

LAKE WORTH DRAINAGE DISTRICT

LANDOWNERS' MEETING

JANUARY 9, 2013

AGENDA

1. Presentation of Notice of Meeting
2. Election of Chairman and Secretary
3. Election of Members to Board of Supervisors
4. Reading of Minutes
5. Manager's Report
6. Financial Report
7. New Business

REPORT TO LANDOWNERS

The year 2012 saw two major storms that affected the east coast of the United States. Tropical Storm Isaac came across the northern portion of this District dropping 17.5 inches of rain. The District fared well with just minor street flooding in the Boynton Beach, Greenacres and north areas. All but two subdivisions had clear roads in three or less days. Hurricane Sandy did not adversely affect Lake Worth Drainage District but overall showed us, once again, the damage that a direct hit can do.

The State of the District:

It appears that the economy for the District may be improving. Revenues for the fiscal year 2012 were approximately \$12.3 million, an increase of 0.3% from the previous fiscal year. Actual investment earnings for FY 2012 were \$41,000 vs. a budget of \$10,000. The most significant sign of economic improvement was in the District's issuance of permits, deed and right of way agreements. Budgeted at \$281,000 the actual income received for permits, deeds and right of way agreements was \$398,000. This represents a 42% favorable budget variance.

Expenditures:

This area provided the most significant fiscal year end results. Herbicides topped this list. Due to drought conditions during the fiscal year only 58% of the herbicide budget was expended. Health care costs were next on the list. The District had a very healthy year with actual expenditures being 79% of the budgeted amount. These two items represent \$742,000 or 6% of the total budgeted expenditures. No one is hoping for a drought this year for the sake of reduced expenditures, but everyone is praying that the employees and their loved ones continue to be healthy. Renovating Control Structure No. 3 was originally scheduled to begin during FY 2012 but was moved to FY 2013 along with the FY 2012 budget amount of \$150,000. Salaries and administrative costs exclusive of health insurance have increased a modest 5% since FY 2009. Operations and maintenance costs, increasing only 3.6% since FY 2009 exhibits the dedication and creativity of the District's staff in curtailing costs in spite of ever-increasing costs of materials and parts needed to maintain the District's equipment. New additions to the District's fleet in FY 2008 helped in this area as well. Canal revetment projects in the past have shown themselves to be of great benefit to the District saving tax dollars in the area of canal maintenance. Since completion of the C. Stanley Weaver revetment project in FY 2010 the District has budgeted \$100,000 each year savings towards a future revetment project. As the local economy continues to improve strong consideration should be given to continuing District revetment projects.

Committed – Capital Expenditures:

In November, 2012 the District Board approved an aggressive program for overdue rehabilitation of several of the District's control structures. The cost of approximately \$15.8 million is earmarked to come from the Extraordinary Income Fund.

The District has continued to move forward providing constituents with good service while maintaining the same tax rate of \$38.00/acre or portion thereof which has been in place since FY 2008. Best Management Practices do work.

The taxpayers and residents are in good hands with this great District.

Respectfully submitted,

Ronald L. Crone, P.E., P.L.S.
Manager/District Engineer