unincorporated Palm Beach County's population estimates during the period of 2010 – 2020 resulted in a CAGR of 0.84%. Assuming Loxahatchee's future 2021-2026 population growth rate matches the CAGR of the county's unincorporated population, the city's population in 2026 would be 44,834, which is 1,519 less than the Study's 2026 projection. Additionally, EDR reviewed the supporting materials for the Demographic Estimating Conference's March 2021 population projections for Palm Beach County. Loxahatchee's 2021 population of 42,897 represented approximately 2.90% of the county's 2021 countywide population projection of 1,483,241. Assuming that same proportional share of the county's 2026 countywide population projection of 1,559,250, Loxahatchee's 2026 population would be 45,190, which is 1,163 less than the Study's projection. Based on these alternative methodologies, the Study's projected population growth rate of 1.52% between 2021 and 2026 might be too optimistic.***
- 2. A review of Ad Valorem Tax figures in the five-year revenue projections (p.31) shows that these taxes are projected to increase 4.0% annually. Since the Ad Valorem Tax is the largest of Loxahatchee's projected revenues, the validity of these figures is important. The Revised Study (p.26) states: "The average county growth rate from 2017 to 2020 is based on the total assessed value of \$208,805,696,217 in 2017 and \$246,164,733,165 in 2020. This represents a 5.97% average increase in county taxable value. To provide more conservative estimates despite this county increase in value, a 4% annual growth rate will be used for this study (which includes the value of new construction)." EDR calculated CAGRs for Palm Beach County's taxable values and sum total of taxable values for the county's municipalities for the ten-year period of 2010 – 2020. These calculations resulted in CAGRs of 5.19% and 5.36%, respectively. Additionally, EDR calculated a CAGR for Palm Beach County's taxable values projected in the August 2, 2021 Florida Ad Valorem Estimating Conference and found that, in the six-year period between 2021 and 2027, the CAGR was calculated to be 4.61%. Consequently, the Study's assumption of 4.0% annual ad valorem revenue growth seems reasonably conservative.***
- 3. The Revised Study's five-year revenue projections (Table 11, p.31) indicate Loxahatchee's revenues will increase approximately 2.55% annually. The Study's five-year expenditure projections (Table 13, pp.38-44) indicate the proposed city's expenditures will increase approximately 1.96% annually. EDR analyzed the sum total of reported revenues and expenditures for all Palm Beach County municipalities between FY 2009-10 and 2018-19 and calculated CAGRs of 3.98% and 3.52%,***

respectively. This may suggest that the Study's revenue and expenditure growth rate assumptions are too low.

4. *In the Original Study dated September 3, 2021, the five-year expenditure projections (Table 11, pp.34-40) included three additional expenditure categories (i.e., Stormwater, Canal Maintenance, and Debt Service). Together, these expenditures totaled \$4.92 million in the first budget year. The corresponding table in the Revised Study (Table 13, pp.38-44) no longer includes these expenditures, and total expenditures have been reduced by these amounts. Although the Revised Study (p.34) includes a new discussion of the services that will be provided to Loxahatchee by the Indian Trail Improvement District and the expenses that were eliminated from the original five-year expenditure projections, EDR staff did not find any corresponding explanation of the revenues (i.e., Non-Ad Valorem Assessments and Debt Revenue) that were also eliminated from the original five-year revenue projections. Furthermore, in the original draft charter (i.e., Section 11(4)), the Indian Trail Improvement District was to become a dependent special district of Loxahatchee upon incorporation. However, the revised draft charter confirms the District's continuing independent special district status. Further clarification is needed.*
5. *Annual rates of revenue and expenditure growth can vary significantly from one municipality to another due to a variety of factors. Therefore, it may be instructive to compare Loxahatchee's expected revenues and expenditures to the most recently reported revenues and expenditures of an identified cohort group of similarly-populated municipalities as well as the most recently incorporated municipalities. Please refer to the discussion in the Additional Supplemental Material section, as well as the attached spreadsheets.*

Element 10

Evaluation of the alternatives available to the area to address its policy concerns. Section 165.041(1)(b)10., F.S.

Staff Analysis: The Revised Study (p.46) discusses three alternatives to municipal incorporation to address its policy concerns. These three alternatives are: 1) maintain the status quo and remain under the auspices of the Indian Trail Improvement District and Palm Beach County government; 2) allow annexation by or merger with an existing municipality; and 3) work with the county to create a neighborhood overlay. The Study states that maintaining the status quo is considered undesirable since the special district would not have the same legal rights as a municipal government. Incorporation proponents believe that annexation by or merger with an existing municipality is not a suitable option because proponents wish to exercise greater control over land use decisions. Finally, proponents believe the county overlay option would be difficult to implement and would be opposed by the county government. ***An assessment of the validity and reasonableness of the discussed alternatives is more appropriate for policymakers.***

Element 11

Evidence that the proposed municipality meets the requirements for incorporation pursuant to s. 165.061. Section 165.041(1)(b)11., F.S.

Staff Analysis: Section 165.061(1), F.S., enumerates six standards that must be met in the area proposed for incorporation. EDR's analysis of whether Loxahatchee has satisfied each of these six standards is addressed below in Part Two of this letter.

Part Two: EDR's Evaluation of the Study with Respect to the Standards of Incorporation

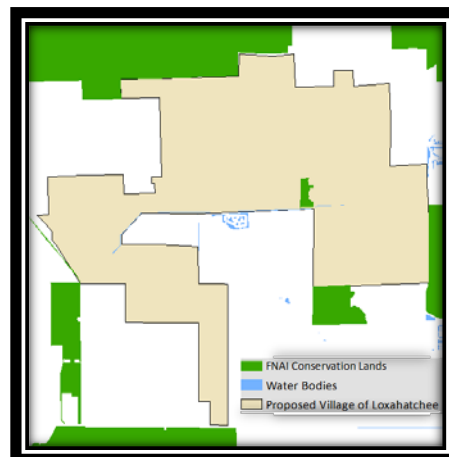
Pursuant to Section 165.061(1), F.S., six standards must be met in the area proposed for incorporation. This section addresses each of these six standards.

Standard 1

It must be compact and contiguous and amenable to separate municipal government. *Section 165.061(1)(a), F.S.*

Staff Analysis: This section of Florida law does not provide statutory definitions of compact or contiguous. However, the Merriam-Webster dictionary defines *compact*, in part, to mean *occupying a small volume by reason of efficient use of space*. Furthermore, *contiguous* is defined, in part, to mean *touching or connected throughout in an unbroken sequence*.

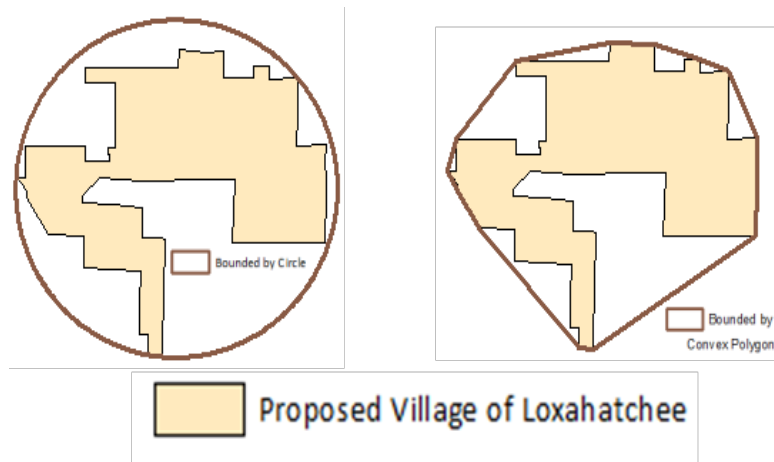
The Revised Study (pp.4,9,13-15) includes maps of the proposed Village of Loxahatchee. Additionally, Section 4 of the draft charter provides the corporate boundaries. For the purpose of analysis, EDR created a map of Loxahatchee based on boundary files supplied by the Study's authors. EDR's map representation of Loxahatchee reflects a total area of approximately 26,905 acres (26,847 land acres), which is similar to the Study (p. 5). This map was also used in EDR's analysis of Standards 2-4 to follow.



In the context of state legislative district boundaries, quantitative geometric measures of compactness have been used. In fact, there is commonly used redistricting software that includes tools designed to measure compactness. These procedures include the Reock method and the Area/Convex Hull method. The Reock method (i.e., circle-dispersion measurement) measures the ratio between the area of the district and the area of the smallest circle that can fit around the district. The Area/Convex Hull method measures the ratio between the area of the district and the area of the smallest convex polygon that can enclose the district. The range of the measures is from 0 to 1, with a score of 1 representing the highest level of compactness.

The following maps reflect the application of these measures of compactness to Loxahatchee, which illustrate: 1) the smallest circle that can fit around the proposed municipal boundaries, in order to calculate the Reock score; and 2) the smallest convex polygon that can fit around the proposed municipal boundaries, in order to calculate the Area/Convex Hull score. For Loxahatchee's proposed boundary, the Reock score is 0.46, while the Area/Convex Hull score is 0.60. As previously mentioned, the closer the score is to 1, the higher the level of compactness.

Proposed Jurisdiction with Reock and Area/Convex Hull Representations



The Study (p. 3) states: "... the Village of Loxahatchee is compact and contiguous, making it amenable to separate municipal government." Loxahatchee has an Area/Convex Hull Score greater than only two of Palm Beach County's 39 municipalities: Belle Glade and Glen Ridge. All of the other Palm Beach County municipalities have scores greater than that of Loxahatchee, with four municipalities posting the highest possible score of 1.0 (i.e., Cloud Lake, Jupiter Inlet Colony, Mangonia Park, and South Palm Beach). These four municipalities reflect some of the smallest geographic areas within the county, ranging from only 0.06 to 0.75 square miles.

When considering the issue of compactness, it may be useful to review the purposes of municipal formation. Section 165.021(1), F.S., states that municipal formation should "allow orderly patterns of urban growth and land use." In the context of municipal incorporation, compactness increases the likelihood of the efficient delivery of municipal services. In reviewing Loxahatchee's boundary map, the area does not have any enclaves. EDR's analysis suggests that Loxahatchee's boundary appears to be contiguous. However, based on its scores, Loxahatchee's compactness is subject to debate.

Standard 2

It must have a total population, as determined in the latest official state census, special census, or estimate of population, in the area proposed to be incorporated of at least 1,500 persons in counties with a population of 75,000 or less, and of at least 5,000 persons in counties with a population of more than 75,000. Section 165.061(1)(b), F.S.

Staff Analysis: The most recent official population estimate (i.e., April 1, 2020) for Palm Beach County is 1,466,494. The county's 2020 Census population count is 1,492,191. Consequently, any new incorporation within the county would be required to have a minimum population of 5,000. The Revised Study (p.5) estimates the proposed 2021 municipal population at 42,987. The Study's population estimate was developed using Environmental Systems Research Institute or ESRI's Business Analyst Online software. EDR's population estimate used the Census Bureau's smallest reporting unit of data (i.e., blocks); however, the use of census blocks did not perfectly align with the proposed area of incorporation. Using this methodology, EDR's population estimate was 42,478 as of April 1, 2020. ***Based on both the Study's estimate and EDR's approximation, Loxahatchee has a population well above the minimum population of 5,000 required in a county with a total population of more than 75,000. Therefore, Loxahatchee satisfies the minimum total population standard.***

Standard 3

It must have an average population density of at least 1.5 persons per acre or have extraordinary conditions requiring the establishment of a municipal corporation with less existing density. *Section 165.061(1)(c), F.S.*

Staff Analysis: The Revised Study (p.5) states: “Based on measurements calculated using ESRI’s Business Analyst Online and ArcMap GIS software, the Village of Loxahatchee is approximately 42.13 square miles.” Since one square mile equals 640 acres, the proposed area of incorporation would be 26,963.2 acres. Consequently, Loxahatchee’s 2021 population density measure would be 1.59 persons per acre. EDR estimated Loxahatchee’s land area to be approximately 41.95 square miles or 26,847 acres, which yielded a population density measure of 1.58 persons per acre. If the Acreage Pines Natural Area, which is property listed in the Florida Natural Areas Inventory, is omitted, the population density remains unchanged. ***Based on both the Study’s estimate and EDR’s approximation, the minimum population density requirement of at least 1.5 persons per acre would be met. Consequently, it appears that this standard has been satisfied.***

Standard 4

It must have a minimum distance of any part of the area proposed for incorporation from the boundaries of an existing municipality within the county of at least 2 miles or have an extraordinary natural boundary which requires separate municipal government. *Section 165.061(1)(d), F.S.*

Staff Analysis: The Revised Study (p.6) states “Given the recent incorporation of Westlake and Loxahatchee Groves, coupled with the annexation of other adjacent areas by Palm Beach Gardens, Royal Palm Beach, and West Palm Beach, it is impossible to meet the minimum distance requirement due to the extensive population growth in Palm Beach County over the past decade.” ***Using a Municipal Boundaries map prepared by Palm Beach County government (see link below), it appears that the boundaries of six Palm Beach County municipalities (i.e., Loxahatchee Groves, Palm Beach Gardens, Royal Palm Beach, Wellington, Westlake, and West Palm Beach) are located within two miles of the proposed boundaries of Loxahatchee. Since there is no extraordinary natural boundary that would require separate municipal government, it is clear that Loxahatchee does not satisfy the minimum distance standard.***

<https://discover.pbcgov.org/engineering/atlas/Legend%20Pages/014cities%20pg%20xiii.pdf>

Standard 5

It must have a proposed municipal charter which: (1) prescribes the form of government and clearly defines the responsibility for legislative and executive functions, and (2) does not prohibit the legislative body of the municipality from exercising its powers to levy any tax authorized by the Constitution or general law. *Section 165.061(1)(e), F.S.*

Staff Analysis: A draft charter was included in the Study (Appendix B) received by EDR. ***The review of the proposed municipal charter for legal sufficiency is outside EDR’s purview, and the determination that this standard has been properly satisfied is better suited to the legal staffs of the Department of Economic Opportunity, Department of Revenue, and the House Local Administration & Veterans Affairs Subcommittee.***

Standard 6

In accordance with s. 10, Art. I of the State Constitution, the plan for incorporation must honor existing solid-waste contracts in the affected geographic area subject to incorporation. However, the plan for incorporation may provide for existing contracts for solid-waste-collection services to be honored only for 5 years or the remainder of the contract term, whichever is less, and may require that a copy of the pertinent portion of the contract or other written evidence of the duration of the contract, excluding any automatic renewals or evergreen provisions, be provided to the municipality within a reasonable time after a written request to do so. *Section 165.061(1)(f), F.S.*

Staff Analysis: The Revised Study (p.32) states: "If the voters in the Village of Loxahatchee vote for incorporation, consistent with current practices, the existing solid-waste contracts will be honored for, at minimum, five years." Additionally, there is corresponding language in Section 10(12) of the draft charter. ***Since the Study affirmatively states that the municipality will honor existing solid-waste contracts in the affected geographic area as required by law and corresponding language is also included in the proposed municipal charter, it appears that this standard has been satisfied.***

Conclusion

EDR has identified concerns or deficiencies with several of the required elements of the Revised Study, particularly Element #8 regarding evidence of fiscal capacity and Element #9 regarding data and analysis to support the conclusions that incorporation is necessary and financially feasible. EDR has some concerns that positive budget outcomes are difficult to assess due to the lack of documentation as to how some revenues and expenses were determined and assumptions about future growth. Furthermore, EDR reasons that Loxahatchee violates one of the six standards for municipal incorporation. In spite of these potential deficiencies, it should be noted that the Florida Legislature could exercise its option to waive the standard(s) in order for this incorporation proposal to proceed forward.

Additional Supplementary Material

In addition to its review of the Feasibility Study, EDR prepared separate tables that compare Loxahatchee's estimated FY 2023-24 revenues and expenditures (i.e., first fiscal year of municipal operations as indicated in the five-year operational plan) to those of ten similarly-populated Florida municipalities and recently incorporated Florida municipalities. The comparison cities' fiscal data are for the 2019-20 fiscal year and reflect the latest available data submitted by these municipal governments via their Annual Financial Reports to the Florida Department of Financial Services.

Although the reported revenues and expenditures of these municipalities reflect different fiscal years, this comparison may be instructive in illustrating how Loxahatchee's proposed first fiscal year revenues and expenditures compare to existing cities having similar populations or to cities that have recently incorporated. On a per capita basis, Loxahatchee's total revenues and expenditures are significantly lower than most of the other comparison cities having similar populations. Furthermore, Loxahatchee's total revenues and expenditures on a per capita basis are less than all of the municipalities incorporated since 2000. These findings might be expected given Loxahatchee's initial limited scope of operations. However, these findings could also be an indication of the Study's failure to accurately forecast revenues and expenditures. Assuming incorporation occurs, how long Loxahatchee's per capita revenues and expenditures remain that low will ultimately depend on the actions taken by future governing bodies.

Please let us know if you have any questions regarding this review.

Sincerely,

A handwritten signature in cursive script that reads "Amy J. Baker".

Amy J. Baker
Coordinator

cc: Elizabeth Ryon, Staff Director, Senate Committee on Community Affairs

Attachments

Proposed Municipal Incorporation of Loxahatchee

Comparison of the Proposed Municipality's Projected Revenues and Expenditures to Other Similarly-Populated Municipalities

Municipality	Other Similarly-Populated Municipalities (Sorted by Population: High to Low)										
	North Lauderdale	Cutler Bay	Altamonte Springs	Fort Pierce	Clermont	Loxahatchee (Proposed)	Ormond Beach	Oviedo	Hallandale Beach	Greenacres	Plant City
Respective County	Broward	Miami-Dade	Seminole	St. Lucie	Lake	Palm Beach	Volusia	Seminole	Broward	Palm Beach	Hillsborough
2021 Population Estimate						42,987					
2020 Population Estimate	45,549	45,480	45,304	44,476	44,301	-	41,782	40,145	39,945	39,945	39,846
2019 Population Estimate	45,207	45,411	45,293	43,653	40,750	-	41,289	40,021	39,834	39,813	39,478
Year of Incorporation	1963	2005	1920	1901	1916	2022	1880	1925	1927	1926	1885
Total Revenues by Category											
Taxes	\$ 16,270,643	\$ 11,358,130	\$ 21,155,860	\$ 31,165,363	\$ 20,933,301	\$ 11,368,485	\$ 22,822,852	\$ 22,901,136	\$ 49,126,788	\$ 21,208,279	\$ 22,419,547
Permits, Fees, and Special Assessments	\$ 12,162,058	\$ 2,701,314	\$ 5,994,195	\$ 4,575,647	\$ 11,318,409	\$ 1,742,636	\$ 6,988,900	\$ 4,513,781	\$ 16,812,226	\$ 2,523,352	\$ 7,123,339
Intergovernmental Revenue	\$ 7,875,036	\$ 7,560,919	\$ 14,044,579	\$ 8,624,583	\$ 6,150,598	\$ 3,767,278	\$ 8,317,886	\$ 7,362,045	\$ 13,550,601	\$ 5,418,045	\$ 11,884,884
Charges for Services	\$ 19,715,584	\$ 1,337,514	\$ 31,899,441	\$ 115,400,125	\$ 25,607,503	\$ 300,000	\$ 33,163,749	\$ 26,100,270	\$ 50,700,402	\$ 4,717,764	\$ 34,432,118
Judgments, Fines, and Forfeits	\$ 573,312	\$ 149,315	\$ 176,596	\$ 454,024	\$ 230,388	\$ 10,000	\$ 77,528	\$ 163,682	\$ 580,812	\$ 49,946	\$ 124,414
Miscellaneous Revenues	\$ 3,676,279	\$ 456,500	\$ 14,971,684	\$ 39,544,787	\$ 11,165,119	\$ 70,000	\$ 19,188,653	\$ 11,906,335	\$ 38,320,414	\$ 6,054,117	\$ 13,515,323
Other Sources	\$ 4,893,393	\$ 1,415,377	\$ 4,912,117	\$ 39,773,837	\$ 7,458,912	\$ -	\$ 8,625,747	\$ 9,081,957	\$ 26,350,010	\$ 710,000	\$ 8,743,738
Total - All Revenue Accounts	\$ 65,166,305	\$ 24,979,069	\$ 93,154,472	\$ 239,538,366	\$ 82,864,230	\$ 17,258,399	\$ 99,185,315	\$ 82,029,206	\$ 195,441,253	\$ 40,681,503	\$ 98,243,363
Per Capita Revenues by Category											
Taxes	\$ 357	\$ 250	\$ 467	\$ 701	\$ 514	\$ 264	\$ 546	\$ 570	\$ 1,230	\$ 531	\$ 563
Permits, Fees, and Special Assessments	\$ 267	\$ 59	\$ 132	\$ 103	\$ 278	\$ 41	\$ 167	\$ 112	\$ 421	\$ 63	\$ 179
Intergovernmental Revenue	\$ 173	\$ 166	\$ 310	\$ 194	\$ 151	\$ 88	\$ 199	\$ 183	\$ 339	\$ 136	\$ 298
Charges for Services	\$ 433	\$ 29	\$ 704	\$ 2,595	\$ 628	\$ 7	\$ 794	\$ 650	\$ 1,269	\$ 118	\$ 864
Judgments, Fines, and Forfeits	\$ 13	\$ 3	\$ 4	\$ 10	\$ 6	\$ 0	\$ 2	\$ 4	\$ 15	\$ 1	\$ 3
Miscellaneous Revenues	\$ 81	\$ 10	\$ 330	\$ 889	\$ 274	\$ 2	\$ 459	\$ 297	\$ 959	\$ 152	\$ 339
Other Sources	\$ 107	\$ 31	\$ 108	\$ 894	\$ 183	\$ -	\$ 206	\$ 226	\$ 660	\$ 18	\$ 219
Total - All Revenue Accounts	\$ 1,431	\$ 549	\$ 2,056	\$ 5,386	\$ 2,033	\$ 401	\$ 2,374	\$ 2,043	\$ 4,893	\$ 1,018	\$ 2,466
Total Expenditures by Category											
General Government Services	\$ 6,303,695	\$ 14,427,199	\$ 20,566,993	\$ 41,623,822	\$ 15,752,929	\$ 5,612,236	\$ 12,273,433	\$ 7,584,303	\$ 46,356,448	\$ 6,337,822	\$ 13,135,878
Public Safety	\$ 21,029,223	\$ 10,333,732	\$ 13,539,239	\$ 19,635,398	\$ 21,733,428	\$ 7,277,488	\$ 17,430,578	\$ 17,704,191	\$ 47,201,026	\$ 19,738,414	\$ 22,001,893
Physical Environment	\$ 14,515,555	\$ -	\$ 26,924,156	\$ 103,430,802	\$ 18,418,855	\$ 1,067,210	\$ 27,509,250	\$ 15,719,240	\$ 31,492,146	\$ 2,433,804	\$ 26,211,690
Transportation	\$ 2,559,335	\$ -	\$ 5,646,345	\$ 3,078,572	\$ 1,810,522	\$ 1,723,489	\$ 6,533,410	\$ 9,839,837	\$ 2,318,218	\$ 2,623,613	\$ 4,204,605
Economic Environment	\$ 217,942	\$ -	\$ -	\$ 1,835,233	\$ 3,451,967	\$ -	\$ 461,989	\$ 92,797	\$ 7,656,944	\$ -	\$ 2,833,631
Human Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,127	\$ 5,372,250	\$ 1,315,085	\$ -	\$ -
Culture / Recreation	\$ 4,507,725	\$ 3,136,908	\$ 5,715,634	\$ 13,617,400	\$ 5,983,600	\$ 786,983	\$ 9,564,271	\$ 6,142,757	\$ 10,666,464	\$ 2,767,466	\$ 9,673,733
Other Uses and Non-Operating	\$ 4,893,393	\$ 1,415,377	\$ 4,424,374	\$ 36,203,391	\$ 6,539,878	\$ -	\$ 16,325,356	\$ 12,394,611	\$ 4,124,719	\$ 710,000	\$ 7,590,186
Total - All Expenditure Accounts	\$ 54,026,868	\$ 29,313,216	\$ 76,816,741	\$ 219,424,618	\$ 73,691,179	\$ 16,467,406	\$ 90,215,414	\$ 74,849,986	\$ 151,131,050	\$ 34,611,119	\$ 85,651,616
Per Capita Expenditures by Category											
General Government Services	\$ 138	\$ 317	\$ 454	\$ 936	\$ 387	\$ 131	\$ 294	\$ 189	\$ 1,161	\$ 159	\$ 330
Public Safety	\$ 462	\$ 227	\$ 299	\$ 441	\$ 533	\$ 169	\$ 417	\$ 441	\$ 1,182	\$ 494	\$ 552
Physical Environment	\$ 319	\$ -	\$ 594	\$ 2,326	\$ 452	\$ 25	\$ 658	\$ 392	\$ 788	\$ 61	\$ 658
Transportation	\$ 56	\$ -	\$ 125	\$ 69	\$ 44	\$ 40	\$ 156	\$ 245	\$ 58	\$ 66	\$ 106
Economic Environment	\$ 5	\$ -	\$ -	\$ 41	\$ 85	\$ -	\$ 11	\$ 2	\$ 192	\$ -	\$ 71
Human Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 134	\$ 33	\$ -	\$ -
Culture / Recreation	\$ 99	\$ 69	\$ 126	\$ 306	\$ 147	\$ 18	\$ 229	\$ 153	\$ 267	\$ 69	\$ 243
Other Uses and Non-Operating	\$ 107	\$ 31	\$ 98	\$ 814	\$ 160	\$ -	\$ 391	\$ 309	\$ 103	\$ 18	\$ 190
Total - All Expenditure Accounts	\$ 1,186	\$ 645	\$ 1,696	\$ 4,934	\$ 1,808	\$ 383	\$ 2,159	\$ 1,864	\$ 3,783	\$ 866	\$ 2,150

Proposed Municipal Incorporation of Loxahatchee

Comparison of the Proposed Municipality's Projected Revenues and Expenditures to Other Similarly-Populated Municipalities

Notes:

- 1) The revenues and expenditures of the comparison municipalities (except Clermont) are obtained from Annual Financial Reports (AFR) for the local fiscal year ended 2020 (most recent fiscal year data currently available) submitted to the Florida Department of Financial Services. The calculations of per capita revenues and expenditures are made using each respective municipality's 2020 population estimate since it corresponds to the AFR fiscal year data. As of the date of this analysis, data from Clermont's FY 2019-20 AFR are not yet available. Consequently, EDR uses the FY 2018-19 AFR data, and the per capita calculations are made using Clermont's 2019 population estimate.
- 2) This analysis uses Loxahatchee's proposed first full fiscal year (i.e., LFY 2023-24) revenues and expenditures, which are summarized in the Feasibility Study. The calculations of per capita revenues and expenditures are made using an estimated 2021 population of 42,987.
- 3) Loxahatchee's Taxes revenue amount of \$11,368,485 is the sum total of the Study's Ad Valorem Tax, Communication Services Tax, Discretionary Sales Surtax, Local Option Gas Tax, and Utility Service Tax figures. The Permits, Fees, and Special Assessments revenue amount of \$1,742,636 is the sum total of the Study's Franchise Fee and Permits & Fees figures. The Intergovernmental Revenues amount of \$3,767,278 is the sum total of the Study's State Shared Revenue and 1/2 Cent Sales Tax figures. The Charges for Service revenue amount is \$300,000, and the Judgments, Fines, and Forfeits amount is \$10,000. The Miscellaneous Revenues amount of \$70,000 is the sum total of the Study's Investment Income and Miscellaneous Income. These revenue figures are reported in the Revised Study's five-year revenue projections (p.31). This analysis excludes the Study's Constitutional Gas Tax revenue amount from consideration because it is a county revenue source rather than a municipal revenue source.
- 4) Loxahatchee's General Government Services expenditure amount of \$5,612,236 is the sum total of the Administration, Finance, Planning, Operating Expenses, and Capital-Operating figures. The Public Safety expenditure amount of \$7,277,488 is the sum total of the Code Enforcement, Building, and Police figures. The Physical Environment expenditure amount of \$1,067,210 is the sum total of the Public Works Director, Fleet, and Capital Projects figures. The Transportation expenditure amount of \$1,723,489 is the Roads figure. The Culture/Recreation expenditure amount of \$786,983 is the Parks and Recreation figure. These expenditure figures are reported in the Revised Study's five-year expenditure projections (pp.38-44).

Proposed Municipal Incorporation of Loxahatchee

Comparison of the Proposed Municipality's Proposed Revenues and Expenditures to Those Municipalities Incorporated Since 2000

Municipality	Miami Lakes	Southwest Ranches	Palmetto Bay	Doral	Miami Gardens	Cutler Bay	West Park	Grant-Valkaria	Loxahatchee Groves	Estero	Westlake	Indiantown	Loxahatchee (Proposed)
Respective County	Miami-Dade	Broward	Miami-Dade	Miami-Dade	Miami-Dade	Miami-Dade	Broward	Brevard	Palm Beach	Lee	Palm Beach	Martin	Palm Beach
2021 Population Estimate	-	-	-	-	-	-	-	-	-	-	-	-	42,987
2020 Population Estimate	32,299	7,786	24,870	71,314	114,363	45,480	15,228	4,492	3,426	33,120	951	6,822	-
2019 Population Estimate	31,523	7,704	24,341	70,420	114,284	45,411	15,197	4,346	3,404	32,412	380	6,728	-
2018 Population Estimate	31,118	7,706	24,144	68,244	113,628	45,373	14,985	4,260	3,384	31,806	29	6,707	-
2017 Population Estimate	30,586	7,614	24,138	64,167	113,201	45,222	14,912	4,142	3,321	30,945	5	-	-
2016 Population Estimate	30,456	7,572	23,962	59,304	111,998	44,901	14,768	4,073	3,271	30,565	-	-	-
Year of Incorporation	2000	2000	2002	2003	2003	2005	2005	2006	2006	2014	2016	2017	2022
Total Revenues by Category													
Taxes	\$ 12,693,403	\$ 7,986,170	\$ 11,449,058	\$ 49,072,366	\$ 55,473,816	\$ 11,358,130	\$ 6,632,168	\$ 788,750	\$ 2,038,923	\$ 6,841,412	\$ 708,610	\$ 4,332,979	\$ 11,368,485
Permits, Fees, and Special Assessments	\$ 4,190,782	\$ 6,116,161	\$ 3,056,907	\$ 13,614,249	\$ 15,738,725	\$ 2,701,314	\$ 5,757,021	\$ 766,761	\$ 2,174,515	\$ 4,871,367	\$ 2,383,751	\$ 292,556	\$ 1,742,636
Intergovernmental Revenue	\$ 6,435,404	\$ 1,271,749	\$ 4,838,689	\$ 9,875,704	\$ 21,848,848	\$ 7,560,919	\$ 2,147,722	\$ 427,680	\$ 383,335	\$ 4,244,825	\$ 864	\$ 6,623,057	\$ 3,767,278
Charges for Services	\$ 1,146,692	\$ 112,230	\$ 566,875	\$ 2,560,146	\$ 5,590,591	\$ 1,337,514	\$ 793,123	\$ 613,267	\$ 882,854	\$ 230,803	\$ 202,206	\$ 146,459	\$ 300,000
Judgments, Fines, and Forfeits	\$ 195,265	\$ 306,019	\$ 253,139	\$ 1,733,918	\$ 5,907,215	\$ 149,315	\$ 425,756	\$ 15	\$ 36,911	\$ -	\$ -	\$ -	\$ 10,000
Miscellaneous Revenues	\$ 376,145	\$ 258,452	\$ 591,305	\$ 5,067,921	\$ 3,662,110	\$ 456,500	\$ 93,857	\$ 45,052	\$ 187,689	\$ 1,504,891	\$ 1,369,276	\$ 258,960	\$ 70,000
Other Sources	\$ 3,887,915	\$ 2,925,097	\$ -	\$ 1,456,006	\$ 96,037,450	\$ 1,415,377	\$ 211,193	\$ 252,564	\$ -	\$ 11,178,860	\$ -	\$ -	\$ -
Total - All Revenue Accounts	\$ 28,925,606	\$ 18,975,878	\$ 20,755,973	\$ 83,380,310	\$ 204,258,755	\$ 24,979,069	\$ 16,060,840	\$ 2,894,089	\$ 5,704,227	\$ 28,872,158	\$ 4,664,707	\$ 11,654,011	\$ 17,258,399
Per Capita Revenues by Category													
Taxes	\$ 393	\$ 1,026	\$ 460	\$ 688	\$ 485	\$ 250	\$ 436	\$ 176	\$ 599	\$ 207	\$ 745	\$ 635	\$ 264
Permits, Fees, and Special Assessments	\$ 130	\$ 786	\$ 123	\$ 191	\$ 138	\$ 59	\$ 378	\$ 171	\$ 639	\$ 147	\$ 2,507	\$ 43	\$ 41
Intergovernmental Revenue	\$ 199	\$ 163	\$ 195	\$ 138	\$ 191	\$ 166	\$ 141	\$ 95	\$ 113	\$ 128	\$ 1	\$ 971	\$ 88
Charges for Services	\$ 36	\$ 14	\$ 23	\$ 36	\$ 49	\$ 29	\$ 52	\$ 137	\$ 259	\$ 7	\$ 213	\$ 21	\$ 7
Judgments, Fines, and Forfeits	\$ 6	\$ 39	\$ 10	\$ 24	\$ 52	\$ 3	\$ 28	\$ 0	\$ 11	\$ -	\$ -	\$ -	\$ 0
Miscellaneous Revenues	\$ 12	\$ 33	\$ 24	\$ 71	\$ 32	\$ 10	\$ 6	\$ 10	\$ 55	\$ 45	\$ 1,440	\$ 38	\$ 2
Other Sources	\$ 120	\$ 376	\$ -	\$ 20	\$ 840	\$ 31	\$ 14	\$ 56	\$ -	\$ 338	\$ -	\$ -	\$ -
Total - All Revenue Accounts	\$ 896	\$ 2,437	\$ 835	\$ 1,169	\$ 1,786	\$ 549	\$ 1,055	\$ 644	\$ 1,676	\$ 872	\$ 4,905	\$ 1,708	\$ 401
Total Expenditures by Category													
General Government Services	\$ 6,436,206	\$ 3,646,932	\$ 4,748,367	\$ 20,298,218	\$ 84,114,730	\$ 14,427,199	\$ 2,204,155	\$ 521,769	\$ 1,504,901	\$ 5,431,230	\$ 3,303,318	\$ 4,040,368	\$ 5,612,236
Public Safety	\$ 10,746,835	\$ 8,027,196	\$ 10,876,295	\$ 30,679,329	\$ 44,924,539	\$ 10,333,732	\$ 9,216,670	\$ 24,509	\$ 710,240	\$ 1,305,996	\$ 650,451	\$ 132,753	\$ 7,277,488
Physical Environment	\$ 2,237,826	\$ 1,425,460	\$ 839,208	\$ 2,561,962	\$ 2,961,894	\$ -	\$ 204,260	\$ 570,354	\$ 2,285,005	\$ 191,691	\$ 84,171	\$ 22,099	\$ 1,067,210
Transportation	\$ 4,921,433	\$ 1,310,239	\$ 5,156,286	\$ 12,382,018	\$ 9,567,156	\$ -	\$ 2,317,114	\$ 476,936	\$ 320,102	\$ 10,491,354	\$ -	\$ 872,439	\$ 1,723,489
Economic Environment	\$ -	\$ -	\$ 3,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,550	\$ -	\$ -
Human Services	\$ -	\$ -	\$ -	\$ -	\$ 713,606	\$ -	\$ -	\$ -	\$ -	\$ 37,932	\$ -	\$ -	\$ -
Culture / Recreation	\$ 3,226,250	\$ 468,354	\$ 2,033,148	\$ 12,422,407	\$ 13,532,454	\$ 3,136,908	\$ 1,186,423	\$ 38,888	\$ -	\$ 73,695	\$ -	\$ 423,909	\$ 786,983
Other Uses and Non-Operating	\$ 2,590,622	\$ 2,899,236	\$ -	\$ 940,000	\$ 30,232,450	\$ 1,415,377	\$ 211,193	\$ 252,564	\$ -	\$ 11,178,860	\$ -	\$ 173,707	\$ -
Total - All Expenditure Accounts	\$ 30,159,172	\$ 17,777,417	\$ 23,656,692	\$ 79,283,934	\$ 186,046,829	\$ 29,313,216	\$ 15,339,815	\$ 1,885,020	\$ 4,820,248	\$ 28,710,758	\$ 4,048,490	\$ 5,665,275	\$ 16,467,406
Per Capita Expenditures by Category													
General Government Services	\$ 199	\$ 468	\$ 191	\$ 285	\$ 736	\$ 317	\$ 145	\$ 116	\$ 442	\$ 164	\$ 3,474	\$ 592	\$ 131
Public Safety	\$ 333	\$ 1,031	\$ 437	\$ 430	\$ 393	\$ 227	\$ 605	\$ 5	\$ 209	\$ 39	\$ 684	\$ 19	\$ 169
Physical Environment	\$ 69	\$ 183	\$ 34	\$ 36	\$ 26	\$ -	\$ 13	\$ 127	\$ 671	\$ 6	\$ 89	\$ 3	\$ 25
Transportation	\$ 152	\$ 168	\$ 207	\$ 174	\$ 84	\$ -	\$ 152	\$ 106	\$ 94	\$ 317	\$ -	\$ 128	\$ 40
Economic Environment	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11	\$ -	\$ -
Human Services	\$ -	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -
Culture / Recreation	\$ 100	\$ 60	\$ 82	\$ 174	\$ 118	\$ 69	\$ 78	\$ 9	\$ -	\$ 2	\$ -	\$ 62	\$ 18
Other Uses and Non-Operating	\$ 80	\$ 372	\$ -	\$ 13	\$ 264	\$ 31	\$ 14	\$ 56	\$ -	\$ 338	\$ -	\$ 25	\$ -
Total - All Expenditure Accounts	\$ 934	\$ 2,283	\$ 951	\$ 1,112	\$ 1,627	\$ 645	\$ 1,007	\$ 420	\$ 1,416	\$ 867	\$ 4,257	\$ 830	\$ 383

Proposed Municipal Incorporation of Loxahatchee

Comparison of the Proposed Municipality's Proposed Revenues and Expenditures to Those Municipalities Incorporated Since 2000

Notes:

1) The revenues and expenditures of the comparison municipalities (except Loxahatchee Groves) are obtained from Annual Financial Reports (AFR) for FY 2019-20 (i.e., most recent fiscal year data currently available) submitted to the Florida Department of Financial Services. The calculations of per capita revenues and expenditures are made using each respective municipality's 2020 population estimate since it corresponds to the AFR fiscal year data. As of the date of this analysis, data from Loxahatchee Groves' FY 2019-20 AFR are not yet available. Consequently, EDR uses the FY 2018-19 AFR data, and the per capita calculations are made using Loxahatchee Groves' 2019 population estimate.

2) This analysis uses the Loxahatchee's first full fiscal year (i.e., LFY 2023-24) revenues and expenditures, which are summarized in its feasibility study. The calculations of Loxahatchee's per capita revenues and expenditures are made using its 2021 estimated population of 42,987.