

Ray Bagshaw  
Mayor

Judy Beardslee  
Council President

Pam Henley  
Council Member

John Dowless  
Council Member

Neil Powell  
Council Member

Lee Chotas  
Council Member

**CITY COUNCIL AGENDA**  
**Regular Meeting**  
**City Hall – Council Chamber**  
**405 Larue Avenue, Edgewood, Florida**  
**Tuesday, May 21, 2013**  
**6:30 p.m.**

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**WELCOME!** We are very glad you have joined us for today's Council meeting. If you are not on the agenda, please complete an appearance form and hand it to the City Clerk. When you are recognized, state your name and address. The Council is pleased to hear relevant comments; however a five-minute limit has been set by Council. Large groups are asked to name a spokesperson. Robert's Rules of Order guide the conduct of the meeting. PLEASE SILENCE ALL CELLULAR PHONES AND PAGERS DURING THE MEETING. "THANK YOU" for participating in your City Government.

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**A. CALL TO ORDER**

**B. INVOCATION**

**C. PLEDGE OF ALLEGIANCE**

**D. CONSENT AGENDA**

- Minutes – Special City Council Meeting – April 23, 2013 (Pgs. 1 – 4)

*(Items on the consent agenda are defined as routine in nature, therefore, do not warrant detailed discussion or individual action by the Council. Any member of the Council may remove any item from the consent agenda simply by verbal request prior to consideration of the consent agenda. The removed item(s) are moved to the end of New Business for discussion and consideration.)*

**E. PRESENTATIONS**

1. Holland & Reilly – 2011/2012 FY Audit (Pgs. 5 – 48)

**F. CITIZEN COMMENTS**

**G. STAFF REPORTS**

**City Attorney:**

**Police Chief:**

**City Clerk:**

**Code Enforcement:**

**MAYOR & COUNCIL REPORTS**

- Mayor Bagshaw
- Council President Beardslee
- Council Member Powell
  - Lake Mary Jess Shores Court (Pg. 49)
- Council Member Dowless
- Council Member Henley
- Council Member Chotas

**H. OLD BUSINESS**

1. Resolution No. 2013-03 (Pgs. 50 – 51)

A RESOLUTION OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY'S BUDGET FOR THE 2012-2013 FISCAL YEAR; AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

**I. NEW BUSINESS**

**J. BOARDS & COMMITTEES**

**K. ORDINANCES**

1. Ordinance No. 2013-02 (Pgs. 52 – 67)

AN ORDINANCE OF THE CITY OF EDGEWOOD, FLORIDA, ANNEXING A 0.33± ACRE PARCEL OF UNINCORPORATED ORANGE COUNTY, FLORIDA INTO THE CITY OF EDGEWOOD, WHICH PARCEL IS LOCATED IN THE SOUTHWEST CORNER OF THE HOFFNER AVENUE AND HANSEL AVENUE INTERSECTION, AND WHICH IS CONTIGUOUS TO THE CITY OF EDGEWOOD; REDEFINING THE BOUNDARY LINES OF THE CITY OF EDGEWOOD, FLORIDA TO INCLUDE SAID PARCEL; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

2. Ordinance No. 2013-03 (Pgs. 68 – 74)

AN ORDINANCE OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY CODE BY EXPANDING CHAPTER 62, TRAFFIC AND VEHICLE, THROUGH ADOPTION OF ARTICLE IV, THE "TRAFFIC LIGHT SAFETY ACT"; PROVIDING

FOR CONFLICTS, SEVERABILITY, CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

**L. PUBLIC HEARINGS (ORDINANCES – SECOND READINGS & RELATED ACTION)**

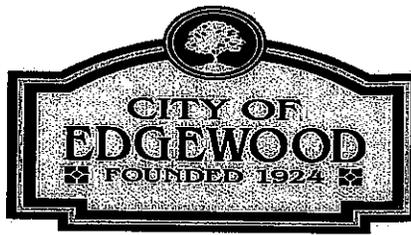
**M. GENERAL INFORMATION (No action required)**

**N. ADJOURNMENT**

**UPCOMING MEETINGS:**

June 18, 2013 .....City Council Regular  
July 16, 2013.....City Council Regular

You are welcome to attend and express your opinion. Please be advised that Section 286.0105, Florida Statutes state that if you decide to appeal a decision made with respect to any matter, you will need a record of the proceedings and may need to ensure that a verbatim record is made. In accordance with the American Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodation to participate in this proceeding, he or she should telephone the City Clerk at (407) 851-2920.



**SPECIAL CITY COUNCIL MEETING**

**APRIL 23, 2013**

Council President Beardslee called the special City Council meeting to order at 6:30 p.m. and asked to forgo the invocation and pledge. The following attendance was noted:

Council Members Present

Ray Bagshaw, Mayor  
Judy Beardslee, Council President  
John Dowless, Council Member  
Lee Chotas, Council Member  
Neil G. Powell, DDS, Council Member

Council Members Absent

Pam Henley, Council Member

Staff:

Bea L. Meeks, City Clerk  
Pete Marcus, Police Chief  
Drew Smith, City Attorney  
Ellen Hardgrove, City Planner

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Council President Beardslee stated the purpose of the meeting was to consider the Special Exception application for a thrift store in C-1 zoning. She referred to City Planner Hardgrove, who provided highlights of her report provided in the agenda packet:

You are to consider three things:

- Character of the neighborhood in which the proposed use is to be located,
- It's effect on the value of surrounding lands, and
- The area of the site as it relates to the required open space and off-street parking facilities.

A thrift store is compatible with surrounding zoning and uses provided conditions of approval are established to protect property values. Although thrift stores operate similarly to permitted retail uses, there are potential negative issues that could affect surrounding land values. Merchandise donation areas can become unsightly by creating outdoor storage issues and illegal dumping and collection of debris. Warehousing of secondhand goods can sometimes extend beyond the building to outdoor storage or use of outdoor storage containers, which can be unsightly and interfere with operation of a shopping center.

The existing multi-tenant building was constructed in 1963, prior to current parking standards. According to current code, the building would be classified as a "shopping center" and 143 parking spaces would be required. There are 24 parking spaces onsite, including two handicapped spaces. The site is considered legally nonconforming. Unlike retail stores, with scheduled arrivals and unloading of merchandise, thrift store donations can occur at random times. The random times of merchandise drop-off has the potential of creating entrance and/or exit obstacles on site since there is only one driveway through the parking lot and that driveway is one-way.

Conditions can be attached to the approval to avoid these situations.

In response to Mayor Bagshaw, Planner Hardgrove, said signage was addressed. Mayor Bagshaw said he wanted to make sure it is clear that the applicant is aware that there is a permitting process for signage in front of the business. Property owner, Richard Dawson, confirmed for Council President Beardslee that there is signage in front of the building. Council President Beardslee noted that if there is a change in the signage, the signage would have to comply with the current Ordinance.

City Attorney Smith confirmed for Council Member Dowless that the special exception stays with the property if it is the same use; a thrift store. Planner Hardgrove said if the use stop for more than six months, the special exception goes away.

City Attorney Smith confirmed for Council President Beardslee that displaying things in front of a business is not the same as outside storage. Dr. Powell said he wants the word "must" instead of "shall" (condition #3). City Attorney Smith confirmed for Council Member Chotas that there is no definition of a thrift store as opposed to any other store selling merchandise. Council Member Chotas inquired as to why the City requires a special exception for a thrift store. Planner Hardgrove said there is a potential for some negative impacts of a thrift store, and that retail is more controlled. Council Member Chotas said that a thrift store needs to be defined. Council Member Chotas asked if it would be appropriate to define what a thrift store is that is being permitted, and the City Attorney said yes.

Holly Sampson noted that the Party Store has items on display outside their store, and questioned why the thrift store can't do the same. Council President Beardslee said this is why she wanted to discuss the differences of a thrift store and retail.

***Council Member Powell made the Motion to approve as presented. Council President Beardslee added a friendly amendment to approve with the conditions provided in Planner Hardgrove's memo, including the definition of a thrift store. Council Member Dowless Second the Motion as amended.***

***After brief discussion regarding the definition of a thrift store, Council Member Powell withdrew his Motion to allow for the definition to be added.***

Planner Hardgrove provided the definition of a thrift store as follows: Thrift Store - Consisting of the re-selling of donated merchandise. Council Member Chotas requested that Planner Hardgrove's report be amended to include the definition of a thrift store, and be incorporated into the Motion. Planner Hardgrove confirmed her acceptance of the amendment to her report.

***Council Member Chotas moved to approve the Special Exception for a thrift store use at 5517 and 5521 S. Orange Avenue, as proposed in the Planner's report as amended, and with the conditions set forth by Planner Hardgrove, with the recommendations of the Planning & Zoning Board. Council President Beardslee Second the Motion, which was unanimously approved. (4/0)***

In response to the applicant, it was agreed that display cases can be outside during business hours if it is consistent with the City Code.

Council President Beardslee referred to City Attorney Smith who reminded the council that now that they have provided a definition for a thrift store, there are other definitions that need to be done. Council Member Chotas said that he would help and asked everyone to provide a memo to the City Clerk providing things that they thought needed to be changed. Council Member Chotas said he hoped to get together to review the checklists of the different revisions that need to be made, and ask Council Member Powell for his assistance. Council Member Powell said he does not have a list but is willing to help.

Council President Beardslee had two questions; first question: If a business operates their business differently from what their Business Tax Receipt was issued for, can they be shut down. City Attorney Smith said yes if what the business is doing is inconsistent with Code then it is a code enforcement issue. Second question, the Art Angels enjoy the benefit of sitting so far off the street, no one sees the stuff they sit out. She ask why can't you have something that says if you are back off the street it is okay to set merchandise out during business hours, and if you are not back off the street you cannot. Mayor Bagshaw said Art Angels' staging is a permanent display. Council President Beardslee said she feels the code should be consistent. Council Member Chotas said that when the Comprehensive Plan is

approved, he can review the Land Development Code and make the changes to be consistent with the Comprehensive Plan. He said then he would review the part of the code regarding code enforcement and make this consistent too. He said it would have to be done in phases.

Having no further business, Council Member Chotas made the Motion to adjourn the special meeting, with Second by Council Member Dowless. The special Council meeting adjourned at 7:10 p.m.

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Judy Beardslee, Council President

**ATTEST:**

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Bea L. Meeks, MMC, CPM  
City Clerk

Approved by City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**CITY OF EDGEWOOD, FLORIDA**

**Annual Financial Report**

**September 30, 2012**

**(With Independent Auditors' Report Thereon)**

**CITY OF EDGEWOOD, FLORIDA**

**ANNUAL FINANCIAL REPORT  
AND AUDITORS' REPORT**

**SEPTEMBER 30, 2012**

**CITY COUNCIL AND OFFICIALS**

Judy Beardslee	- Council Member & President
Lee Chotas	- Council Member
John Dowless	- Council Member
Pam Henley	- Council Member
Neil Powell, D.D.S.	- Council Member
Raymond Bagshaw	- Mayor
Bea Meeks	- City Clerk
Pete Marcus	- Police Chief
Drew Smith	- City Attorney

**AUDITOR**  
Holland & Reilly  
Certified Public Accountants

**CITY OF EDGEWOOD, FLORIDA**

**ANNUAL FINANCIAL REPORT AND AUDITORS' REPORT  
YEAR ENDED SEPTEMBER 30, 2012**

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## **FINANCIAL SECTION**

This section contains the following subsections:

- **REPORT OF INDEPENDENT AUDITORS**
- **MANAGEMENT'S DISCUSSION AND ANALYSIS**
- **BASIC FINANCIAL STATEMENTS**
- **NOTES TO THE FINANCIAL STATEMENTS**

# HOLLAND & REILLY

CERTIFIED PUBLIC ACCOUNTANTS  
601 NORTH FERN CREEK  
SUITE 200  
ORLANDO, FLORIDA 32803

(407) 894-6803  
(407) 896-3044 Fax

DAVID S. HOLLAND, CPA  
THOMAS F. REILLY, CPA

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
FLORIDA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
ASSOCIATION OF  
CERTIFIED FRAUD EXAMINERS

## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council  
City of Edgewood, Florida

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Edgewood, Florida (the City) as of and for the year ended September 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Edgewood's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Edgewood as of September 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2013 on our consideration of the City of Edgewood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

U.S. generally accepted accounting principles require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 28 through 30, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Edgewood's basic financial statements as a whole. The other supplementary information on page 31 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Holland & Reilly*

May 11, 2013  
Orlando, Florida

CITY OF EDGEWOOD, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended September 30, 2012

As management of the City of Edgewood, Florida (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2012.

#### Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$5,311,190 (net assets). Of this amount, \$2,553,144 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year the City's total net assets increased by \$356,048, compared to the prior year decrease of (\$38,414).
- The City's cash and cash equivalents balance was \$3,100,413, representing a \$488,953 increase over the prior year.
- The City's capital outlays for fiscal year 2012 were \$35,485.
- The City has no outstanding debt.
- The City implemented a Red Light Citation program with a contractor generating an excess of revenues over expenditures of \$247,373.

#### Overview of the Financial Statement

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. *The government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

*The statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

*The statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include general government, public safety, physical environment, and highways and streets.

The Government-wide financial statements can be found on pages 10 and 11 of this report.

Fund financial statements A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has only governmental funds – the General Fund and a special revenue fund – the Roads and Streets Fund.

*Governmental Funds.* *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balance of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City adopts an annual appropriated budget for its General Fund and special revenue fund. A budgetary comparison statement has been provided for the General Fund.

The basic governmental fund financial statements can be found on pages 12 to 15 of this report.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 through 26 of this report.

#### Government-wide Financial Analysis

##### Statement of Net Assets September 30, 2012 and 2011

	Governmental Activities	
	2012	2011
Current assets	\$ 3,263,471	2,758,492
Noncurrent assets (Capital assets)	2,252,432	2,411,616
Total	<u>5,515,903</u>	<u>5,170,108</u>
Current liabilities	130,584	166,796
Noncurrent liabilities	74,129	48,170
Total liabilities	<u>204,713</u>	<u>214,966</u>
Net assets:		
Invested in capital assets, net of related debt	2,252,432	2,368,063
Restricted	505,614	440,254
Unrestricted	2,553,144	2,185,239
Total net assets	<u>\$ 5,311,190</u>	<u>4,993,556</u>

The increase in current assets from 2011 to 2012 is due to the increase in net assets, a principal portion of which was generated from the implementation of the Red Light Citation program.

\$2,252,432 or 42% of the City's net assets are reflected in investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure). The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City has no outstanding related debt, the investment in its capital assets would be reported net of any related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

\$505,614 or 10% of the City's net assets represents resources that are subject to restrictions on how they may be used, primarily for law enforcement, storm water and road projects. Unrestricted net assets of \$2,553,144 or 48% may be used to meet the City's ongoing obligations to citizens and creditors.

At September 30, 2012, the City is able to report positive balances in all three categories of net assets, both for the City as a whole, as well as for its governmental activities.

Changes in Net Assets  
For the year ended September 30, 2012 and 2011

	Governmental Activities	
	2012	2011
Revenues:		
Program revenues		
Charges for services	\$ 713,694	405,439
Operating grants and contributions	-	500
Capital grants and contributions	6,028	15,398
Total program revenues	<u>719,722</u>	<u>421,337</u>
General revenues		
Property taxes	1,207,457	1,046,142
Sales and gas taxes	497,977	470,299
Franchise and utility taxes	715,001	741,888
Investment earnings	5,661	8,653
Impact fees	7,429	49,243
Miscellaneous revenue	5,907	5,494
Loss on disposition of capital assets	(2,896)	(26)
Total general revenues	<u>2,436,536</u>	<u>2,321,693</u>
Total revenues	<u>3,156,258</u>	<u>2,743,030</u>
Expenses:		
General government	311,861	355,417
Public safety	2,071,122	1,984,692
Highways and streets	211,951	225,510
Physical environment	205,276	213,783
Interest on long-term debt	-	2,042
Total expenses	<u>2,800,210</u>	<u>2,781,444</u>
Increase (decrease) in net assets	356,048	(38,414)
Net assets - beginning	4,955,142	4,993,556
Net assets - ending	<u>\$ 5,311,190</u>	<u>4,955,142</u>

During the fiscal year 2012, the City's net assets increased by \$356,048, primarily due to the implementation of the Red Light Citation program. In addition, the City experienced an increase in property taxes and sales and gas taxes, offset by an increase in public safety expenses. The City did reduce expenses for general government, highways and streets, and physical environment.

The following table represents the composition of governmental activities revenue and percentages in relation to total governmental activities:

	<u>2012</u>		<u>2011</u>
Charges for services	\$ 713,694	23%	15%
Grants and contributions	6,028	-	1
Property taxes	1,207,457	38	38
Franchise and utility taxes	715,001	23	27
Sales and gas taxes	497,977	16	17
Impact fees	7,429	-	2
Investment earnings	5,661	-	-
Other revenues	<u>3,011</u>	<u>-</u>	<u>-</u>
	<u>\$3,156,258</u>	<u>100%</u>	<u>100%</u>

Relevant Financial Policies – The City's management has reviewed GASB Statement No. 45, "Accounting and Reporting for Postemployment Benefits Other than Pensions" and has made the determination that there are no applicable post employment benefits and therefore no liability exists.

#### Fund Financial Statements

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds.* The focus of the City of Edgewood, Florida's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Edgewood, Florida's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$ 3,132,887.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,625,267. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned fund balance represents 105% of total General Fund expenditures.

## General Fund Budgetary Highlights

The following information is presented to assist the reader in comparing actual results with budgetary amounts.

- Total revenues were \$307,060 greater than budgeted in the General Fund, primarily due to the Red Light Citation program. The City implemented this program in mid-year and did not revise the budget to address this significant new revenue stream.
- Certain revenues from the state came in less than budgeted – local communications services tax and state revenue sharing.
- Total expenditures were \$245,408 less than budgeted in the General Fund, primarily due to incurring no expenditures for the Mary Jess Retrofit project budgeted at \$100,000.

## Capital Assets

	Capital Assets (net of depreciation)		Increase (Decrease)	Percentage
	<u>2012</u>	<u>2011</u>		
Land	\$ 284,796	\$ 284,796	\$ -	-
Building	257,057	251,820	5,237	(2%)
Machinery and equipment	252,095	344,146	(92,051)	(27%)
Infrastructure	<u>1,458,484</u>	<u>1,530,853</u>	<u>(72,369)</u>	<u>(5%)</u>
Total assets	<u>\$2,252,432</u>	<u>\$2,411,615</u>	<u>(\$159,183)</u>	<u>(7%)</u>

The City's total investment in capital assets for its governmental activities as of September 30, 2012, amounted to \$2,252,432 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, and infrastructure.

During the year ended September 30, 2012, the City expended \$35,485 on capital assets, including various renovations to City Hall (\$18,681) and \$16,804 on computers, and other equipment for the police department. The large decrease in machinery and equipment resulted from the police department disposing of surplus equipment with a cost of \$143,178, and a net book value of \$3,905.

For more detailed information regarding the City's capital assets, please refer to Note 6 to the financial statements.

## Long-Term Debt

The City has no outstanding debt as the mortgage payable on City Hall was paid off during the prior year ended September 30, 2011.

## Economic Factors and Next Year's Budgets and Rates

- The Police Department has indicated it is in need of new vehicles. This item will be considered during the 13/14 FY budget process. The decision of City Council will determine the effect this request will have on the 13/14 FY budget.

## Economic Factors and Next Year's Budgets and Rates – continued

- In 2009 the City entered into an Interlocal Agreement with Orange County for the Orange Avenue Outfall Retrofit Project. The purpose of the project is to improve the water qualities of Lakes Jessamine and Mary Jess, which would include improvement of facilities for retention and treatment of stormwater flowing into the lakes from Orange Avenue (S.R. 527). The City's share of the costs is \$100,000 and is included in the F/Y 12/13 budget.
- Maintenance and repair of the roads and streets in the City are a priority. A needs assessment has been done by the City's engineer, however, an estimate of costs has not been done. Maintenance and repair of the roads and streets will be included in the 13/14 FY budget.
- The City is in the process of transmitting an update to its Comprehensive Plan. The City will update its Land Development Code to align with the Comprehensive Plan within 18 months after Plan approval. The City will include funds in the 13/14 FY budget to begin the update.
- The City is required to notify the State whether or not the City will be making amendments to the Comprehensive Plan through the EAR process. The City notified the State that it will transmit proposed EAR based amendments to the state in August 2013. The City will include funds in the 13/14 FY budget to prepare the EAR based amendment(s).
- Commercial Redevelopment Funding and Improved Street Lighting - The City is interested in assisting commercial properties in increased economic development, as well as increasing the lighting and aesthetics of the lighting in the City. Consideration will be given to including funds in the F/Y 13/14 budget.
- Improvements to vacant city property; Larue and Hansel Avenue – the City owns the vacant lot next to City Hall. Currently the lot is host to the City's Farmer's Market and Toys for Tots events. Council discussion has been held regarding improvements to this property. Consideration will be given for including funds in the 13/14 FY budget.
- Annexation Costs – Commercial property owners, as well as a small subdivision have expressed interest in annexing into the City. Currently, the City does not have established fees for annexation. Consideration will be given for including funds in the 13/14 FY budget.
- In 2012 the City installed three red light cameras. In the 2013 legislation, some changes were made to the red light camera program that will also create some difficulty in determining the revenues and expenditures associated with red light cameras. Under HB 7125, municipalities will be allowed to have a local Hearing Officer to consider a Petitioner's challenge of their violation. If the local Hearing Officer determines the Petitioner's violation was proper, they can assess up to \$250 in costs, in addition to the fine associated with the red light citation. If the City Council approves having a local Hearing Officer, this may affect the City's future budgets regarding revenues and expenditures.

## Request for Information

This financial report is designed to provide a general overview of the City of Edgewood, Florida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the management staff of the City of Edgewood, Florida.

## **BASIC FINANCIAL STATEMENTS**

- Government-wide Financial Statements
- Fund Financial Statements

**CITY OF EDGEWOOD, FLORIDA**

**Statement of Net Assets**

September 30, 2012

	<u>Primary Government</u>
	<u>Governmental Activities</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 3,086,126
Investments	14,287
Due from other governments	62,573
Receivables	78,490
Prepaid items	19,988
Inventories	2,007
Total current assets	<u>3,263,471</u>
Noncurrent assets:	
Capital assets, not being depreciated	
Land	284,796
Capital assets, net of accumulated depreciation	
Buildings	411,233
Machinery and equipment	605,002
Infrastructure	2,808,344
Less accumulated depreciation	<u>(1,856,943)</u>
Total noncurrent assets	<u>2,252,432</u>
Total assets and other debits	\$ <u>5,515,903</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	52,810
Accrued liabilities	35,653
Due to other governments	29,050
Deferred revenue	13,071
Total current liabilities	<u>130,584</u>
Noncurrent liabilities:	
Compensated absences	74,129
Total noncurrent liabilities	<u>74,129</u>
Total liabilities	<u>204,713</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	2,252,432
Restricted for:	
Public safety	290,197
Road projects	157,446
Stormwater	57,971
Unrestricted	2,553,144
Total net assets	<u>5,311,190</u>
Total liabilities and net assets	\$ <u>5,515,903</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF EDGEWOOD, FLORIDA**  
**Statement of Activities**  
For the year ended September 30, 2012

<u>Functions/Programs</u>	Program Revenues				Net (Expense)
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Revenue and
					Changes in
					<u>Primary Government</u>
					<u>Governmental</u>
					<u>Activities</u>
<b>Governmental Activities:</b>					
General government	\$ 311,861	42,428			(269,433)
Public safety	2,071,122	377,659		6,028	(1,687,435)
Highways and streets	211,951	21,750			(190,201)
Physical environment	205,276	271,857			66,581
Total governmental activities	<u>2,800,210</u>	<u>713,694</u>	<u>-</u>	<u>6,028</u>	<u>(2,080,488)</u>
<b>Total primary government</b>	<b><u>\$ 2,800,210</u></b>	<b><u>713,694</u></b>	<b><u>-</u></b>	<b><u>6,028</u></b>	<b><u>(2,080,488)</u></b>
<b>General Revenues:</b>					
					1,207,457
					497,977
					715,001
					5,661
					7,429
					5,907
					(2,896)
					<u>2,436,536</u>
					356,048
					4,955,142
					<u>\$ 5,311,190</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF EDGEWOOD, FLORIDA**

**Balance Sheet**

**Governmental Funds**

September 30, 2012

	General Fund	Other Governmental Fund	Total Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 2,935,785	150,341	3,086,126
Investments	12,632	1,655	14,287
Receivables	62,573		62,573
Due from other governments	73,040	5,450	78,490
Prepaid items	19,988		19,988
Inventories	2,007		2,007
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	\$ <u>3,106,025</u>	<u>157,446</u>	<u>3,263,471</u>
<b>Liabilities and fund balances</b>			
<b>Liabilities:</b>			
Accounts payable	52,810		52,810
Accrued liabilities	35,653		35,653
Due to other governments	29,050		29,050
Deferred revenue	13,071		13,071
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>130,584</u>	<u>-</u>	<u>130,584</u>
<b>Fund balances:</b>			
Nonspendable:			
2,007	2,007		2,007
Spendable:			
Restricted	301,604	157,446	459,050
Committed	46,563		46,563
Unassigned	2,625,267		2,625,267
	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>2,975,441</u>	<u>157,446</u>	<u>3,132,887</u>
Total liabilities and fund balances	\$ <u>3,106,025</u>	<u>157,446</u>	<u>3,263,471</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF EDGEWOOD, FLORIDA**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
September 30, 2012

Total Fund Balances \$ 3,132,887

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Governmental capital assets	\$	4,109,375	
Less: accumulated depreciation		<u>(1,856,943)</u>	2,252,432

Long-term liabilities are not due and payable in the current period; therefore, they are not reported in the governmental funds balance sheet - compensated absences			<u>(74,129)</u>
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Net Assets of Governmental Activities \$ 5,311,190

The notes to the financial statements are an integral part of this statement.

**CITY OF EDGEWOOD, FLORIDA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**

For the year ended September 30, 2012

	<u>General</u>	<u>Other Governmental Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Taxes	\$ 1,922,459	74,848	1,997,307
Licenses and permits	41,841		41,841
Intergovernmental	402,976	26,230	429,206
Charges for services	314,520		314,520
Fines and forfeitures	334,997		334,997
Investment earnings	5,146	515	5,661
Impact fees	1,204	6,225	7,429
Miscellaneous	7,454	21,750	29,204
Total revenues	<u>3,030,597</u>	<u>129,568</u>	<u>3,160,165</u>
<b>Expenditures</b>			
Current:			
General government	294,352		294,352
Public safety	1,944,279		1,944,279
Highways and streets		119,200	119,200
Physical environment	225,658		225,658
Capital outlay	35,485		35,485
Total expenditures	<u>2,499,774</u>	<u>119,200</u>	<u>2,618,974</u>
Excess of revenues over expenditures	530,823	10,368	541,191
<b>Fund balance</b>			
Beginning of year	2,444,618	147,078	2,591,696
End of year	<u>\$ 2,975,441</u>	<u>157,446</u>	<u>3,132,887</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF EDGEWOOD, FLORIDA**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
September 30, 2012

Net change in fund balances - total governmental funds \$ 541,191

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 35,485	
Less: Current year depreciation	<u>(190,763)</u>	(155,278)

The net effect of transactions involving capital assets, such as sales, trade-ins, dispositions or other activity.		(3,906)
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Expenditures in the governmental funds for compensated absences are not recorded as expenses in the statement of activities - net increase in compensated absences		<u>(25,959)</u>
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Change in Net Assets of Governmental Activities		<u>\$ 356,048</u>
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The notes to the financial statements are an integral part of this statement.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies:**

The City of Edgewood, Florida, ("the City") is a political subdivision of the State of Florida, located in Orange County. The City was incorporated under the Laws of Florida and operates under the council-mayor form of government under its charter pursuant to chapter 69-1039, of the State of Florida.

The accounting policies of the City of Edgewood, Florida conform to U.S. generally accepted accounting principles as applicable to governments as established by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

**A. Reporting Entity**

The City is a municipal corporation with a six member council, including the mayor. The Council President acts as the presiding officer of the council, with the Council Pro Tem serving in the Council President's absence.

The City provides the following services as authorized by its charter: public safety - police, street, public improvements, planning and zoning, and general administrative services.

In evaluating the City as a reporting entity, management has addressed all potential component units that may or may not fall within the City's oversight and control, and thus, be included in the City's financial statements. There are no component units, separate governmental units, agencies or nonprofit corporations that require inclusion in the City's financial statements.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of interfund activity has been removed from these statements. The City has only governmental activities, which normally are supported by taxes and intergovernmental revenues. The City has no business-type activities.

The statement of activities demonstrates the degree to which direct expenses of a given function, or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Franchise and utility taxes, state revenue sharing, charges for services, and investment earnings associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

The City reports the following governmental funds:

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. This is the City's only major fund.

The Roads and Streets Fund is a special revenue fund and accounts for the City's share of local option gas tax, 9<sup>th</sup> cent gas tax and state revenue sharing fuel tax and the expenditures made for the maintenance and improvement of the City's roads.

**D. Assets, Liabilities, and Net Assets or Equity**

- 1) Investments - Investments are reported at fair value. The City invests in the State Board of Administration Fund (see Note 4).
- 2) Accounts Receivable From Other Governments - Those amounts that represent a claim against another government, and are measurable, have been accrued.
- 3) Inventories - Inventories are priced at cost using the first-in, first-out method. Fuel inventories are maintained by the General Fund. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

**CITY OF EDGEWOOD, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**D. Assets, Liabilities, and Net Assets or Equity-continued**

- 4) Capital Assets - Capital assets, which include buildings, improvements other than buildings, equipment and furniture, vehicles, and infrastructure assets (i.e. roads, streets and sidewalks, curbs and gutters) are reported in the governmental activities column in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at cost when purchased. Contributed capital assets are capitalized at their fair value at the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets. The estimated useful lives of the various classes of depreciable assets are as follows:

Buildings	39 years
Building Improvements	15 years
Equipment	5 to 10 years
Furniture and Fixtures	7 to 10 years
Infrastructure	20 to 30 years
Software	3 years

- 5) Property Taxes - Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to ten (10) mills. The mileage rate assessed by the City for the fiscal year ended September 30, 2012 was 4.7000.

The property tax calendar is as follows:

- All property is assessed according to its fair market value on January 1 of each year.
- Property Appraiser prepares the assessment roll as of January 1 of each year, and then submits this preliminary roll for approval by the State and notifies each taxing authority of their respective valuation by July 1 of the assessment year.
- City Council holds two required public hearings, adopts a budget for the coming fiscal year, and adopts an ad valorem tax millage rate by September 30 of the assessment year.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**D. Assets, Liabilities, and Net Assets or Equity-continued**

- Property Appraiser certifies the assessment roll, and all real and tangible personal property taxes are due and payable November 1 (levy date) of the assessment year.
- A Notice of Taxes is mailed to each property owner on the assessment roll by November 1 of the assessment year. Taxes may be paid November 1 (year of assessment) through March 31 (following year of assessment) with the following applicable discounts:

<u>Month</u>	<u>Discount</u>
November	4%
December	3%
January	2%
February	1%
March	0%

- All unpaid taxes on real and tangible personal property become delinquent on April 1 of the year immediately following year of assessment.
  - A list of unpaid tangible personal property taxes and a list of unpaid real property taxes are advertised in April/May of the year immediately following year of assessment.
  - Tax certificates are sold on all real properties with unpaid real property taxes on June 1 (lien date) of the year immediately following the year of assessment.
- 6) Compensated Absences - An accrual is made for accrued vacation leave in the government-wide financial statements. The amount accrued represents leave that is expected to be paid in future years. No accrual is made for sick leave benefits which accumulate but do not vest at current salary rates. The City's policy is to accrue and pay out 25% of vested sick leave upon employee termination or resignation. Both vacation and sick leave are recorded as long-term liabilities in the government-wide financial statements.

Payment of paid time off leave balance upon separation or death - Upon successful completion of the new hire probationary period, employees in authorized, budgeted part-time or full-time positions will be eligible for payment of accumulated Paid Time Off in cases of separation from City employment in good standing (layoff, resignation with proper notice, retirement). An employee who separates with less than six months' service, or who is terminated during or at the conclusion of the probationary period, fails to provide proper notice of resignation, or is discharged for cause, is not eligible for payment of accumulated Paid Time Off, unless specifically authorized by the Mayor.

- 7) Estimates - The preparation of financial statements in accordance with the modified accrual or accrual basis of accounting described in the previous paragraphs, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets or liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**2. Reconciliation of Government-Wide and Fund Financial Statements**

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes reconciliation between fund balances – total governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. These mainly pertain to recording capital assets, net of accumulated depreciation, and long-term debt in the government-wide financial statements that are not recorded in the governmental fund financial statements.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between the net change in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. These mainly pertain to recording depreciation, rather than capital outlay; the reduction of principal of long-term debt rather than an expenditure; the change in compensated absences; and the net effect of transactions involving dispositions or other activity relating to capital assets.

**3. Stewardship, Compliance, and Accountability**

A. Budgets and Budgetary Accounting

The City Council employs the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) Prior to September 30, the mayor submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Budget workshops are held and public hearings are conducted to obtain citizen comments.
- 3) Prior to October 1, the budget is legally enacted through passage of an ordinance.
- 4) Any transfers of budgeted amounts between departments within any fund, and any revisions that alter the total expenditures of any fund must be approved by the Council.
- 5) Formal budgetary integration is employed as a management control device during the year for all governmental funds that have a legally adopted budget.
- 6) Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 7) The legal level of budgetary control is the fund level. Administration control is maintained at the department level through integration with the accounting records. Appropriations lapse at the end of the year.

**CITY OF EDGEWOOD, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**4. Cash and Cash Equivalents and Investments:**

Florida Statutes provide for risk sharing collateral pools by banks and savings and loan associations. These collateral pools collateralize local government deposits with the participating depositories. The City's demand deposits, certificates of deposits, and money market accounts are placed in such authorized depositories. Demand deposits, certificates of deposit, and money market accounts are insured by federal depository insurance up to \$250,000 of the aggregate account balances for each entity. Amounts in excess of \$250,000 are fully insured by U.S. Government securities held in the Public Deposit Security Trust Fund maintained and monitored by the Treasurer of the State of Florida. The City's demand deposits, certificates of deposit and money market accounts are carried at cost that is equivalent to fair value.

Florida Statutes also authorize the City to invest in the State Board of Administration Fund (SBA). The SBA is an investment pool administered by the State of Florida. Investments held in the SBA consist of short-term federal agency obligations, treasury bills, repurchase agreements and commercial paper. The City invests primarily in money market accounts, certificates of deposit and the SBA.

The SBA has established two different pools (Florida Prime and Fund B) whereby participants own a share of the respective pools and not the underlying securities.

The Florida Prime (formerly known as Pool or Fund A) meets the requirements of and is classified as a "2a-7 like" pool. The SBA is not a registrant with, nor regulated by, the Securities and Exchange Commission or any other regulatory agency; however, the Florida Prime has adopted operating procedures consistent with the requirements for a 2a-7 like pool and the fair value of the position in the pool is equal to the value of the pool's shares. Such investments are stated at amortized cost in the accompanying financial statements. The Florida Prime is rated by Standard and Poors and is currently rated AAAM. The weighted average days to maturity (WAM) at September 30, 2012 is 39 days. Next interest rate reset dates are used in the calculation of the WAM.

Fund B does not meet the requirements of a 2a-7 like pool; therefore the SBA provides a Fair Value factor (i.e. total net asset value of Fund B divided by total participant balances of Fund B). At September 30, 2012, the Fair Value factor is .94896811. The City's position is determined by multiplying its Fund B account balance by the Fair Value factor to determine the fair value of its investment in Fund B. Fund B is not rated by any nationally recognized statistical rating agency. The weighted average life (WAL) at September 30, 2011 is 4.08 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life.

Neither the Florida Prime nor Fund B participated in a securities lending program in the year ended September 30, 2012. The SBA provides separate financial statements for the Florida Prime and Fund B (unaudited) as of and for the period ending June 30. It does not issue financial statements as of and for the period ending September 30.

On September 30, 2012 the City had \$521,541 invested in the Florida Prime with no liquidity restrictions. The City also had \$15,056 remaining in Fund B, with a fair value of \$14,287, resulting in an allowance for unrealized loss of \$768. The current year change resulted in an unrealized gain of \$3,680, which is reported in the City's operating statements.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**4. Cash and Cash Equivalents and Investments – continued:**

As of September 30, 2012, financial instruments that potentially expose the City to concentration of credit risk, as defined by U.S. generally accepted accounting principles, consisted of cash and cash equivalent accounts in high quality financial institutions.

All of the City's deposits are insured by FDIC, a state depository insurance fund or a multiple financial institution collateral pool.

Cash and cash equivalents at September 30, 2012 consisted of the following:

	<u>General Fund</u>	<u>Roads and Streets Fund</u>	<u>Total</u>
Cash and cash equivalents:			
Demand deposits	\$ 2,414,528	150,057	2,564,585
State Board of Administration - Prime	521,257	284	521,541
Total cash and cash equivalents	<u>\$ 2,935,785</u>	<u>150,341</u>	<u>3,086,126</u>
Investments:			
State Board of Administration - Fund B	\$ 12,632	1,655	14,287

**5. Receivables:**

Receivables at September 30, 2012 consist of the following:

	<u>General Fund</u>	<u>Roads and Streets Fund</u>	<u>Total</u>
Receivables:			
Franchise fees and utility taxes	\$ 59,195		59,195
Solid waste	3,378		3,378
	<u>\$ 62,573</u>	<u>-</u>	<u>62,573</u>
Due from other governments:			
Taxes	36,129	5,450	41,579
Fines and forfeitures	11,574		11,574
Red light citations	24,648		24,648
Police education	689		689
	<u>\$ 73,040</u>	<u>5,450</u>	<u>78,490</u>

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**6. Capital Assets:**

Capital asset activity for the year ended September 30, 2012 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
<b>Governmental activities:</b>				
Land	\$ 284,796	-	-	284,796
Capital assets, being depreciated:				
Building	392,551	18,682	-	411,233
Machinery and equipment	731,377	16,803	(143,178)	605,002
Infrastructure	2,808,344	-	-	2,808,344
Total capital assets being depreciated	<u>3,932,272</u>	<u>35,485</u>	<u>(143,178)</u>	<u>3,824,579</u>
Less accumulated depreciation:	<u>(1,805,453)</u>	<u>(190,763)</u>	<u>139,273</u>	<u>(1,856,943)</u>
Total capital assets, being depreciated, net	<u>2,126,819</u>	<u>(155,278)</u>	<u>(3,905)</u>	<u>1,967,636</u>
Governmental activities capital assets, net	<u>\$ 2,411,615</u>	<u>(155,278)</u>	<u>(3,905)</u>	<u>2,252,432</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental activities:</b>	
General government	\$ 8,792
Public safety	109,602
Highways and streets	61,815
Physical environment	10,554
Total depreciation expense - governmental activities	<u>\$ 190,763</u>

**7. Long-term Debt:**

The following is the change reported in long-term debt:

	Balance October 1, 2011	Additions	Reductions	Balance September 30, 2012
Compensated absences representing the long term portion of the general fund's liability for accrued vacation leave	<u>\$48,170</u>	<u>25,959</u>	<u>-</u>	<u>74,129</u>

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**8. Florida Retirement System:**

The City contributes to the Florida Retirement System (FRS), a multiple employer cost sharing defined benefit pension plan administered by the State of Florida, for the City's authorized permanent, full-time and part-time employees. The State of Florida issues a publicly available report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to the State of Florida, Division of Retirement, 2639 N. Monroe Street, Tallahassee, Florida, 32399-1560 or by calling (850) 488-2879.

FRS members are eligible for retirement after vesting, which occurs at 6 years (8 years after July 1, 2011) of creditable service for regular members. Normal retirement age is attained at the earlier of 30 years of creditable service regardless of age or retirement at age 62 with at least 6 years of creditable service. Early retirement may be taken anytime; however, there is a five percent benefit reduction for each year prior to normal retirement age. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are computed on the basis of age, average final compensation and service credit.

The most recent actuarial report was prepared as of July 1, 2012. Section 121.031(3) of the Florida Statutes requires that an actuarial review of the FRS be performed annually. The conclusions of the review are included in the annual report of the FRS.

Funding Policy

The FRS has six classes of membership. Only two classes are applicable to the City's eligible employees. These two classes, with descriptions and contribution rates in effect during the three year period ended September 30, 2012, are as follows (contribution rates are in agreement with the actuarially determined rates, each including an additional health insurance subsidy contribution of .94%):

	Regular Class	Special Risk Class
7/1/10 - 7/1/11	10.77	23.25 %
7/1/11 - 7/1 12	7.91	17.10
7/1/12-present	8.18	17.90

Article X, Section 14, of the State Constitution and Part VII, Chapter 112, Florida Statutes provides the authority to establish and amend the contributory obligations. The plan was non-contributory for employees through June 30, 2011 with all contributions being the obligation of the employer. Effective July 1, 2011, employee salary deferral was implemented with employee contributions rate of 3% for all classes of employee, which is included in the contribution rates in the preceding schedule. The City's contributions to FRS for the years ended September 30, 2012, 2011, and 2010 were \$101,625, \$145,439, and \$133,280, respectively, and equal the required contributions for each year.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**9. Commitments and Contingencies:**

- A. Litigation – During the ordinary course of its operations, the City is party to various claims, legal actions and complaints. Some of these matters are covered by the City's insurance program. While the ultimate effect of litigation cannot be ascertained at this time, management believes, based on the advice of legal counsel, that there will be no material effect on the City's financial position and/or that the City has sufficient insurance coverage to cover any claims.
- B. Risk management – The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered through participation in a local government non-assessable self-insurance pool – Florida Municipal Insurance Trust. There have been no significant reductions in insurance coverage from the prior year. No settlements have exceeded the City's insurance coverage for each of the past three fiscal years.
- C. Grants – The federal financial assistance awards are subject to audit and adjustment by the grantor agencies. Such audits could result in a request for reimbursement for disallowed expenditures under the terms and conditions of the contract. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time although the City expects such amounts, if any, not to be material.

**10. Subsequent Events:**

Management has evaluated subsequent events through May 11, 2013, the date which the financial statements were available to be issued.

**11. Other Post-Employment Benefits:**

The City's management has reviewed GASB Statement No. 45, "Accounting and Reporting for Postemployment Benefits Other than Pensions" and has made the determination that there are no applicable post employment benefits and therefore no liability exists.

**12. Fund Equity - GASB 54:**

In accordance with GASB 54, the City is required to report fund balance amounts in five classifications - nonexpendable and the spendable categories of restricted, committed, assigned, and unassigned, as follows:

Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted - amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

Committed - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by the City's highest level of decision-making authority. The City Counsel addresses these commitments through formal board action prior to the City's fiscal year end.

**CITY OF EDGEWOOD, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**12. Fund Equity - GASB 54 – continued:**

Assigned - amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Assignments can be made by the City Council.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balances may also include negative fund balances for any other governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts.

The changes in the components of fund balance in the General Fund are as follows:

	<u>Balance at 9/30/11</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at 9/30/2012</u>
Nonspendable:				
Inventories	\$ 2,007			2,007
Restricted:				
Police education	4,232	12,694	(7,207)	9,719
Law enforcement trust	13,986	3,000	(4,509)	12,477
Storm water	56,867	1,104		57,971
Fines and forfeitures	218,172	3,265		221,437
	<u>293,257</u>	<u>20,063</u>	<u>(11,716)</u>	<u>301,604</u>
Committed:				
Police impact fees	7,141	579		7,720
Fire and rescue impact fees	38,219	624		38,843
	<u>45,360</u>	<u>1,203</u>	<u>-</u>	<u>46,563</u>
Unassigned	<u>2,103,994</u>	<u>3,009,331</u>	<u>(2,488,058)</u>	<u>2,625,267</u>
Total fund balances	<u>\$ 2,444,618</u>	<u>3,030,597</u>	<u>(2,499,774)</u>	<u>2,975,441</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

### Budgetary Comparison Schedule

- General Fund

## **OTHER SUPPLEMENTARY INFORMATION**

### Budgetary Comparison Schedule

- Roads and Streets Fund

**CITY OF EDGEWOOD, FLORIDA**  
**General Fund**  
**Budgetary Comparison Schedule**  
For the year ended September 30, 2012

	Original and Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
<b>Taxes:</b>			
Ad valorem taxes	\$ 1,197,540	1,207,457	9,917
Franchise and utility taxes	573,500	583,614	10,114
Local communications services tax	145,000	131,388	(13,612)
Total taxes	<u>1,916,040</u>	<u>1,922,459</u>	<u>6,419</u>
<b>Licenses and permits:</b>			
Regulatory licenses	40,000	32,511	(7,489)
Building, electrical and sign permits	5,500	9,330	3,830
Total licenses and permits	<u>45,500</u>	<u>41,841</u>	<u>(3,659)</u>
<b>Intergovernmental revenues:</b>			
State revenue sharing	93,728	69,957	(23,771)
Alcohol beverage licenses	100	49	(51)
Half-cent government sales tax	300,000	324,448	24,448
Grants	-	6,028	6,028
Other	1,702	2,494	792
Total intergovernmental revenues	<u>395,530</u>	<u>402,976</u>	<u>7,446</u>
<b>Charges for services:</b>			
Solid waste collection	255,000	271,858	16,858
Other	25,000	42,662	17,662
Total charges for services	<u>280,000</u>	<u>314,520</u>	<u>34,520</u>
<b>Fines and forfeitures:</b>			
Court fines	12,477	68,960	56,483
Police education	631	12,694	12,063
Citation surcharge	634	3,000	2,366
Red light citations	-	247,373	247,373
Code enforcement/parking fines	1,450	2,970	1,520
Total licenses and permits	<u>15,192</u>	<u>334,997</u>	<u>319,805</u>
Investment earnings	4,175	5,146	971
Impact fees	1,600	1,204	(396)
Miscellaneous	<u>2,500</u>	<u>7,454</u>	<u>4,954</u>
Total revenues	<u>\$ 2,660,537</u>	<u>3,030,597</u>	<u>370,060</u>

(Continued)

**CITY OF EDGEWOOD, FLORIDA**  
**General Fund**  
**Budgetary Comparison Schedule**  
For the year ended September 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Expenditures:</b>			
General government:			
Financial and Administrative:			
Personal services	\$ 169,050	126,279	42,771
Operating expenditures	91,550	74,107	17,443
Capital outlay	15,000	17,436	(2,436)
Legal counsel	60,000	49,227	10,773
Comprehensive planning	37,500	24,548	12,952
Other general government	<u>23,000</u>	<u>20,191</u>	<u>2,809</u>
Total general government	<u>396,100</u>	<u>311,788</u>	<u>84,312</u>
Public safety:			
Law enforcement:			
Personal services	1,135,462	1,141,175	(5,713)
Operating expenditures	337,120	285,993	51,127
Capital outlay	<u>10,000</u>	<u>18,049</u>	<u>(8,049)</u>
Total law enforcement	1,482,582	1,445,217	37,365
Fire protection	<u>520,000</u>	<u>517,111</u>	<u>2,889</u>
Total public safety	<u>2,002,582</u>	<u>1,962,328</u>	<u>40,254</u>
Physical environment:			
Operating expenditures	246,500	225,658	20,842
Capital outlay	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Total physical environment	<u>346,500</u>	<u>225,658</u>	<u>120,842</u>
Total expenditures	<u>2,745,182</u>	<u>2,499,774</u>	<u>245,408</u>
Excess (deficiency) of revenues over expenditures	(84,645)	530,823	615,468
<b>Fund balance</b>			
Beginning of year	<u>2,444,618</u>	<u>2,444,618</u>	<u>-</u>
End of year	<u>\$ 2,359,973</u>	<u>2,975,441</u>	<u>615,468</u>

**CITY OF EDGEWOOD, FLORIDA**  
**Notes to Required Supplementary Information**  
**September 30, 2012**

**1. Summary of Significant Budget Policies**

The City Council annually adopts a budget for the General Fund. All appropriations are legally controlled at the fund level.

The budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the budget. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with U.S. generally accepted accounting principles on a basis consistent with the legally adopted budget. Unexpended appropriations on annual budgets lapse at the end of each fiscal year. See Note 3 to the financial statements for additional information.

**CITY OF EDGEWOOD, FLORIDA**  
**Roads and Streets - Special Revenue Fund**  
**Budgetary Comparison Schedule**  
For the year ended September 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>Revenues</b>			
Taxes			
Local option gas tax	\$ 72,100	74,848	2,748
Intergovernmental:			
State revenue sharing, fuel tax	-	26,230	26,230
Total intergovernmental	<u>72,100</u>	<u>101,078</u>	<u>28,978</u>
Other revenues:			
Interest earned	169	89	(80)
Unrealized gain on investments	-	426	426
Impact fees	5,000	6,225	1,225
FDOT reimbursement	<u>12,500</u>	<u>21,750</u>	<u>9,250</u>
Total revenues	<u>89,769</u>	<u>129,568</u>	<u>39,799</u>
 <b>Expenditures</b>			
Current:			
Highways and streets			
Operating expenditures			
Streets and road maintenance	66,400	75,820	(9,420)
Utilities	<u>57,500</u>	<u>43,380</u>	<u>14,120</u>
Total expenditures	<u>123,900</u>	<u>119,200</u>	<u>4,700</u>
Excess of revenues over (under) expenditures before transfer	(34,131)	10,368	44,499
Transfer from General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	(34,131)	10,368	44,499
 <b>Fund balance</b>			
Beginning of year, as restated	<u>147,078</u>	<u>147,078</u>	<u>-</u>
End of year	<u>\$ 112,947</u>	<u>157,446</u>	<u>44,499</u>

**STATUTORY SECTION**

# HOLLAND & REILLY

CERTIFIED PUBLIC ACCOUNTANTS  
601 NORTH FERN CREEK  
SUITE 200  
ORLANDO, FLORIDA 32803

(407) 894-6803  
(407) 896-3044 Fax

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
FLORIDA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
ASSOCIATION OF  
CERTIFIED FRAUD EXAMINERS

DAVID S. HOLLAND, CPA  
THOMAS F. REILLY, CPA

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and City Council  
City of Edgewood, Florida

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Edgewood, Florida, as of and for the year ended September 30, 2012, which collectively comprise the City of Edgewood's basic financial statements and have issued our report thereon dated May 11, 2013. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

Management of the City of Edgewood is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Edgewood's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Edgewood's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Edgewood's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described on page 35 that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Edgewood's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

The City of Edgewood's response to our findings identified in our audit is described on page 38-39 of this report. We did not audit the City of Edgewood's response, and accordingly, we express no opinion on it.

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

*Holland & Reilly*

May 11, 2013  
Orlando, Florida

**AUDITORS' COMMENTS – CURRENT YEAR  
(MANAGEMENT LETTER)**

**1. Subsidiary Ledgers Should Agree with General Ledger Activity**

In March 2012, the City implemented the Red Light Citation program (F.S. 316.0083) with an outside contractor. This activity involves required payments to the Florida Department of Revenue with the residual of the traffic fine retained by the City. Other payments are made to the contractor for maintaining the program and legal fees for contested fines. The City maintains a subsidiary ledger which summarizes this activity; however, it was not in agreement with the general ledger activity, as it omitted certain activity or was inconsistent in the amounts recorded. Likewise, the general ledger activity was not complete and accurate.

Due to the volume of activity associated with the program, we believe this subsidiary ledger is necessary to summarize all of the associated transactions; however, it should be accurate and complete.

We recommend a greater effort be made to ensure the accuracy and completeness of this subsidiary ledger. A monthly reconciliation with the general ledger should be performed to ensure the agreement of both sets of records.

**STATUS OF PRIOR YEAR COMMENTS**

**1. Ensure Compliance with Charter Provisions**

The City's Charter Section 5.09 states the City's unrestricted reserves shall not exceed 75% of gross annual revenues. We noted, as of September 30, 2012, the City's "unassigned" fund balance of the governmental funds approximated 105% of gross annual revenues (the prior year was 76%). We recommend the City comply with its charter provisions.

**2. Develop an Accounting Manual**

We ascertained the City has no "operating" or "accounting" manual. A well-devised accounting manual helps to ensure all similar transactions are treated consistently and records are produced in a form desired by management. Such a document is vital during a period of transition of personnel – it will aid in the training of new employees. We recommend the City consider the need for and develop such a manual.

**3. Redundancy in the Accounting System**

In prior years, the City used two different software and accounting packages – Peachtree and QuickBooks. The City did attempt to address this issue by incorporating a Peachtree system at the City to link its accounting package with its outside accountant; however, it encountered a few problems, including the inability to link the packages.

The City also hired an individual to process the accounting transactions in-house; however, that individual did not possess the basic accounting skills necessary, lacked experience in governmental accounting, and had never used the Peachtree accounting package before. This resulted in many mispostings in the general ledger, requiring numerous adjusting and reclassifying journal entries throughout the year, as well as at year-end through the audit process. This made analyzing the general ledger activity very cumbersome and tedious.

### **3. Redundancy in the Accounting System - continued**

We applaud the City for its efforts to address the issue. Should the City pursue the hiring of an in-house accountant, we recommend that individual have basic accounting skills, be knowledgeable of the Peachtree accounting software, and preferably have governmental accounting experience.

### **4. Ensure Correct Account Coding of Transactions**

During the audit process, we again encountered numerous mispostings and misclassifications in the general ledger. This made analyzing the general ledger activity very cumbersome and tedious. We understand a number of individuals handled the in-house codings of transactions throughout the year, which may have caused some of the inconsistencies.

We recommend the City utilize qualified individuals (see comment No. 3 preceding) to code the accounting transactions. We also continue to recommend increased emphasis be placed on the correct and consistent coding of transactions to ensure the general ledger accounts are fairly and correctly stated. This will lead to accurate and correctly stated monthly financial statements, as well as reducing the audit effort at year-end.

### **5. Council Minutes Should Be Timely Prepared and Posted**

We again noted some delays in the timely preparation of the minutes of the City Council and posting thereof to the City's website. However, there was an overall improvement in their timely preparation and posting to the City's website.

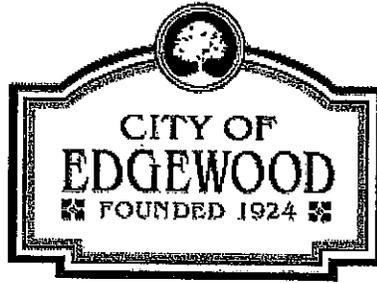
We again simply wish to emphasize the importance of this function and urge the City to ensure it has the adequate manpower to address the recording and posting of the City Council minutes on a timely basis. The minutes should be prepared to be approved by the next scheduled City Council meeting.

Comments 1 to 5 were reported in the prior year management letter. There were no management letter comments reported in the year ended September 30, 2010.

## **OTHER MATTERS REQUIRED BY THE RULES OF THE AUDITOR GENERAL**

In accordance with the Rules of the Auditor General of the State of Florida, the following is noted:

1. The City was established by Special Acts of 1923 of the State of Florida, Chapter 9764.
2. The financial report filed with the Department of Financial Services pursuant to Florida Statutes Section 218.32 is in agreement with the annual financial audit report for the year ended September 30, 2012.
3. The auditors applied financial condition assessment procedures per Auditor General Rule 10.556(8). It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.
4. Based on our audit procedures performed, no indication came to our attention that caused us to believe that the City met any of the conditions described in Florida Statutes Section 218.503 (1).
5. The City complied with Section 218.415, Florida Statutes with regards to investment of public funds.



May 11, 2013

Office of Auditor General  
State of Florida  
Claude Denson Pepper Building  
111 West Madison Street  
Tallahassee, FL 32399-1450

#### CURRENT YEAR COMMENT

1. **Subsidiary Ledgers Should Agree with General Ledger Activity**

The set up of this account, including payments and receivables was not done by current staff. Current staff subsequently set up a spreadsheet to track the receivables of this fund, as well as funds paid to GATSO, Department of Revenue and legal fees. One of the things that occurred that current staff is now aware of is that two payments were made in one ACH transaction. Staff was not aware of this until it was brought to their attention and then staff had to track all the transactions to try and figure out what happened. Current staff also found that some items were miscoded. Staff is now working to ensure the ledgers are reconciled.

#### STATUS OF PRIOR YEAR COMMENTS

1. **Ensure Compliance with Charter Provisions**

Council may want to consider having the City's accounting firm monitor this charter provision this when it prepares the monthly Financial Statements so that Council can ensure they are meeting the Charter requirement. Additional expenses from storm damage and repair of all sidewalks within the City will reduce the fund balance. The City continues to improve their forecast of budget needs to address the excess balance to be in compliance of the City Charter.

2. **Develop an Accounting Manual**

The City Clerk has a template to create this manual however, during the summer of 2012 eight workshops were held addressing the general ledger and changes were made. Based on discussions held in these workshops, it was the City Clerk's interpretation that Council wanted a training manual for accounting and not a procedures manual. It is the City Clerk's opinion that the Uniform System's Accounting Manual serves that purpose. Council needs to clarify if they want a procedures manual or a training manual and provide further directions and instructions in this matter.

**3. Redundancy in the Accounting System**

The Administrative Assistant was given the duties of the Accounting Clerk after her departure. The Administrative Assistant was being cross trained by the Accounting Clerk but only in regards to preparing payroll and payables. Current staff did not learn until after the Accounting Clerk was gone that she was not entering receivables. This was learned because the Administrative Assistant was entering payables, creating a duplicate entry because the City's accounting firm was also entering the receivables. The Administrative Assistant continued the accounting processes as shown to her by the former Accounting Clerk. The Administrative Assistant has done a lot of housekeeping in the Accounting department, and has tried to be as detailed as she can be given the limited training she received. She set up individual files for payables and receivables, as the auditor recommended in the 10/11 FY audit. Between the City Clerk and Administrative Assistant, miscoding was brought to the attention of the City's Accounting firm so corrections could be made. Council was made aware of the incorrect coding, along with other concerns.

**4. Ensure Correct Account Coding of Transactions**

See response in Comment No. 3 preceding.

**5. Council Minutes Should Be Timely Prepared and Posted**

All Council minutes within the 11/12 FY were up-to-date and confirmed with the auditor on November 7, 2012. The minutes were provided in a binder as requested. All minutes that have been approved and signed are posted. It should be noted that the City Clerk considers this a priority however, it is not always possible to have minutes complete before the next Council meeting. This holds true particularly during budget and when there are special projects, such as the general ledger workshops noted above. Additionally, minutes are not posted until they have been approved and then the executed minutes are posted. Now that the City Clerk is aware of this requirement, she will make sure that minutes are up-to-date even if it requires working beyond regular City Hall business hours.

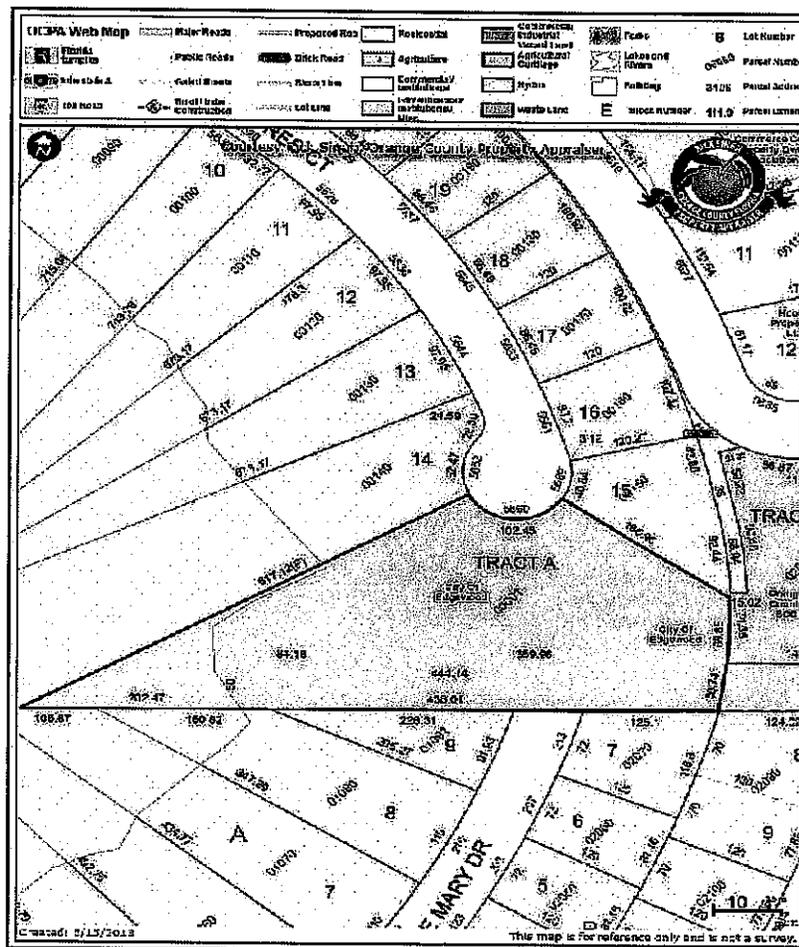
Respectfully,



Raymond Bagshaw  
City of Edgewood  
Mayor

The City property shown on the map below has been determined to be a site permitted as a stormwater facility (by the state) and any modifications to the facility would need to be reviewed and approved through them. It is important to note that the outfall structure for the facility has failed (rusted out with soil erosion around the failed areas), and it is important to address this so that the control structure functions and the adjacent berm of the canal does not fail.

Most of the repairs would be to the outfall pipe, that goes through the canal berm. Given the size of the pond, it is believed that the structure/pipe has ever seen much water flow, but given its age and the type of materials it was made from (corrugated metal), this kind of failure would be expected. (*Excerpt email message from Dan Homblette, Orange County EPD*).



**RESOLUTION NO. 2013-03**

**A RESOLUTION OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY'S BUDGET FOR THE 2012-2013 FISCAL YEAR; AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, at its regular meeting on September 18, 2012, the City Council of the City of Edgewood, Florida adopted Ordinance No. 2012-02 approving the annual budget for Fiscal Year 2012/2013; and

**WHEREAS**, it is appropriate to provide for certain transfers, appropriations and authorizations based upon previous and anticipated expenditures and revenues,

**WHEREAS**, Florida Statute 166.241(4) allows the City to amend the budget within sixty (60) days of the close of the fiscal year to avoid any overspending of budgeted funds.

**WHEREAS**, on April 16, 2013, the City County approved making repairs to correct drainage problems on Commerce Drive, and

**WHEREAS**, the City's expense for the fiscal period 2012/2013 is \$2500.00; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDGEWOOD, FLORIDA AS FOLLOWS:**

**SECTION 1. ADDITION OF LINE ITEM:** The following line item is added to the fiscal year 2012/2013 budget as "Expense" under the subheading "Physical Environment".

"Commerce Drive Project"      \$2500.00

**SECTION 2. BUDGET AMENDMENT:** The City Council of the City of Edgewood, Florida amends the Fiscal Year 2012/2013 budget as shown on Exhibit "A", which is attached hereto and incorporated by reference herein.

**SECTION 3. EFFECTIVE DATE.** This Resolution shall become effective immediately upon its passage and adoption.

**PASSED and ADOPTED** by the City Council of the City of Edgewood, Florida on the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
JUDY BEARDSLEE, COUNCIL PRESIDENT

**ATTEST:**

\_\_\_\_\_  
Bea L. Meeks, MMC, CPM  
City Clerk

**F.Y. 2012-2013 BUDGET ADJUSTMENTS  
SCHEDULE "A"**

ACCOUNT ID	DESCRIPTION	BUDGET	*Y.T.D.	ADD	TAKE	MOVE TO ACCT NUMBER	ADDED FROM ACCT NUMBER	NEW ACCT TOTAL
519920.01	Contingency Fund	\$ 100,492	\$ -		\$ 2,500	539460.01		\$ 97,992
539460.01	Commerce Drive Project	\$ -	\$ -	\$ 2,500			519920.01	\$ 2,500

**ORDINANCE NO. 2013-02**

**AN ORDINANCE OF THE CITY OF EDGEWOOD, FLORIDA, ANNEXING A 0.33± ACRE PARCEL OF UNINCORPORATED ORANGE COUNTY, FLORIDA INTO THE CITY OF EDGEWOOD, WHICH PARCEL IS LOCATED IN THE SOUTHWEST CORNER OF THE HOFFNER AVENUE AND HANSEL AVENUE INTERSECTION, AND WHICH IS CONTIGUOUS TO THE CITY OF EDGEWOOD; REDEFINING THE BOUNDARY LINES OF THE CITY OF EDGEWOOD, FLORIDA TO INCLUDE SAID PARCEL; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS, NANCY M. FOSTER, is the owner of the property located at 722 Hoffner Avenue, otherwise described as**

**Lot 21, E.W. Hansels Addition to Pine Castle Plat Book F, Page 4, Public Records, Orange County Florida**

that property which is to be annexed herein, pursuant to the petition for voluntary annexation signed by the owner, and requesting that this property be annexed into the City of Edgewood;

**WHEREAS, the requirements of Chapter 171, Florida Statutes, pertaining to voluntary annexations, have been complied with, in that:**

- (a) The property described herein, which is the subject of this annexation ordinance, is contiguous to the City of Edgewood, is reasonably compact, and does not create an enclave.
- (b) The City of Edgewood, at least ten (10) calendar days prior to the hearing, published the ordinance notice of said annexation in the Orlando Sentinel and provided Orange County Board of County Commissioners by certified mail a copy of the ordinance notice.

**WHEREAS, this annexation is in the best interest of the City of Edgewood and the property owner.**

**NOW, THEREFORE, BE IT ORDAINED, by the City of Edgewood, Florida as follows:**

Section 1. The property to be annexed herein, all of which heretofore was situated in the unincorporated area of Orange County, is contiguous to the City of Edgewood, is reasonably compact, and does not create an enclave.

Section 2. The City of Edgewood acting by and through its City Council, under the authority of Chapter 171, Florida Statutes, hereby annexes into the corporate limits of the City of Edgewood, Florida the following described property and accordingly redefines the boundaries of said City to include the following:

**Lot 21, E.W. Hansels Addition to Pine Castle Plat Book F, Page 4, Public Records, Orange County Florida**

- Section 3. The legal description of the City of Edgewood contained in the City Charter and all official City maps and other official documents shall be amended accordingly.
- Section 4. The provisions of this ordinance are found and determined to be consistent with the City of Edgewood's comprehensive plan.
- Section 5. It is the intention of the City Council that each provision hereto be considered severable, and if any section, subsection, sentence, clause or provision of this Ordinance is held invalid, the remainder of the Ordinance shall not be affected.
- Section 6. This Ordinance was published for two consecutive weeks in the newspaper in accordance with the provisions of the Florida Statute, Section 171.044 – Voluntary Annexation.
- Section 7. This Ordinance shall take effect immediately upon passage. The City Clerk shall file certified copies of this Ordinance together with the map attached hereto, with the Clerk of the Circuit Court, the County Administrator of Orange County, Florida, and the Florida Department of State within 7 days after adoption.

Approved on First Reading: \_\_\_\_\_

Published in the Orlando Sentinel: \_\_\_\_\_ and \_\_\_\_\_

Passed and Adopted on Second and Final Reading: \_\_\_\_\_

\_\_\_\_\_  
Judy Beardslee, Council President

ATTEST:

\_\_\_\_\_  
Bea L. Meeks, MMC, CPM  
City Clerk

(SEAL)

February 4, 2012

Honorable Mayor Ray Bagshaw  
City of Edgewood  
City Hall  
405 Larue Avenue  
Edgewood, FL 32809

Dear Mayor Bagshaw:

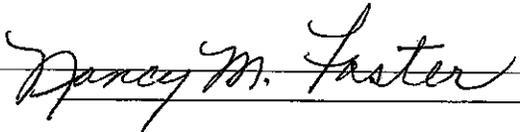
Pursuant to the requirements of Chapter 171.044, Florida Statutes, this letter serves as a petition for voluntary annexation into the City of Edgewood for the following described property:

***Lot 21, E.W. Hansels Addition to Pine Castle Plat Book F, Page 4, Public Records, Orange County Florida***

Enclosed are a copy of the deed showing I am the sole owner of the above described property and a general location map of the property. The land meets all criteria necessary for annexation including contiguity to existing city limits, reasonably compact and not creating an enclave upon annexation.

Should you require additional information, please feel free to contact me at 3702 Crescent Park Boulevard, Orlando, Florida 32812-3826 or at 407-313-9860.

Sincerely,

A handwritten signature in cursive script that reads "Nancy M. Foster". The signature is written in black ink and is positioned above a horizontal line.

Nancy M. Foster  
PROPERTY OWNER

**This Warranty Deed**

Made this 18th day of November A.D. 19 94  
by PATRICIA E. KILLION FKA PATRICIA W.  
BURNS A SINGLE WOMAN  
20955 LAKE THOMAS ROAD  
LAND O LAKES, FLORIDA 34639

hereinafter called the grantor, to  
NANCY M. FOSTER A SINGLE PERSON  
8460 TANSY DRIVE  
ORLANDO, FLORIDA 32819

Orange Co FL 5070548  
11/28/94 02:27:23pm  
OR Bk 4824 Pg 1 999  
Rec 6.00 DSC 875.00

Record Verified - Martha D. Haynie

Grantees' Tax Id # : 019-28-4853

hereinafter called the grantee:

(Whenever used herein the term "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

Witnesseth, that the grantor, for and in consideration of the sum of \$ 10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the grantee, all that certain land situate in ORANGE County, Florida, viz:

Lot 21, S.W. HANSELS ADDITION TO PINE CASTLE, as per plat thereof recorded in Plat Book F, Page 4, of the Public Records of ORANGE County, Florida, less portion in public highway.

SUBJECT TO Covenants, restrictions, easements of record and taxes for the current year.

Said property is not the homestead of the Grantor(s) under the laws and constitution of the State of Florida in that neither Grantor(s) or any members of the household of Grantor(s) reside thereon.

Parcel Identification Number: 24-2329-3336-00-210

Together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

To Have and to Hold, the same in fee simple forever.

And the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple; that the grantor has good right and lawful authority to sell and convey said land; that the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances except taxes accruing subsequent to December 31, 19 93

In Witness Whereof, the said grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in our presence:

*Debbie L. Patterson*  
Name: DEBBIE L. PATTERSON  
*Jeanette Howard*  
Name: Jeanette Howard

*Patricia E. Killion*  
Name & Address: PATRICIA E. KILLION FKA PATRICIA W. BURNS  
20955 LAKE THOMAS ROAD  
LAND O LAKES, FLORIDA 34639

Name: \_\_\_\_\_  
Name: \_\_\_\_\_

Name & Address: \_\_\_\_\_  
Name & Address: \_\_\_\_\_

State of Florida  
County of Orange

The foregoing instrument was acknowledged before me this 18th day of November, 19 94, by PATRICIA E. KILLION FKA PATRICIA W. BURNS A SINGLE WOMAN

who is personally known to me or who has produced DRIVERS LICENSE as identification.



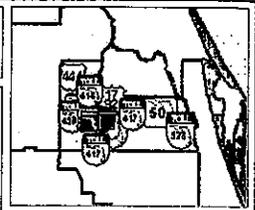
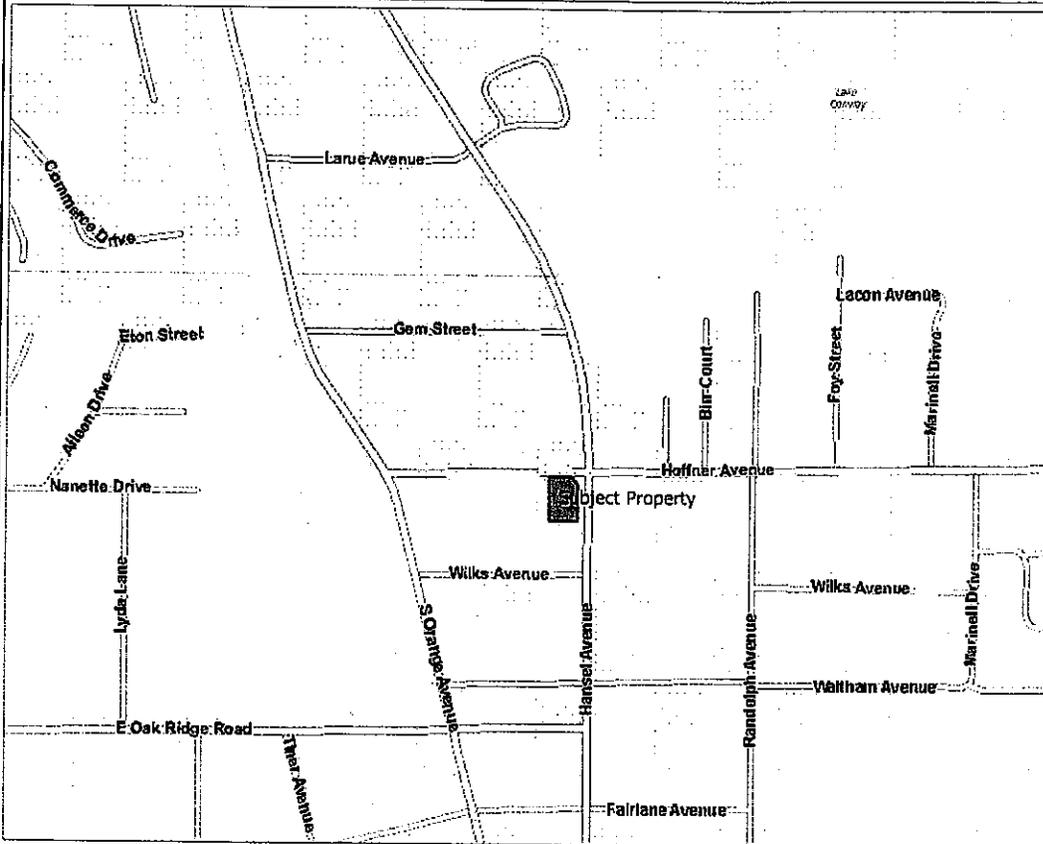
*Debbie L. Patterson*  
Print Name: DEBBIE L. PATTERSON  
Notary Public  
My Commission Expires: \_\_\_\_\_

PREPARED BY: DEBBIE L. PATTERSON  
RECORD & RETURN TO:  
FIRST AMERICAN TITLE INSURANCE COMPANY  
2211 Lee Road, Suite 211  
Winter Park, FL 32789  
File No: 94-52454B

WD-1  
5193



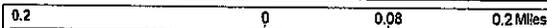
# Voluntary Annexation Lot 21, E.W. Hansels Addition to Pine Castle



### Legend

- Parcels
- Limited Access Roads
  - Toll Facility
  - I-4
- Major Streets
  - Streets (1 - 32,000)
- Major Water Bodies
  - Water Bodies
- Cities
  - Apopka
  - Bay Lake
  - Belle Isle
  - Edgewater
  - Edgewood
  - Lake Buena Vista
  - Maitland
  - Oakland
  - Orlando
  - Orlando
  - Winter Garden
  - Winter Park
- Florida Counties
  - all other values?
  - ORANGE
  - Coastal Waters
- County Boundary

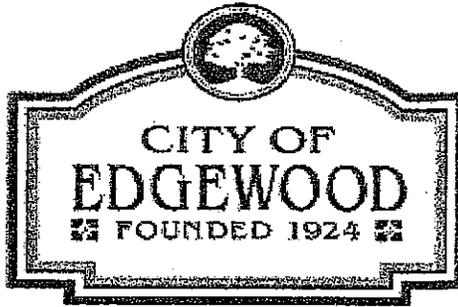
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03-Feb-2013  
© Lettitude Geographics Group Ltd.

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.  
**THIS MAP IS NOT TO BE USED FOR NAVIGATION**

Notes  
722 Hoffman Avenue



City of Edgewood  
405 Laure Ave  
Edgewood, FL 32809

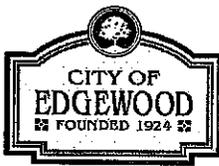
Mayor and City Council

I/we are requesting that the City of Edgewood consider annexing our property located at  
(address) 722 HOFFNER AVE, the legal description is as follows:  
24-23-29-3336-00-210

If any other information is required please contact me/us \_\_\_\_\_  
at (phone) \_\_\_\_\_

I/we look forward to hearing from you soon and are anxious to become a part of the  
Edgewood community.

Signed Nancy M. Foster NANCY M. FOSTER  
Date requested 5/14/2012



*From the desk of the City Clerk....*

*Bea L. Meeks, MMC, CPM*

**TO:** Planning & Zoning Board

**Cc:** Mayor and City Council Members, City Attorney Drew Smith and Ellen Hardgrove, AICP

**DATE:** May 7, 2013

**RE:** Pool Pleasers Annexation Request

---

The City of Edgewood is in receipt of an annexation request for the commercial property known as Pool Pleasers located at 722 Hoffner Avenue. Pursuant to City Code, the Planning & Zoning Board will review this request and make their recommendation to City Council. For your consideration, you are being provided with the following documents:

1. Correspondence to Mayor Bagshaw requesting annexation;
2. Warranty Deed verifying ownership of the subject property;
3. Location map of the subject property;
4. Correspondence to Mayor and Council verifying request and parcel identification of subject property;
5. Report provided by City Planner, Ellen Hardgrove; and
6. Draft Ordinance required for annexation.

Should this Board agree to recommend approval of the annexation, please frame your Motion as follows:

***Having reviewed and considered the request for the annexation of her commercial property located at 722 Hoffner Avenue known as Pool Pleasers, it is found to be compact and contiguous to the City of Edgewood and meets Florida Statute requirements for annexation. I move to forward the request to City Council with the recommendation that they approve the annexation.***

The following schedule will be followed to meet the requirements of Florida Statute:

1. May 13, 2013 P&Z consideration
2. May 15, 2013 – Notification will be provided to the County Commission via Certified Mail (F.S. 171.044 (6))
3. June 8<sup>th</sup> and 15<sup>th</sup> Legal Advertisements in the Orlando Sentinel (F.S. 171.044 (2))
4. May 21, 2013 – First Reading of draft Ordinance 2013-02
5. June 18, 2013 – Second & Final Reading of Ordinance 2013-02
6. Upon approval of the Ordinance, a copy will be recorded with the Department of State and provided to the following distribution list:

Revenue & Economic Analyses  
Office of Planning & Budgeting  
Office of the Governor  
The Capitol  
400 S. Monroe St.  
Tallahassee, FL 32399-0001

Bureau of Census  
Geography Division  
Washington, DC 20233-0001

Department of State  
Bureau of Administration Code  
401 South Monroe St  
The Elliot Building  
Tallahassee, FL 32799-0250

Executive office of the Governor  
Revenue & Economic Analysis  
The Capitol  
400 S. Monroe St.  
Tallahassee, FL 32399-0001

University of Florida  
Warrington College of Business Administration  
Bureau of Economic & Business Research  
221 Matherly Hall  
PO Box 117145  
Gainesville, FL 32611-7145

Bright House networks  
3767 All American Blvd  
Orlando, FL 32810

Orange County Supervisor of Elections  
PO Box 56200  
Orlando FL 32856

Orange County Sheriff's Office  
109 E Church St  
Orlando, FL 32801

Orange County Fire Department  
Office of the Fire Marshal  
109 E Church St  
Orlando, FL 32801

Duke Energy  
3300 Exchange Place  
NP2A  
Lake Mary, FL 32746

Teco People's Gas  
600 W Robinson St  
Orlando, FL 32801

Heritage Propane  
9307 Bachman Rd  
Orlando, FL 32824  
OUC  
500 S Orange Ave  
Orlando, FL 32801

Waste Management  
4978 LB McLeod Rd  
Orlando, FL 32811

Orange County Clerk of Courts  
425 N. Orange Avenue  
P.O. Box 4994  
Orlando, Florida 32801

Orange County Comptroller  
Property Accounting  
PO Box 38  
Orlando, FL 32802

Orange County Property Appraiser  
200 S. Orange Ave  
Ste 1700  
Orlando, FL. 32801

Orange County Tax Collector  
PO Box 2551  
200 South Orange Avenue  
Ste 1500  
Orlando, Florida 32802-2551

February 4, 2012

Honorable Mayor Ray Bagshaw  
City of Edgewood  
City Hall  
405 Larue Avenue  
Edgewood, FL 32809

Dear Mayor Bagshaw:

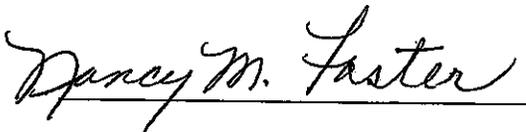
Pursuant to the requirements of Chapter 171.044, Florida Statutes, this letter serves as a petition for voluntary annexation into the City of Edgewood for the following described property:

***Lot 21, E.W. Hansels Addition to Pine Castle Plat Book F, Page 4, Public Records, Orange County Florida***

Enclosed are a copy of the deed showing I am the sole owner of the above described property and a general location map of the property. The land meets all criteria necessary for annexation including contiguity to existing city limits, reasonably compact and not creating an enclave upon annexation.

Should you require additional information, please feel free to contact me at 3702 Crescent Park Boulevard, Orlando, Florida 32812-3826 or at 407-313-9860.

Sincerely,



Nancy M. Foster  
PROPERTY OWNER

**This Warranty Deed**

Made this 18th day of November A.D. 19 94  
by PATRICIA E. KILLION FKA PATRICIA W.  
BURNS A SINGLE WOMAN  
20955 LAKE THOMAS ROAD  
LAND O LAKES, FLORIDA 34639

hereinafter called the grantor, to  
NANCY H. FOSTER A SINGLE PERSON  
8460 TANSY DRIVE  
ORLANDO, FLORIDA 32819

Orange Co FL 5070548  
11/28/94 02:27:23pm  
OR BK 4824 Pg 1999  
Rec 6.00 DEC 875.00

Record Verified - Martha O. Haynie

Grantees' Tax Id # :019-28-4853

hereinafter called the grantees:

(Whenever used herein the term "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

Witnesseth, that the grantor, for and in consideration of the sum of \$ 10.00  
and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises,  
releases, conveys and confirms unto the grantee, all that certain land situate in ORANGE  
County, Florida, viz:

Lot 21, E-W. HANSELS ADDITION TO PINE CASTLE, as per plat  
thereof recorded in Plat Book F, Page 4, of the Public Records  
of ORANGE County, Florida, less portion in public highway.

SUBJECT TO Covenants, restrictions, easements of record and taxes for  
the current year.

Said property is not the homestead of the Grantor(s) under the laws  
and constitution of the State of Florida in that neither Grantor(s)  
or any members of the household of Grantor(s) reside thereon.

Parcel Identification Number: 24-2329-3336-00-210

Together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.  
To Have and to Hold, the same in fee simple forever.

And the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple;  
that the grantor has good right and lawful authority to sell and convey said land; that the grantor hereby fully warrants  
the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is  
free of all encumbrances except taxes accruing subsequent to December 31, 19 93

In Witness Whereof, the said grantor has signed and sealed these presents the day and year first above  
written.

Signed, sealed and delivered in our presence:

*Debbie L. Patterson*  
DEBBIE L. PATTERSON  
*Stefanie Howard*  
Stefanie Howard

*Patricia E. Killion*  
PATRICIA E. KILLION FKA  
PATRICIA W. BURNS  
20955 LAKE THOMAS ROAD  
LAND O LAKES, FLORIDA 34639

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Name: \_\_\_\_\_ Title: \_\_\_\_\_

State of Florida  
County of Orange

The foregoing instrument was acknowledged before me this 18th day of November, 19 94

by PATRICIA E. KILLION FKA PATRICIA W. BURNS A SINGLE WOMAN

who is personally known to me or who has produced DRIVERS LICENSE as identification.



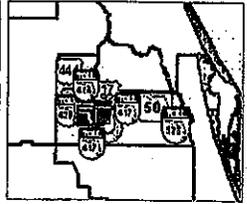
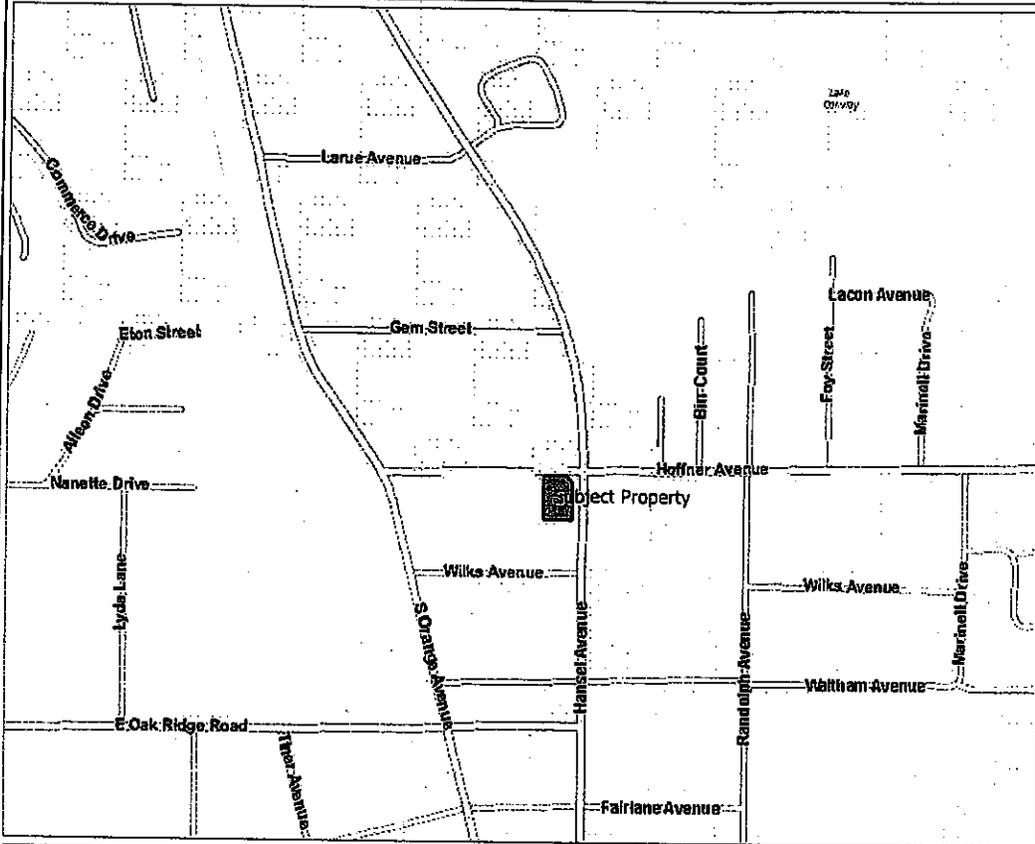
*Debbie L. Patterson*  
Print Name: DEBBIE L. PATTERSON  
Notary Public  
My Commission Expires: \_\_\_\_\_

PREPARED BY: DEBBIE L. PATTERSON  
RECORD & RETURN TO:  
FIRST AMERICAN TITLE INSURANCE COMPANY  
2211 Lee Road, Suite 211  
Winter Park, FL 32789  
File No: 94-52454B

WD-1  
5/93



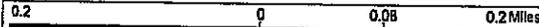
# Voluntary Annexation Lot 21, E.W. Hansels Addition to Pine Castle



### Legend

- Parcels**
- Limited Access Roads**
  - Totter Facility
  - I-4
- Major Streets**
- Streets (1 - 32,000)**
- Major Water Bodies**
- Water Bodies**
- Cities**
  - Apopka
  - Bay Lake
  - Belle Isle
  - Edgewater
  - Edgewood
  - Lake Eucha Wata
  - Midland
  - Oakland
  - Ocoee
  - Orlando
  - Wintergreen
  - Winter Garden
  - Winter Park
- Florida Counties**
  - all other values
  - ORANGE
  - Coastal Waters
- County Boundary

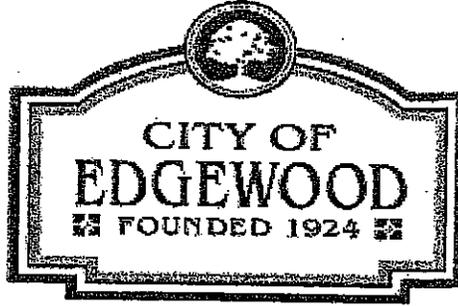
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03-Feb-2013  
© Lethbridge Geographics Group Ltd.

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**THIS MAP IS NOT TO BE USED FOR NAVIGATION**

**Notes**  
722 Hoffner Avenue



City of Edgewood  
405 Laure Ave  
Edgewood, FL 32809

Mayor and City Council

I/we are requesting that the City of Edgewood consider annexing our property located at  
(address) 722 HOFFNER AVE, the legal description is as follows:  
24-23-29-3336-00-210

If any other information is required please contact me/us \_\_\_\_\_  
at (phone) \_\_\_\_\_.

I/we look forward to hearing from you soon and are anxious to become a part of the  
Edgewood community.

Signed: Nancy M. Foster NANCY M. FOSTER  
Date requested 5/14/2012



405 Larue Avenue - Edgewood, Florida 32809-3406  
(407) 851-2920

To: Planning and Zoning Board Members  
Ms. Bea Meeks, City Clerk  
XC: Mayor Bagshaw  
Drew Smith, City Attorney  
From: Ellen Hardgrove, AICP, City Planning Consultant  
Date: May 3, 2013  
Re: Voluntary Annexation Petition: Pool Pleaser

**Requested Action by the Planning and Zoning Board May 13, 2013**

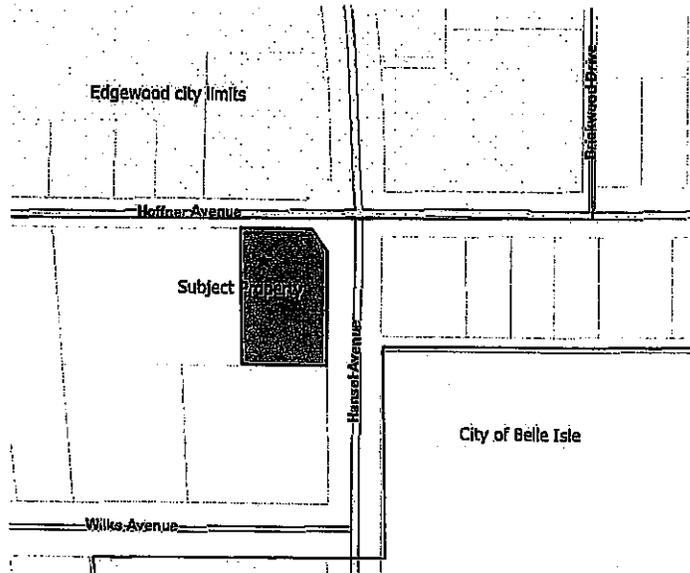
Recommendation to City Council related to the appropriateness of annexing the property.

**Introduction**

Request: The property owner of Lot 21, E.W. Hansel's Addition to Pine Castle Plat Book F, Page 4, Public Records, Orange County Florida has requested to be annexed into the City of Edgewood.

Property Owner: Nancy M. Foster

Location: 722 Hoffner Avenue, Southwest corner of Hoffner and Hansel (Tax Parcel 24-23-29-3336-00-210)  
N↑



Existing on site: 862 square feet one story concrete block building used as a pool service/cleaning business

Existing Zoning: Orange County C1 (Retail)

Existing Future Land Use Designation: Commercial (County)

**Considerations**

Chapter 171.044, Florida Statutes minimum criteria for voluntary annexation:

- The property must be contiguous and compact to the existing city limits;
- Enclaves must not be created.

The property meets these criteria.

**Service and Facilities Impact**

- Roads** Adjacent roads will continue to be maintained by Orange County (Hoffner) and Hansel (State)
- Sewer** No change
- Potable Water** No change
- Police** The city's police department will become the first responder; response time will increase. Chief Marcus indicated the annexation would not financially impact the City's Police Department.
- Fire** Per interlocal agreement County will continue to provide fire protection to the property.
- Garbage** Garbage collection would change in the long run, though in the short run, no change may occur. Per Florida Statutes, Republic Garbage, the solid waste collection company currently serving this unincorporated area, can continue to provide such service for a period of 5 years after annexation or the remainder of the franchise term, whichever is shorter. At the end of that period, garbage collection would be required to be provided by the hauler named in the City's solid waste franchise agreement. Orange County does not require participation in solid waste pickup for nonresidential parcels. Pickup schedule is similar.

Annexing the property will not negatively impact the fiscal responsibilities of the city.

**Other**

**Voluntary Annexation Process**

1. City notifies Board of County Commissioners before ordinance adopted.
2. City Council holds two public hearings (first reading and adoption).
3. Within 7 days after approval, the ordinance must be filed with clerk of circuit court, chief administrative officer for the county, and the Department of State.
4. 30 days Challenge Period begins after adoption of the ordinance.
5. City amends zoning and future land use map to include property. Until complete, County's future land use and zoning applies..

**Comparison of County and City C1 zoning districts**

Standard	County	City
Minimum lot size	Six thousand (6,000) square feet	Same
Minimum width	Eighty (80) feet on major streets as identified in article XV, sixty (60) feet for all other streets. Corner lots shall be one hundred (100) feet on major streets as identified in article XV, eighty (80) feet on all other streets.	Same
Minimum front yard	Twenty-five (25) feet, or major street setback as specified in article XV, whichever is greater	Twenty-five (25) feet
Minimum side yard	Zero (0) feet, fifteen (15) feet when abutting a residential district, fifteen (15) feet from a side street or as otherwise provided in article XV	Same
Minimum rear yard	Twenty (20) feet	Same
Minimum floor area	Five hundred (500) square feet	Same
Maximum building height	Fifty (50) feet, thirty-five (35) feet within one hundred (100) feet of all residential districts	Same
Permitted Uses	County's C1 zoning list of permitted uses is more extensive than the City's permitted uses in the C1 district	

**Recommendation**

Staff recommends approval

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**ORDINANCE NO. 2013-03**

**AN ORDINANCE OF THE CITY OF EDGEWOOD,  
FLORIDA AMENDING THE CITY CODE BY EXPANDING  
CHAPTER 62, TRAFFIC AND VEHICLE, THROUGH  
ADOPTION OF ARTICLE IV, THE "TRAFFIC LIGHT  
SAFETY ACT"; PROVIDING FOR CONFLICTS,  
SEVERABILITY, CODIFICATION; PROVIDING FOR AN  
EFFECTIVE DATE.**

**WHEREAS**, the Florida Legislature passed CS/CS/HB 7125 during the 2013 Legislative Session authorizing the use of traffic infraction detectors to enforce certain provisions of Chapter 316 of the Florida Statutes; and

**WHEREAS**, the Governor of the State of Florida signed CS/CS/HB7125 into law on \_\_\_\_\_, amending section 316.0083, Florida Statutes ("Mark Wandall Traffic Safety Act") or the "Act") taking effect on July 1, 2013; and

**WHEREAS**, the running of red lights continues to be a safety hazard affecting every citizen and traveler in the City of Edgewood; and

**WHEREAS**, the City wishes to further reduce the running of red lights by amending its Code of Ordinances to be consistent with the CS/CS/HB7125.

**NOTE:** Underlined words constitute the additions to the existing text of the *Edgewood Code of Ordinances*, strikethroughs constitute deletions to the existing text, and asterisks (\*\*\*) indicate an omission from the existing text which is intended to remain unchanged.

**SECTION 1. Recitals Adopted.** The foregoing "WHEREAS" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

**SECTION 2.** Chapter 62, Traffic and Vehicle, of the City of Edgewood Code of Ordinances, is hereby amended through the addition of Article IV, the Traffic Light Safety Act to read as follows:

**Section 62-60. Legislative findings and Intent.**

The purpose of this act is to authorize the use of traffic infraction detectors to promote compliance with red light signal directives, and to adopt a civil enforcement system for red light violations in accord with general law, including section 316.0083, Florida Statutes (the "Mark

41 Wandall Traffic Safety Act” or “Act”). This division will supplement law enforcement  
42 personnel in enforcement of red light signal violations and shall not prohibit law enforcement  
43 officers from issuing a citation for a red light signal violation in accordance with normal  
44 statutory traffic enforcement techniques.  
45

46 **Section 62-61. Use of traffic infraction detectors.**

47 The city may utilize traffic infraction detectors pursuant to general law as a means of  
48 monitoring compliance with laws related to traffic control signals, in order to assist law  
49 enforcement personnel in the enforcement of such laws, which are designed to protect and  
50 improve public health, safety and welfare. This section shall not supersede, infringe, curtail or  
51 impinge upon state laws related to red light signal violations or conflict with such state laws.  
52 The city may utilize traffic infraction detectors as an ancillary deterrent to traffic control signal  
53 violations and to hereby reduce accidents and injuries associated with such violations.  
54

55 **Section 62-62. Definitions.**

56  
57 The following definitions shall apply to this division:

58 *Intersection* shall mean the area after the stop bar, or in the event of no stop bar, the  
59 crosswalk. The vehicle shall be in violation of the ordinance if the frontal plane of the front  
60 bumper of the vehicle has crossed over the stop bar after the traffic signal turning red for that  
61 lane of travel on a roadway.

62 *Local hearing officer* shall mean the person, designated by the city, that elects to  
63 authorize traffic infraction officers to issue citations and who is authorized to conduct hearings  
64 related to a notice of violation issued pursuant to the Act. The local hearing officer may be the  
65 city’s currently appointed code enforcement board or special magistrate.

66 *Motor vehicle* shall have the meaning set forth in the definition in section 316.003(21),  
67 Florida Statutes, or its successor provision.

68 *Owner/vehicle owner* shall mean the person or entity identified by the Florida  
69 Department of Motor Vehicles, or other state vehicle registration office, as the registered owner  
70 of a vehicle.

71 *Recorded images* shall mean images recorded by a traffic infraction detector which is  
72 operated in accordance with the Act.

73 *Red zone infraction* shall mean a traffic offense whereby a traffic infraction detector  
74 indicates a violation of section 62-63.

75 *Traffic infraction detector* A vehicle sensor(s) installed to work in conjunction with a  
76 traffic control signal and a camera or cameras synchronized to automatically record two (2) or  
77 more sequenced photographic or electronic images or streaming video of only the rear of a motor  
78 vehicle at the time the vehicle fails to stop behind the stop bar or clearly marked stop line when  
79 facing a traffic control signal steady red light.

80 *Traffic enforcement officer* shall mean a person selected by the city, who meets the  
81 requirements of Section 62-66 (b) herein, to review recorded images and issue red zone  
82 infractions based upon those images.

83  
84 **Section 62-63. Adherence to red light traffic control signals.**

85 (a) Pursuant to general law, motor vehicle traffic facing a traffic control signal's steady  
86 red light indication shall stop before entering the crosswalk on the near side of an intersection. If  
87 there is no crosswalk, then motor vehicle traffic facing a traffic control signal's steady red light  
88 indication shall stop before entering the intersection. All traffic stopped at a traffic control  
89 signal's steady red light indication shall remain standing until a green indication is shown on the  
90 traffic control signal. However, the driver of a vehicle which is approaching a clearly marked  
91 stop line, or if none, is approaching the point nearest the intersecting roadway where the driver  
92 has a view of approaching traffic on the intersection roadway before entering the intersection in  
93 obedience of a steady red light in a careful and prudent manner (unless such turn is otherwise  
94 prohibited by posted sign or other traffic control device) but shall yield right-of-way to  
95 pedestrians and other traffic proceeding as directed by the traffic control signals at the  
96 intersection.

97 (b) Pursuant to general law, motor vehicles facing a traffic control signal that is  
98 malfunctioning, inoperable or is emitting a flashing red light shall stop at a clearly marked stop  
99 line, but if none, before entering the crosswalk on the near side of the intersection, or if none,  
100 then at the point nearest to the intersection roadway where the driver has a view of approaching  
101 traffic on the intersecting roadway before entering the intersection, and the right to proceed shall  
102 be subject to the rules applicable after making a stop at a stop sign. In the event that only some  
103 of the traffic control signals within an intersection are malfunctioning, inoperative or flashing red  
104 light traffic control signal shall stop in the above prescribed manner.

105  
106 **Section 62-64. Violation.**

107 A violation of this division, known as a red zone infraction, shall occur when a  
108 vehicle does not comply with the requirements of section 62-63. Violations shall be enforced  
109 pursuant to section 316.0083, Florida Statutes.

110  
111 **Section 62-65. Implementation of general law.**

112 Within the city, the mayor is authorized to implement the provisions and  
113 requirements of section 316.0083, Florida Statutes, as may be amended from time to time, and  
114 may take any action which is necessary for such purpose.

115  
116 **Section 62-66. Review of Recorded Image**

117 (a) The owner of the vehicle observed by recorded images committing a red  
118 zone infraction shall be issued a notice of infraction no later than thirty (30) days after the red

119 zone infraction occurs. The recorded image shall be sufficient grounds to issue a city notice of  
120 infraction.

121 (b) The city shall designate one (1) or more traffic infraction officers who  
122 shall meet the qualifications set forth in section 316.640, Florida Statutes or any other relevant  
123 statute. The traffic infraction enforcement officer shall review recorded images prior to the  
124 issuance of notice of violation/infraction to ensure accuracy and the integrity of the recorded  
125 images. The traffic infraction enforcement officer shall also verify that the traffic infraction  
126 detector that captured the recorded images was functioning properly at the time the recorded  
127 images were captured. Once the traffic infraction enforcement officer has verified the accuracy  
128 of recorded images and functionality of the traffic infraction detector, he or she shall complete a  
129 review of the violation and authorize enforcement action, and a notice of violation shall be sent  
130 to the vehicle owner at the address on record with the Florida Department of Highway Safety and  
131 Motor Vehicles or any other state's vehicle registration office.

132

133 **Section 62-67. Notice of violation.**

134

135 Within thirty (30) days after a violation, notification must be sent to the registered owner  
136 of the motor vehicle involved in the violation specifying the remedies available under section  
137 318.14, Florida Statutes, and that the violator must pay the penalty of \$158.00 to the city or  
138 furnish an affidavit supporting an exemption that complies with section 316.0083, Florida  
139 Statutes in accordance with paragraph (11) within thirty (30) days following the date of the  
140 notification in order to avoid court fees, costs and the issuance of a traffic citation. The violator  
141 may also request a hearing within sixty (60) days following the date of notification in order to  
142 avoid the issuance of a traffic citation. The notification must be sent via first-class mail. The  
143 mailing of the notice constitutes notification. The notification shall include:

- 144 (1) The name and address of the vehicle owner;
- 145 (2) The license plate number and registration number of the vehicle;
- 146 (3) The make, model, and year of the vehicle;
- 147 (4) Notice that the infraction charged is pursuant to this division;
- 148 (5) The location of the intersection where the violation occurred;
- 149 (6) The date and time of the red zone infraction;
- 150 (7) A statement that the owner has the right to review the recorded images that  
151 constitute a rebuttable presumption against the owner, together with a statement of the time and  
152 place or internet location where the evidence may be examined and observed;
- 153 (8) Images depicting the infraction, showing the license tag of the offending vehicle  
154 and the traffic control device being violated;
- 155 (9) Instructions on all methods of payment of the penalty;
- 156 (10) A statement specifying the remedies available under section 318.14, Florida  
157 Statutes;

158 (11) A statement that the owner must pay a penalty of one hundred fifty-eight dollars  
9 (\$158.00) to the city, provide an affidavit that complies with section 316.0083, Florida Statutes,  
160 within thirty (30) days of the date the notice is issued or request a hearing within sixty (60) days  
161 of the date the notice is issued in order to avoid potential court fees, costs and the issuance of the  
162 uniform traffic citation.

163 (12) A signed statement by the traffic infraction enforcement officer that, based on  
164 inspection of recorded images, the vehicle was involved in a red zone infraction.

165  
166 **Section 62-68. Uniform traffic citation.**

167  
168 If an owner receives a notice and fails to pay the penalty imposed under section  
169 316.0083, Florida Statutes within sixty (60) days after the date of the notification, provide an  
170 affidavit supporting an exemption that complies with the provisions of section 316.0083, Florida  
171 Statutes within thirty (30) days of the date the notice is issued or fails to request a hearing within  
172 sixty (60) days of the date the notice is issued, then a Uniform Traffic Citation shall be issued to  
173 the owner as provided by general law. If a hearing is initiated, a lack of notice defense is waived.  
174 Upon receipt of an affidavit, the person designated as having care, custody or control of the  
175 motor vehicle at the time of the violation may be issued a Uniform Traffic Citation under this  
176 Article, and shall be responsible and liable for paying the citation. The submission of a false  
177 affidavit is a misdemeanor of the second degree, punishable as provided by sections 775.082 and  
78 775.083, Florida Statutes.

79  
180 **Section 62-69. Procedures for a hearing pursuant to section 316.0083, Florida**  
181 **Statutes.**

182  
183 (a) The city shall designate by resolution existing staff to serve as the clerk to the  
184 local hearing officer.

185 (b) Any person, herein referred to as the "petitioner," who elects to request a hearing  
186 shall be scheduled for a hearing by the clerk to the local hearing officer to appear before a local  
187 hearing officer with notice to be sent by first-class mail. Upon receipt of the notice, the  
188 petitioner may reschedule the hearing once by submitting a written request to reschedule to the  
189 clerk to the local hearing officer, at least five (5) calendar days before the day of the originally  
190 scheduled hearing. The petitioner may cancel his or her appearance before the local hearing  
191 officer by paying the one hundred and fifty eight dollar (\$158.00) penalty, plus \$50 in  
192 administrative costs, before the start of the hearing.

193 (c) All testimony at the hearing shall be under oath and recorded. The local hearing  
194 officer shall take testimony from a traffic infraction enforcement officer and the petitioner, and  
195 may take testimony from others. The local hearing officer shall review the photographic or  
196 electronic images or the streaming video. Formal rules of evidence do not apply but due process  
197 shall be observed and govern the proceedings.

198 (d) At the conclusion of the hearing, the local hearing officer shall determine whether  
199 a violation under this section has occurred, in which case the hearing officer shall uphold or  
200 dismiss the violation. The local hearing officer shall issue a final administrative order, including  
201 the determination and, if the notice of violation is upheld, require the petitioner to pay the city  
202 costs, not to exceed two hundred and fifty dollars (\$250.00). The final administrative order shall  
203 be mailed to the petitioner by first-class mail.

204 (e) An aggrieved party may appeal a final administrative order consistent with the  
205 process provided under section 162.11, Florida Statutes.  
206

207 **Section 62-70. Signage.**

208  
209 When the city installs a traffic infraction detector at an intersection, it shall erect signage  
210 at the intersection sufficient to notify the public that a traffic infraction detector may be in use at  
211 the intersection and shall include specific notification of intersection safety camera enforcement  
212 of violations concerning right turns. Such signage shall meet the specifications for uniform  
213 signals and devices adopted by the Department of Transportation pursuant to section 316.0745,  
214 Florida Statutes.  
215

216 **Section 62-71. Consistency with state law.**

217  
218 (a) This article shall be interpreted and applied so that it is consistent with state law,  
219 specifically, the Mark Wandall Traffic Safety Act; CS/CS/HB 7125.

220 (b) Any amendment to an applicable state law shall automatically apply to the  
221 enforcement and application of this article, whether or not this article or any provision hereof has  
222 been amended to specifically address such amendment to state law. Without limitation, any  
223 future amendment regarding the amount of civil penalty or apportionment of the proceeds  
224 thereof shall be deemed applied to the enforcement of this article, even prior to a specific  
225 amendment to this article to make the article expressly consistent with such change in state law  
226 with respect to the amount of the penalty or the apportionment of the proceeds thereof.  
227

228 **SECTION 3: Codification:** Section 2 of this Ordinance shall be codified and made part  
229 of the City of Edgewood Code of Ordinances.  
230

231 **SECTION 4: Control:** In the event of a conflict or conflicts between this ordinance and  
232 other ordinances, this ordinance controls.  
233

234 **SECTION 5: Severability:** It is the intent of the City Council of the City of Edgewood,  
235 and is hereby provided, that if any section, subsection, sentence, clause, phrase or provision of  
236 this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such

237 invalidity or unconstitutionality shall not be construed as to render invalid or unconstitutional the  
238 remaining provisions of this Ordinance.

239  
240 **SECTION 6: Effective Date:** This Ordinance shall become effective upon adoption at  
241 its second reading.

242  
243 **ADOPTED** by the City Council of the City of Edgewood, Florida, this \_\_\_\_ day of  
244 \_\_\_\_\_, 2013.

245  
246 **CITY OF EDGEWOOD, FLORIDA**

247  
248  
249  
250 \_\_\_\_\_  
251 **JUDY BEARDSLEE, COUNCIL PRESIDENT**

252 **ATTEST:**  
253  
254 \_\_\_\_\_  
255 **BEA L. MEEKS**  
256 **CITY CLERK**

257  
258