

John Dowless
Mayor

Ben Pierce
Council Member

Chris Rader
Council Member



INCORPORATED 1925
CITY COUNCIL AGENDA
Regular Meeting
City Hall – Council Chamber
405 Bagshaw Way, Edgewood, Florida
Tuesday, April 21, 2020
6:30 p.m.

Richard Alan Horn
Council President

Lee Chotas
Council Member

Susan Lomas
Council Member

WELCOME! The City of Edgewood is using Zoom to hold this City Council meeting via communications media technology as authorized by Governor Desantis' *Executive Order 2-69*. Members of the public may also use Zoom to view. For information regarding public comments, please refer to the end of his Agenda.

(Pg. 1) Virtual Zoom Meeting Information

A. CALL TO ORDER

B. INVOCATION & PLEDGE OF ALLEGIANCE

C. ROLL CALL & DETERMINATION OF QUORUM

D. PRESENTATION

1. **(Pg. 2)** Mayoral Proclamation – Women’s Lung Health Week
2. Tom Reilly, Holland & Reilly, CPA 0 FY 2018/2019 Annual Audit
(Pgs. 3-21) 2019 Financial Audit Presentation
(Pgs. 22-70) 2019 Annual Financial Report

E. (CONSENT AGENDA)

1. Review and Approval of City Council Minutes
 - **(Pgs.71-80)** March 24, 2020 Meeting

(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.)

F. ORDINANCES

None.

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

1. **(Pgs. 81-86) ORDINANCE 2020-01** - AN ORDINANCE OF THE CITY OF EDGEWOOD, ORANGE COUNTY, FLORIDA AMENDING CHAPTER 134, "ZONING," SECTIONS 134-1, 134-605, 134-606, AND 134-607 OF THE CODE OF ORDINANCES; INCLUDING A DEFINITION FOR OPEN AIR SEATING AREAS; PROVIDING FOR MINIMUM PARKING REQUIREMENTS FOR PLAYGROUNDS, AND DOG PARKS ACCESSORY TO COMMERCIAL BUSINESSES; AMENDING PROVISIONS RELATED TO THE USE OF OFF-SITE PARKING SPACES TOWARD MEETING REQUIRED OFF-STREET PARKING AND THE USE OF SHARED PARKING AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION, CONFLICTS, AND EFFECTIVE DATE.

2. **(Pg. 87)** Alex Mestdagh, Esquire - Proposed Alternative Language

H. UNFINISHED BUSINESS

None.

I. NEW BUSINESS

(Pgs.88-89) Resolution 2020 – 01 - A RESOLUTION OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY'S BUDGET FOR THE 2019/2020 FISCAL YEAR; AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THE THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

J. GENERAL INFORMATION (No action required)**K. CITIZEN COMMENTS****L. BOARDS & COMMITTEES**

- (Pg. 90)** 5655 S. Orange Avenue – cornerstone Pace Waiver request Planning & Zoning Board Recommendation
- (Pgs. 91-93)** S. Brent Spain, Esquire – Waiver Request Correspondence
- (Pgs. 94-96)** Ellen Hardgrove, City Planning Consultant – Staff Report

M. STAFF REPORTS

City Attorney Smith:

Police Chief Freeburg:

- **(Pg. 97)** Monthly Report

City Clerk Meeks:

N. MAYOR & COUNCIL REPORTS

- **Mayor Dowless**
- **Council Member Chotas**
- **Council Member Pierce**
- **Council Member Rader**
- **Council Member Lomas**
- **Council President Horn**

O. ADJOURNMENT

UPCOMING MEETINGS:

Monday, May 11, 2020.....Planning & Zoning Meeting (6:30 p.m.)
 Tuesday, May 19, 2020.....Regular City Council Meeting (6:30 p.m.)

Public Comment

Interested members of the public will have two options to submit comments for the record regarding any matter on the agenda or for matters not on the agenda.

- 1.) Send comments by email to bmeeks@edgewood-fl.gov before the meeting, and they will be distributed to the elected officials and read at the meeting. (450-word limit on emails to be read during the meeting; emails longer than 450 words will be distributed to the elected officials and a summary will be read.) Emails should be sent no later than 5:30 p.m. the day of the meeting.
- 2.) Call (407) 851-2920 during the meeting to provide comments (not to exceed 3 minutes) that will be summarized and read into the record by the City Clerk.

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.

Agenda
City of Edgewood
City Council Virtual Zoom Meeting
April 21, 2020, 6:30 P.M.
Join Zoom
<https://zoom.us/j/97532467365>
Meeting ID: 975 3246 7365

Edgewood City Council meeting to be held on April 21, 2020 with Social Distancing Modifications

The City of Edgewood is using Zoom to hold the April 21, 2020 City Council meeting via communications media technology as authorized by Governor Desantis' *Executive Order 2-69*. Members of the public may also use Zoom to view. Zoom is a cloud platform for video and audio conferencing, collaboration, chat and webinars across mobile devices, laptops, desktops, telephones and room systems. Members of the public may call (407) 851-2920 in advance of the meeting for assistance regarding viewing and/or participating in the meeting.

Public Comment

Interested members of the public will have two options to submit comments for the record regarding any matter on the agenda or for matters not on the agenda.

- 1.) Send comments by email to bmeeks@edgewood-fl.gov before the meeting, and they will be distributed to the elected officials and read at the meeting. (450-word limit on emails to be read during the meeting; emails longer than 450 words will be distributed to the elected officials and a summary will be read.) Emails should be sent no later than 5:30 p.m. the day of the meeting.
- 2.) Call (407) 851-2920 during the meeting to provide comments (not to exceed 3 minutes) that will be summarized and read into the record by the City Clerk.

Instructions on How to Watch or Listen to the Virtual Meeting:

To view the meeting using the Zoom App from a PC, Mac, iPad, iPhone or Android device: click or enter into your browser: <https://zoom.us/j/97532467365> to join. Participants will be allowed into the meeting 15 minutes before it starts to ensure there are no technical difficulties.

To listen to the meeting over a telephone: dial (646) 558-8656 and, when prompted, enter the meeting ID followed by the # sign.

Meeting ID: 975 3246 7365

For Additional Assistance:

For additional information regarding public comments please contact Bea Meeks, City Clerk: bmeeks@edgewood-fl.gov or 407-851-2920.

For questions regarding connecting to the meeting please contact Scott Zane, IT Specialist: szane@edgewood-fl.gov.

MAYORAL PROCLAMATION

WHEREAS, every seven minutes and thirty seconds, one woman in the U.S. loses her battle with lung cancer; and

WHEREAS, lung cancer is the leading cause of cancer deaths for women and men in the U.S.; and

WHEREAS, advocacy and increased awareness will result in screening and early detection for people with lung cancer that will ultimately save lives; and

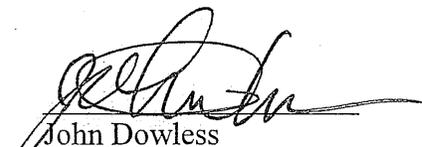
WHEREAS, public support for research funding will result in better treatment and early detection methods that will ultimately save lives; and

WHEREAS, LUNG FORCE is a national initiative led by the American Lung Association, to defeat lung cancer.

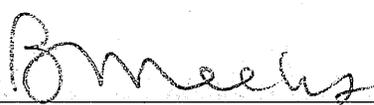
BE IT RESOLVED, that I, John Dowless, Mayor, City of Edgewood, Florida hereby designates the week of May 11, 2020 through May 17, 2020, as Women's Lung Health Week and encourages all residents in the City of Edgewood to learn more about lung cancer, risk factors and screening options.



Dated this 21st day of April, 2020.


John Dowless
Mayor

ATTEST:


Bea L. Meeks, MMC, CPM, CBTO
City Clerk

City of Edgewood, Florida

2019

Financial Audit

Holland & Reilly

AGENDA

- Excellent cooperation from staff and contract accountant
- Extensive work required by GASB 68 – FRS and HIS plans
- Audit opinion – **unmodified**
- City-wide Financials
- Governmental Fund Financial Statements
 - General Fund
 - Roads and Streets Fund
- Management’s Discussion & Analysis

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Highlights

- **Red Light Citation** program – generated **\$173,526**, net of fees, **up from \$46,008 in P/Y**. 2017 = **\$124,452**, 2016 = **\$275,938**, **2013 = \$342,836**. In 2019, all lights were operable. In 2018, 2 of the 3 lights were down for six months due to FDOT realigning an Intersection. In 2017 street realignment at Holden and Orange Ave. caused the traffic light to become inoperable and was removed.
- **Capital outlays** - \$64,497
 - Police vehicles and equipment - \$42,679
 - Computers - \$9,022
 - Messenger Board - \$12,796
- **Capital Leases for four police vehicles** - \$112,565
- **Increase** in net pension liability from **\$2,079,021 to \$2,419,067**
- **Excess of revenues over expenditures** (overall) – **\$372,172**

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Overall Results - Operations

- Recap of Overall Results of City

| | Gain Before | | |
|--------------------------|------------------|-----------------|------------------|
| | <u>Transfer</u> | <u>Transfer</u> | <u>Final</u> |
| • General Fund | \$307,094 | (6,000) | (301,094) |
| • Roads and Streets Fund | <u>65,078</u> | <u>6,000</u> | <u>(71,078)</u> |
| • City - Overall | <u>\$372,172</u> | | <u>\$372,172</u> |

- General Fund transferred \$6,000 to Road Fund in F/Y 2019 vs. \$100,000 in F/Y 2018

Roads & Streets Fund

- 2018 Excess of expenditures over revenues – (\$208,668)
- 2019 Excess of revenues over expenditures - \$71,078

| Expenditures included: | <u>2018</u> | <u>2019</u> |
|---------------------------------------|-------------------------|-------------------------|
| – Repairs/maintenance | \$188,132 | \$ 50,053 |
| – Street maintenance contract | 48,100 | 50,385 |
| – Utilities – traffic & street lights | 44,639 | 44,293 |
| – Tree removal | 39,370 | 21,480 |
| – Sidewalk repair | 44,120 | - |
| – Traffic light maintenance | 18,275 | 16,785 |
| – Storm drain cleaning | 8,064 | - |
| – R.R. crossing maintenance | 5,860 | 5,978 |
| – Street signs | <u>1,635</u> | <u>2,103</u> |
| Total Expenditures | <u>\$398,193</u> | <u>\$191,077</u> |

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FEMA Reimbursements – Hurricane Irma

- City-wide total reimbursements received in F/Y 2019 for costs incurred for damages, (repairs, tree and trash removal) \$ 5,659
- Reimbursements set up as a receivable at 9/30/19
(Received 10/10/19) 98,816
- FEMA Revenue at 9/30/19 \$104,475
- Some amounts still outstanding – estimated at \$83,199 – no timetable for when or how much will be reimbursed.

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Red Light Citations

| | <u>Revenue</u> | <u>Expenditures</u> | <u>Net Revenue</u> |
|--------|----------------|---------------------|--------------------|
| • 2014 | \$679,356 | (\$539,707) | \$140,049 |
| • 2015 | 690,091 | (541,175) | 148,916 |
| • 2016 | 966,342 | (690,404) | 275,938 |
| • 2017 | 441,489 | (317,037) | 124,452 |
| • 2018 | 326,771 | (280,763) | 46,008 |
| • 2019 | 684,972 | (511,446) | 173,526 |

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Investment Earnings

- Investment Earnings - City-wide
 - 2007 \$143,689 (**over 5.5% at SBA**)
 - 2008 82,102
 - 2009 23,796
 - 2010 12,550
 - 2011 8,653
 - 2012 5,661 (\$3,681 unrealized gain)
 - 2013 13,508 (\$1,683 unrealized gain)
 - 2014 11,923 (\$922 realized loss)
 - 2015 12,775 (0.15% to 0.42% - SBA at 0.25%)
 - 2016 11,914 (0.42% - SBA at 0.78%)
 - **2017 13,342 (0.42% - SBA at 1.36%)**
 - **2018 13,881 (0.42% - SBA at 2.97%)**
 - **2019 15,550 (0.42% - SBA at 2.31%)**

New GASB Pronouncements – None of Which Impacted the City’s F/Ss – Note 14

- **GASB Statement 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions**
- **GASB 83 – Asset Retirement Disclosures**
- **GASB 85 – Omnibus**
- **GASB 86 – Certain Debt Extinguishment Issues**
- **GASB 88 – Certain Debt Disclosures**

Florida Retirement System

- **GASB No. 68 – Accounting and Financial Reporting for Pensions, and GASB No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date**
 - Note 11 to financial statements - additional disclosures required – almost 5 pages
 - **Two plans** – Florida Retirement System Pension Plan (FRS), and Retiree Health Insurance Subsidy (HIS) – two different calculations
 - Reported only in the Governmental Activities F/Ss
 - Pension expense is different from actual contributions made

Florida Retirement System

- ***GASB No. 68 – Accounting and Financial Reporting for Pensions, and GASB No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date***
 - Two other elements to financial statements
 - **Deferred outflows of resources** – represents a **consumption** of net position that is applicable to a future reporting period – reported after “Assets”
 - **Deferred inflows of resources** – represents an **acquisition** of net position that is applicable to a future period – reported after “Liabilities”
 - Requires recording a proportionate share of the net pension liability (NPL) of the Florida Retirement System (FRS) – **NPL = \$2,419,021** – up from **\$2,079,021** in 2018

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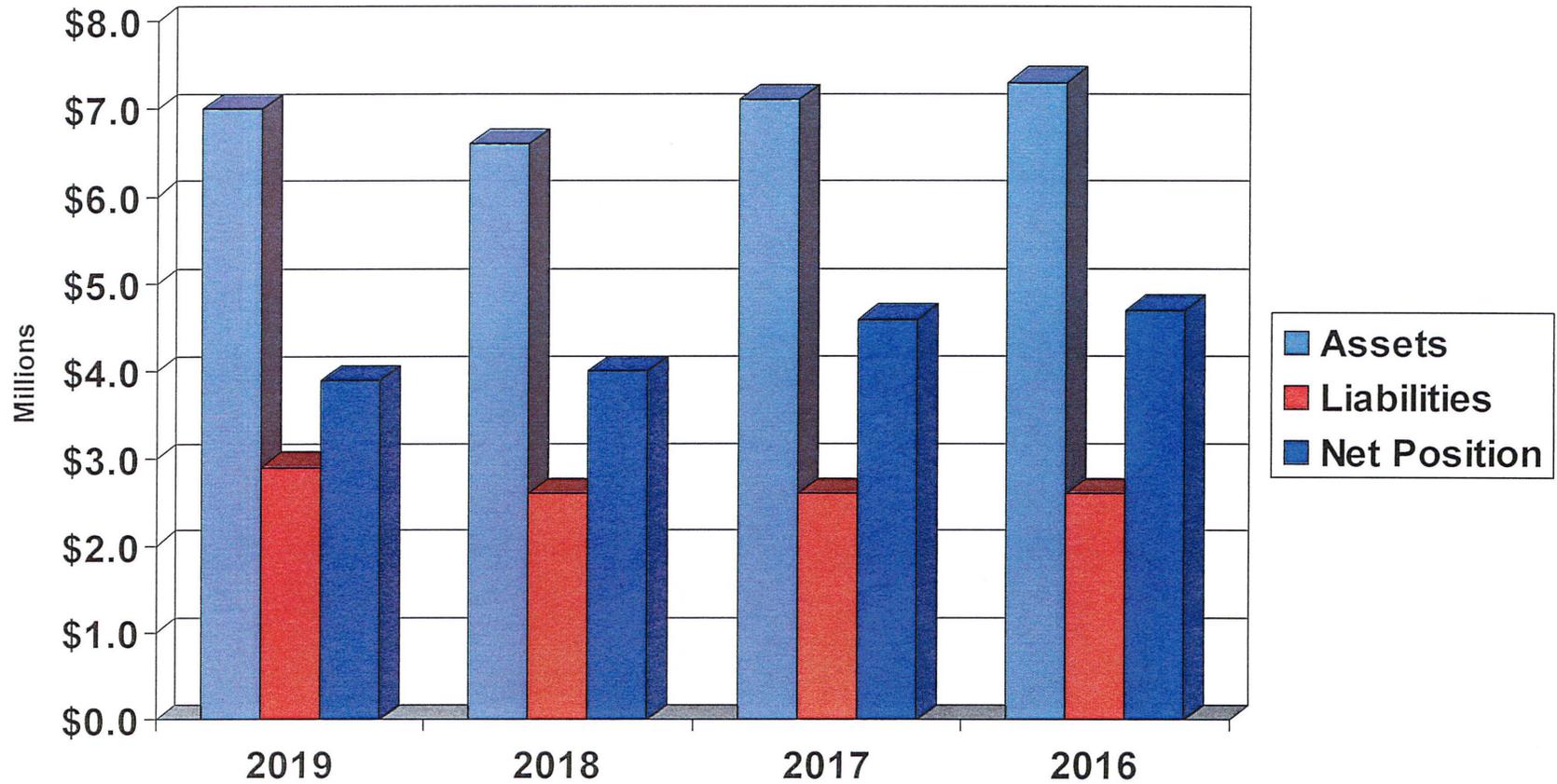
Increase in NPL – FRS

| | <u>Investment Return</u> | <u>FRS Net Pension Liability</u> |
|-----------------|--------------------------|----------------------------------|
| • June 30, 2014 | \$22,812,286,000 | • \$ 6,101,471,000 |
| • June 30, 2015 | \$ 5,523,287,000 | • \$12,916,341,000 |
| • June 30, 2016 | \$ 820,583,000 | • \$25,250,078,000 |
| • June 30, 2017 | \$18,801,917,000 | • \$29,579,329,000 |
| • June 30, 2018 | \$13,955,233,000 | • \$30,120,518,000 |
| • June 30, 2019 | \$ 9,410,440,000 | • \$34,438,608,000 |

Increase in NPL – HIS

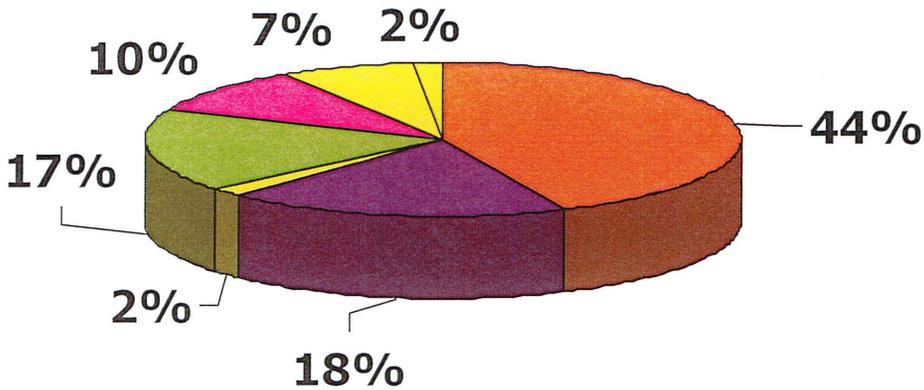
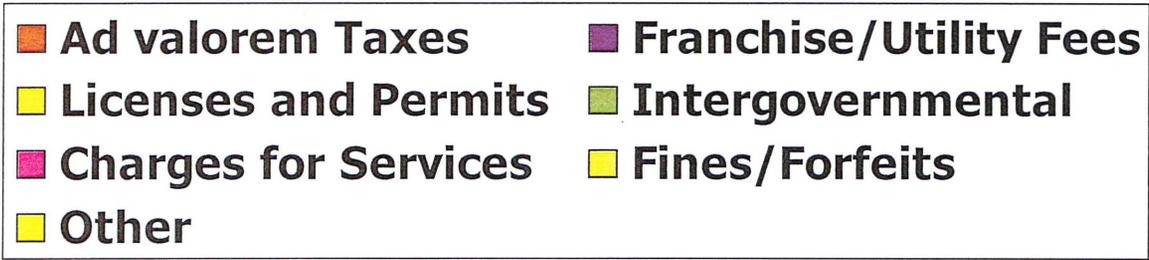
| <u>Investment Return</u> | | <u>HIS Net Pension Liability</u> |
|--------------------------|-------------|----------------------------------|
| • June 30, 2014 | \$ 219,000 | • \$ 9,350,244,000 |
| • June 30, 2015 | \$ 208,000 | • \$10,198,427,000 |
| • June 30, 2016 | \$ 565,000 | • \$11,654,586,000 |
| • June 30, 2017 | \$1,380,000 | • \$10,692,461,000 |
| • June 30, 2018 | \$3,311,000 | • \$10,584,113,000 |
| • June 30, 2019 | \$6,181,000 | • \$11,188,999,000 |

CITY OF EDGEWOOD - CITY-WIDE
Assets plus Deferred Outflows of Resources less
Liabilities plus Deferred Inflows of Resources = Net Position



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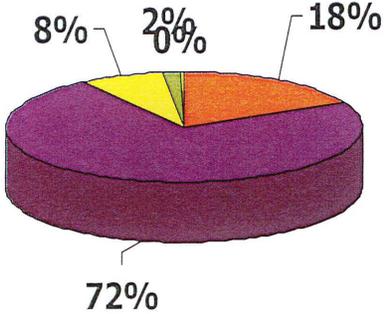
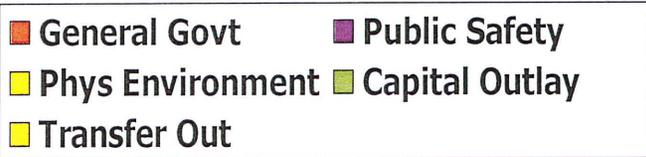
General Fund Revenues by Source



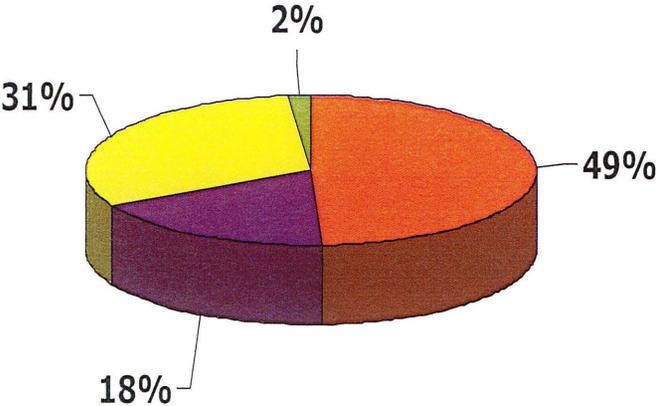
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General Fund - Expenditures

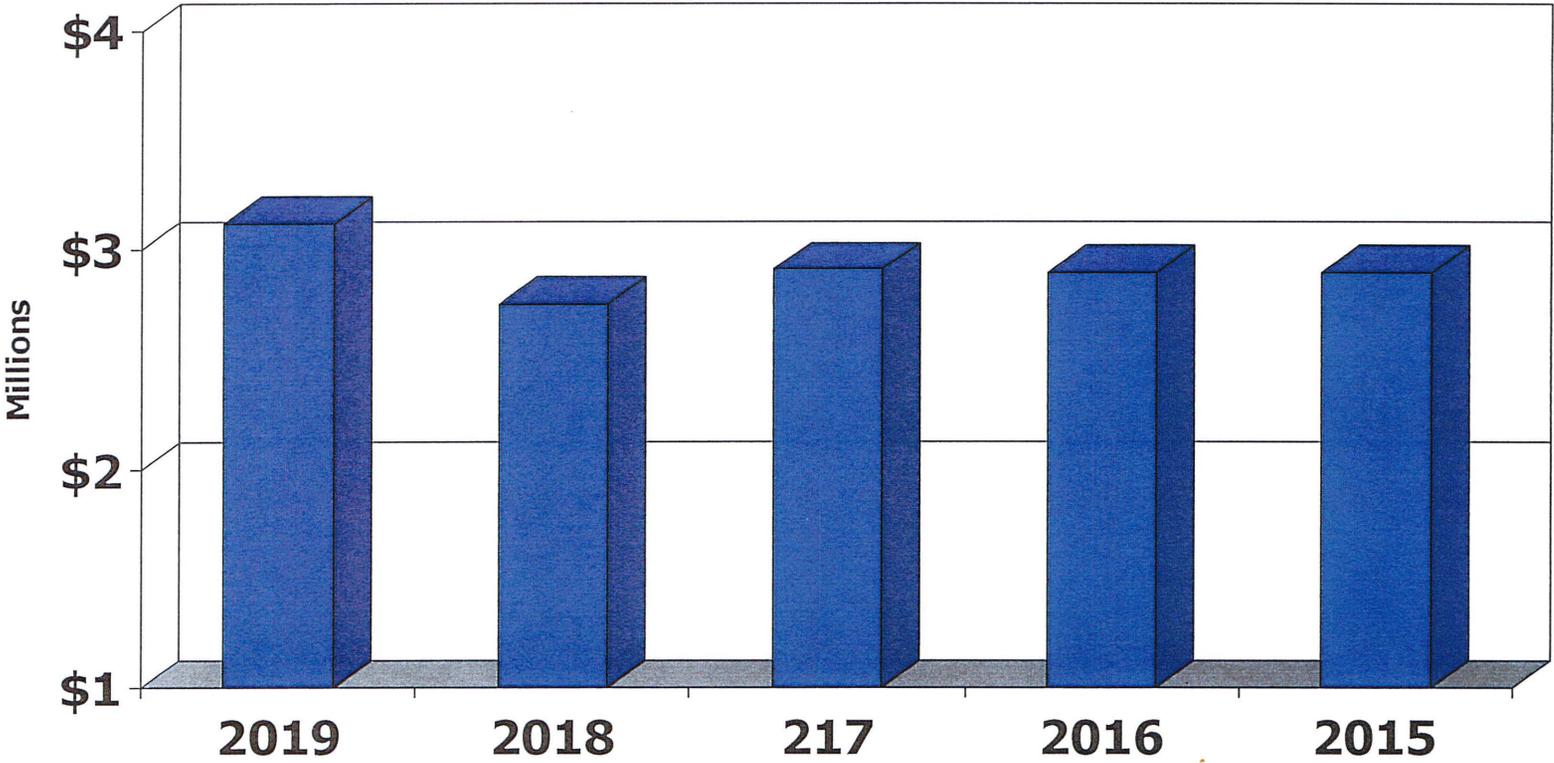
By Governmental Type



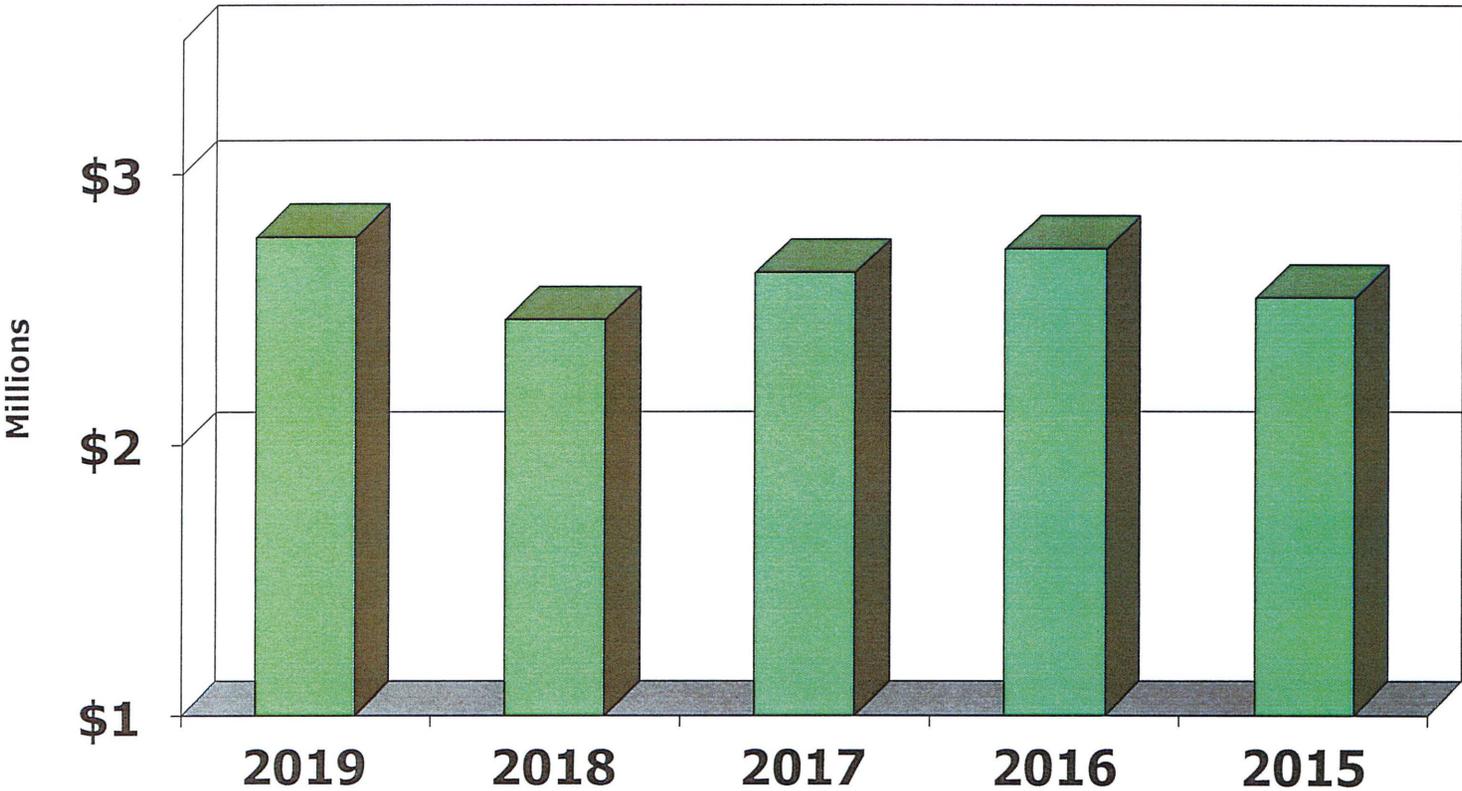
By Function



General Fund Liquidity (Cash & Equivalents)



General Fund Unassigned Fund Balance



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Final Comments

- Board of Governance letter
- Management Letter comments – No new comments
- Caution - Compliance with Charter – Unassigned fund balance is 68.9% of revenues – Charter says max of 75%. Significant improvement from 2014 of 96%
- Future GASB pronouncements – GASB is reconsidering the financial statement reporting model – changes are expected – as well as other significant changes. No timetable yet, as all projects are being extended and implementation dates for new pronouncements have been delayed due to the pandemic (GASB 84 - Fiduciary Activities and GASB 87 - Leases).

CITY OF EDGEWOOD, FLORIDA

Annual Financial Report

September 30, 2019

(With Independent Auditors' Report Thereon)

CITY OF EDGEWOOD, FLORIDA

**ANNUAL FINANCIAL REPORT
AND AUDITORS' REPORT**

SEPTEMBER 30, 2019

CITY COUNCIL AND OFFICIALS

| | |
|---------------|---------------------------------|
| Richard Horn | - Council Member & President |
| Ben Pierce | - Council President Pro-Tem |
| Susan Fortini | - Council Member |
| Lee Chotas | - Council Member |
| Chris Rader | - Council Member |
| John Dowless | - Mayor |
| Bea Meeks | - City Clerk |
| John Freeburg | - 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, 2019**

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STATUTORY SECTION

| | |
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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
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(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

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council
City of Edgewood, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the City of Edgewood, Florida (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the City of Edgewood, Florida as of September 30, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of net pension liability – Florida Retirement System and Health Insurance Subsidy Program, and schedule of pension contributions – Florida Retirement System and Health Insurance Subsidy Program on pages 3 through 8 and 33 through 38, 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 auditing standards generally accepted in the United States of America, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Holland & Rieilly

March 31, 2020
Orlando, Florida

CITY OF EDGEWOOD, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended September 30, 2019

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, 2019.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$3,886,745 (net position). Of this amount, \$971,838 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year the City's total net position decreased by (\$119,351), compared to the prior year decrease of (\$560,613).
- The City's cash and cash equivalents balance was \$3,117,715, representing a \$338,577 increase from the prior year.
- The City's capital outlays for fiscal year 2019 were \$64,497. In addition, the City entered into capital leases for the acquisition of four police vehicles totaling \$112,565. Thus, the City's increase in capital assets totaled \$177,062.
- The City's Red Light Citation program generated an excess of revenues over expenditures of \$173,526.
- The City has a net pension liability of \$2,419,067, an increase of \$340,046 from the prior year.

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 required and 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 position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 (both major 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 and Roads and Streets Fund as required supplementary information.

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 31 of this report.

Government-wide Financial Analysis

Statement of Net Position
September 30, 2019 and 2018

| | Governmental activities | |
|---|-------------------------|------------------|
| | 2019 | 2018 |
| Current assets | \$3,434,498 | 2,989,796 |
| Noncurrent assets (capital assets) | 2,696,097 | 2,755,134 |
| Deferred outflows of resources | 859,665 | 905,769 |
| Total assets and deferred outflows of resources | <u>6,990,260</u> | <u>6,650,699</u> |
| Current liabilities | 265,659 | 168,006 |
| Noncurrent liabilities | 2,612,889 | 2,181,443 |
| Deferred inflows of resources | 224,967 | 295,154 |
| Total liabilities and deferred inflows of resources | <u>\$3,103,515</u> | <u>2,644,603</u> |
| Net position: | | |
| Net investment in capital assets | 2,583,532 | 2,755,134 |
| Restricted | 331,375 | 269,413 |
| Unrestricted | 971,838 | 981,549 |
| Total net position | <u>\$3,886,745</u> | <u>4,006,096</u> |

\$2,583,532 or 66% of the City's net position is reflected in net 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 any of this debt would be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

\$331,375 or 9%, of the City's net position represents resources that are subject to restrictions on how they may be used, primarily for law enforcement, storm water and road projects. Unrestricted net position of \$971,838 or 25% may be used to meet the City's ongoing obligations to citizens and creditors.

At September 30, 2019, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its governmental activities.

Changes in Net Position
For the years ended September 30, 2019 and 2018

| | Governmental Activities | |
|---------------------------------------|----------------------------|------------------|
| | 2019 | 2018 |
| Revenues: | | |
| Program revenues | | |
| Charges for services | \$ 796,009 | 586,424 |
| Operating grants and contributions | 1,000 | - |
| Capital grants and contributions | 10,000 | 5,049 |
| Total program revenues | <u>807,009</u> | <u>591,473</u> |
| General revenues | | |
| Property taxes | 1,648,780 | 1,535,842 |
| Sales and gas taxes | 678,253 | 663,327 |
| Franchise and utility taxes | 742,721 | 709,111 |
| Investment earnings | 15,550 | 13,881 |
| Impact fees | - | 8,219 |
| Miscellaneous revenue | 117,196 | 62,318 |
| Gain (loss) on sale of capital assets | 8,196 | (6,711) |
| Total general revenues | <u>3,210,696</u> | <u>2,985,987</u> |
| Total revenues | <u>4,017,705</u> | <u>3,577,460</u> |
| Expenses: | | |
| General government | 667,712 | 717,202 |
| Public safety | 2,904,545 | 2,646,986 |
| Highways and streets | 289,496 | 496,828 |
| Physical environment | 275,303 | 277,057 |
| Total expenses | <u>4,137,056</u> | <u>4,138,073</u> |
| Increase (decrease) in net position | (119,351) | (560,613) |
| Net position - beginning | 4,006,096 | 4,566,709 |
| Net position - ending | <u>\$ 3,886,745</u> | <u>4,006,096</u> |

During the fiscal year 2019, the City's net position decreased by (\$119,351) compared to a (\$560,613) decrease in the prior year. The decrease is primarily due to an increase in Red Light Citation revenue as one of the traffic lights that was inoperable in the prior year came back on-line in fiscal year 2019, as well as a reduction in expenditures for repairs and maintenance on the City's streets and roads.

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

| | 2019 | | 2018 | |
|-----------------------------|--------------|------|------|--|
| Charges for services | \$ 796,009 | 20% | 16% | |
| Grants and contributions | 11,000 | - | - | |
| Property taxes | 1,648,780 | 41% | 43% | |
| Sales and gas taxes | 678,253 | 17% | 19% | |
| Franchise and utility taxes | 742,721 | 19% | 20% | |
| Investment earnings | 15,550 | - | - | |
| Other revenues | 125,392 | 3% | 2% | |
| | \$ 4,017,705 | 100% | 100% | |

Relevant Financial Policies – The City's management has reviewed several GASB Statements that became effective this year (see Note 14) and has made the determination that none of these pronouncements have any discernable impact on these financial statements.

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 \$3,193,962.

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 \$2,767,383. 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 80% or approximately 9 1/2 months of total General Fund expenditures and transfers.

General Fund Budgetary Highlights

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

- Total revenues were \$372,644 greater than budgeted in the General Fund, primarily due to increases in franchise and utility taxes, court fines, and Red Light Citation revenues.
- Total expenditures and transfers were \$113,631 less than budgeted in the General Fund, primarily due to financial and administrative personal and operating expenditures, and public safety personal and operating expenditures being less than anticipated.

Capital Assets

| Capital Assets (net of depreciation) | | | | |
|---|---------------------|---------------------|------------------------|-----------------|
| | 2019 | 2018 | Increase (Decrease) | Percen- tage |
| Land | \$ 284,796 | \$ 284,796 | \$ - | |
| Building | 274,335 | 303,489 | (29,154) | (10%) |
| Machinery and equipment | 347,976 | 270,024 | 77,952 | 29% |
| Infrastructure | 1,788,990 | 1,896,825 | (107,835) | (6%) |
| Total capital assets | <u>\$ 2,696,097</u> | <u>\$ 2,755,134</u> | <u>\$ (59,037)</u> | |

The City's total investment in capital assets for its governmental activities as of September 30, 2019, amounted to \$2,696,097 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, and infrastructure.

During the year ended September 30, 2019, the City expended \$64,497 on capital assets, including \$42,679 for vehicles and other equipment for the police department, \$9,022 on computers, and \$12,796 for a messenger board, as well as incurring \$112,565 in capital leases for the acquisition of four vehicles for the police department.

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

Long-Term Obligations

The City entered into obligations under capital lease for four vehicles this year. The City has no other outstanding debt as the mortgage payable on City Hall was paid off during the year ended September 30, 2011.

The City has a net pension liability of \$2,419,067 at September 30, 2019, an increase of \$340,046 from the prior year.

For more detailed information regarding the City's long-term obligations, please refer to Notes 7 and 11 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

- The F/Y 19/20 budget of \$4,229,976 represents a 1.37% increase over the F/Y 18/19 budgeted expenditures.

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

- The F/Y 19/20 budget includes funding to support the increase in the Agreement with Orange County for fire rescue services, and for continued maintenance and repair of roads and streets including sidewalks.
- In March 2020, the United States of America experienced a nationwide crisis due to the pandemic caused by the coronavirus. It is unknown how long this pandemic will last or how it might impact the City. It is possible the City's F/Y 19/20 various revenues and expenditures will be adversely affected. The City will amend its F/Y 19/20 budget accordingly once the potential impacts to the City's revenues and expenditures are known.

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 Position
September 30, 2019

| | <u>Primary Governmental Activities</u> |
|--|--|
| Assets | |
| Current assets: | |
| Cash and cash equivalents | \$ 3,117,715 |
| Receivables | 71,800 |
| Due from other governments | 200,831 |
| Prepaid items | 44,152 |
| Total current assets | <u>3,434,498</u> |
| Noncurrent assets: | |
| Capital assets, not being depreciated | |
| Land | 284,796 |
| Capital assets, net of accumulated depreciation | |
| Buildings | 586,259 |
| Machinery and equipment | 980,532 |
| Infrastructure | 3,787,790 |
| Less accumulated depreciation | <u>(2,943,280)</u> |
| Total noncurrent assets | <u>2,696,097</u> |
| Total assets | 6,130,595 |
| Deferred outflows of resources | <u>859,665</u> |
| Total assets and deferred outflows of resources | <u>\$ 6,990,260</u> |
| Liabilities | |
| Current liabilities: | |
| Accounts payable | 172,980 |
| Accrued liabilities | 36,429 |
| Due to other governments | 9,628 |
| Unearned revenue | 21,499 |
| Current portion obligations under capital lease | 25,123 |
| Total current liabilities | <u>265,659</u> |
| Noncurrent liabilities: | |
| Compensated absences | 106,380 |
| Obligations under capital leases, net of current portion | 87,442 |
| Net pension liability | 2,419,067 |
| Total noncurrent liabilities | <u>2,612,889</u> |
| Total liabilities | 2,878,548 |
| Deferred inflows of resources | <u>224,967</u> |
| Total liabilities and deferred inflows of resources | <u>3,103,515</u> |
| Net Position | |
| Net investment in capital assets | 2,583,532 |
| Restricted for: | |
| Public safety | 174,588 |
| Road projects | 132,819 |
| Stormwater | 23,968 |
| Unrestricted | 971,838 |
| Total net position | <u>3,886,745</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 6,990,260</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, 2019

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Net (Expense) Revenue and Changes in Net Position</u> |
|---------------------------------|---------------------|---------------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Primary Government Governmental Activities</u> |
| Governmental Activities: | | | | | |
| General government | \$ 667,712 | 86,045 | 1,000 | | (580,667) |
| Public safety | 2,904,545 | 385,067 | | 10,000 | (2,509,478) |
| Highways and streets | 289,496 | 28,760 | | | (260,736) |
| Physical environment | 275,303 | 296,137 | | | 20,834 |
| Total governmental activities | <u>4,137,056</u> | <u>796,009</u> | <u>1,000</u> | <u>10,000</u> | <u>(3,330,047)</u> |
| Total primary government | \$ 4,137,056 | 796,009 | 1,000 | 10,000 | (3,330,047) |
| General Revenues: | | | | | |
| | | | | | 1,648,780 |
| | | | | | 678,253 |
| | | | | | 742,721 |
| | | | | | 15,550 |
| | | | | | 117,196 |
| | | | | | 8,196 |
| | | | | | <u>3,210,696</u> |
| | | | | | Change in net position |
| | | | | | (119,351) |
| | | | | | Net Position - Beginning |
| | | | | | 4,006,096 |
| | | | | | <u>Net Position - Ending</u> |
| | | | | | <u>\$ 3,886,745</u> |

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

CITY OF EDGEWOOD, FLORIDA

Balance Sheet

Governmental Funds

September 30, 2019

| | General Fund | Roads and Streets Fund | Total Governmental Funds |
|--|-------------------------|------------------------------|--------------------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| Assets | | | |
| Cash and cash equivalents | \$ 3,037,904 | 79,811 | 3,117,715 |
| Receivables | 71,800 | | 71,800 |
| Due from other governments | 93,767 | 107,064 | 200,831 |
| Prepaid items | <u>44,152</u> | | <u>44,152</u> |
| Total assets | <u>\$ 3,247,623</u> | <u>186,875</u> | <u>3,434,498</u> |
| Liabilities and fund balances | | | |
| Liabilities | | | |
| Accounts payable | 118,924 | 54,056 | 172,980 |
| Accrued liabilities | 36,429 | | 36,429 |
| Due to other governments | 9,628 | | 9,628 |
| Unearned revenue | <u>21,499</u> | | <u>21,499</u> |
| Total liabilities | <u>186,480</u> | <u>54,056</u> | <u>240,536</u> |
| Fund balances | | | |
| Nonspendable | 44,152 | | 44,152 |
| Spendable | | | |
| Restricted | 198,556 | 132,819 | 331,375 |
| Committed | 51,052 | | 51,052 |
| Unassigned | <u>2,767,383</u> | | <u>2,767,383</u> |
| Total fund balances | <u>3,061,143</u> | <u>132,819</u> | <u>3,193,962</u> |
| Total liabilities and fund balances | <u>\$ 3,247,623</u> | <u>186,875</u> | <u>3,434,498</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 Position
September 30, 2019

Total Fund Balances \$ 3,193,962

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

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

| | | |
|--------------------------------|--------------------|-----------|
| Governmental capital assets | \$ 5,639,377 | |
| Less: accumulated depreciation | <u>(2,943,280)</u> | 2,696,097 |

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

| | | |
|--|------------------|---------|
| Deferred outflows of resources related to pensions | 859,665 | |
| Deferred inflows of resources related to pensions | <u>(224,967)</u> | 634,698 |

Net pension liability obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds.

(2,419,067)

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds balance sheet.

| | | |
|------------------------|------------------|------------------|
| Compensated absences | (106,380) | |
| Capital leases payable | <u>(112,565)</u> | <u>(218,945)</u> |

Net Position of Governmental Activities \$ 3,886,745

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, 2019

| | General Fund | Roads and Streets Fund | Total Governmental Funds |
|--|---------------------|------------------------------|--------------------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| Taxes | \$ 2,391,500 | 92,845 | 2,484,345 |
| Licenses and permits | 86,045 | | 86,045 |
| Intergovernmental | 566,460 | 30,018 | 596,478 |
| Charges for services | 393,822 | | 393,822 |
| Fines and forfeitures | 287,382 | | 287,382 |
| Investment earnings | 15,491 | 59 | 15,550 |
| Hurricane relief | | 104,475 | 104,475 |
| Miscellaneous | 21,053 | 28,760 | 49,813 |
| Total revenues | <u>3,761,753</u> | <u>256,157</u> | <u>4,017,910</u> |
| Expenditures | | | |
| Current: | | | |
| General government | 617,630 | | 617,630 |
| Public safety | 2,506,647 | | 2,506,647 |
| Highways and streets | | 191,079 | 191,079 |
| Physical environment | 265,885 | | 265,885 |
| Capital outlay | 64,497 | | 64,497 |
| Total expenditures | <u>3,454,659</u> | <u>191,079</u> | <u>3,645,738</u> |
| Excess of revenues over expenditures before transfers | 307,094 | 65,078 | 372,172 |
| Transfers | <u>(6,000)</u> | <u>6,000</u> | <u>-</u> |
| Excess of revenues and transfers over expenditures | 301,094 | 71,078 | 372,172 |
| Fund balance | | | |
| Beginning of year | 2,760,049 | 61,741 | 2,821,790 |
| End of year | <u>\$ 3,061,143</u> | <u>132,819</u> | <u>3,193,962</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, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 372,172

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 | \$ 64,497 | |
| Less: Current year depreciation | <u>(235,894)</u> | (171,397) |

The net effect of transactions involving capital assets, such as sales, trade-ins, dispositions or other activity. (205)

Expenditures in the governmental funds for compensated absences are not recorded as expenses in the statement of activities - net decrease in compensated absences. (3,958)

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities the calculated pension expense is greater than the employer pension contributions and therefore decreased net position. (315,963)

Change in Net Position of Governmental Activities \$ (119,351)

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 position 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. 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.

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.

The City reports the following major 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.

The Roads and Streets Fund is a special revenue fund and accounts for the City's share of local option gas tax, 9th 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 Position or Equity

- 1) Investments - Investments are reported at fair value. The City invests in the State Board of Administration Fund (see Note 4).
- 2) Receivables, and Due From Other Governments - Those represent amounts due for services provided to citizens and a claim against another government, are measurable, and have been accrued. Management has determined these amounts are collectible and no allowance for doubtful accounts is necessary.

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

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

- 3) 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 acquisition 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 millage rate assessed by the City for the fiscal year ended September 30, 2019 was 4.95.

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 city 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.
- 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.

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

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

- 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) Unearned Revenue – Unearned revenue presented on the government-wide and governmental fund financial statements represents revenue collected but not applicable to the current reporting period, primarily related to business tax receipts applicable to the City’s next fiscal year.
- 7) Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that is applicable to a future reporting period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that is applicable to a future period.

- 8) Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRS) and Health Insurance Subsidy Program (HIS) and additions to/deductions from the FRS and HIS fiduciary net position have been determined on the same basis as they are reported by FRS and HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
- 9) Compensated Absences - An accrual is made for accrued vacation leave in the government-wide financial statements. The amount accrued represents leave and unused "comp" leave that is expected to be paid in future years. Both vacation and unused "comp" leave are recorded as long-term liabilities in the government-wide financial statements.

CITY OF EDGEWOOD, FLORIDA
NOTES TO FINANCIAL STATEMENTS

D. Assets, Liabilities, and Net Position or Equity – continued

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.

- 10) 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.

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 position:

The governmental fund balance sheet includes reconciliation between fund balances – total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. These mainly pertain to recording capital assets, net of accumulated depreciation, long-term obligations, as well as deferred outflows of resources and deferred inflows of resources, 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 position of governmental activities as reported in the government-wide statement of activities. These mainly pertain to recording depreciation, rather than capital outlay, the change in compensated absences, the net effect of transactions involving dispositions or other activity relating to capital assets, and the difference between pension contributions and pension expense.

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.

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

A. Budgets and Budgetary Accounting - continued

- 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.

4. Cash and Cash Equivalents and Investments

Florida Statutes provide for risk sharing collateral pools by banks and savings and loan associations. These 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 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 and the SBA.

The SBA established the Florida PRIME whereby participants own a share of the pool and not the underlying securities.

The Florida PRIME (formerly known as Pool or Fund A) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in the Florida PRIME at amortized cost. Therefore, the City's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool's shares. The Florida PRIME is rated by Standard and Poor's and is currently rated AAAM. At September 30, 2019, the weighted average days to maturity (WAM) is 37 days, and the weighted average life (WAL) is 85 days. Next interest rate reset dates are used in the calculation of the WAM.

The Florida PRIME did not participate in a securities lending program in the year ended September 30, 2019, nor was it exposed to any foreign currency risk. The SBA provides separate financial statements for the Florida PRIME (unaudited) as of and for the period ending June 30, which can be obtained at www.sbafla.com/prime/home.aspx. It does not issue financial statements as of and for the period ending September 30.

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

4. Cash and Cash Equivalents and Investments - continued

At September 30, 2019, there were no redemption fees or maximum transfer amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account balance. With regard to liquidity fees, the SBA has the authority to impose penalties for early withdrawal subject to disclosure in the enrollment materials of the amount and purpose of such fees. The SBA has not made any required disclosures relating to these fees. The SBA also has the authority to limit contributions or withdrawals for up to 48 hours in the event of an occurrence or event that has a material impact on the liquidity of the Florida PRIME. No such limitation took place during the year ended September 30, 2019.

As of September 30, 2019, 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, 2019 consisted of the following:

| | General Fund | Roads and Streets Fund | Total |
|---------------------------------------|---------------------|------------------------------|------------------|
| Cash and cash equivalents: | | | |
| Demand deposits | \$ 1,346,070 | 77,454 | 1,423,524 |
| Money market account | 1,652,670 | - | 1,652,670 |
| State Board of Administration - PRIME | 39,164 | 2,357 | 41,521 |
| Total cash and cash equivalents | <u>\$ 3,037,904</u> | <u>79,811</u> | <u>3,117,715</u> |

5. Receivables

Receivables at September 30, 2019 consist of the following:

| | General Fund | Roads and Streets Fund | Total |
|----------------------------------|------------------|------------------------------|----------------|
| Receivables: | | | |
| Franchise fees and utility taxes | \$ 67,222 | | 67,222 |
| Solid waste | 4,578 | | 4,578 |
| | <u>\$ 71,800</u> | <u>-</u> | <u>71,800</u> |
| Due from other governments: | | | |
| Taxes | 67,181 | 8,248 | 75,429 |
| Fines and forfeitures | 7,685 | | 7,685 |
| Red light citations | 18,528 | | 18,528 |
| FEMA reimbursement | | 98,816 | 98,816 |
| Police education | 373 | | 373 |
| | <u>\$ 93,767</u> | <u>107,064</u> | <u>200,831</u> |

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

6. Capital Assets

Capital asset activity for the year ended September 30, 2019 was as follows:

| | Balance at 9/30/18 | Increases | Decreases | Balance at 9/30/19 |
|--|-----------------------|------------------|----------------|-----------------------|
| Governmental activities: | | | | |
| Land | \$ 284,796 | - | - | 284,796 |
| Capital assets, not being depreciated | <u>284,796</u> | <u>-</u> | <u>-</u> | <u>284,796</u> |
| Capital assets, being depreciated: | | | | |
| Building | 586,259 | - | - | 586,259 |
| Machinery and equipment | 807,480 | 177,062 | (4,010) | 980,532 |
| Infrastructure | <u>3,787,790</u> | <u>-</u> | <u>-</u> | <u>3,787,790</u> |
| Total capital assets being depreciated | <u>5,181,529</u> | <u>177,062</u> | <u>(4,010)</u> | <u>5,354,581</u> |
| Less accumulated depreciation: | <u>(2,711,191)</u> | <u>(235,894)</u> | <u>3,805</u> | <u>(2,943,280)</u> |
| Total capital assets, being depreciated, net | <u>2,470,338</u> | <u>(58,832)</u> | <u>(205)</u> | <u>2,411,301</u> |
| Governmental activities capital assets, net | <u>\$ 2,755,134</u> | <u>(58,832)</u> | <u>(205)</u> | <u>2,696,097</u> |

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

| | |
|--|-------------------|
| Governmental activities: | |
| General government | \$ 32,257 |
| Public safety | 95,802 |
| Highways and streets | 98,417 |
| Physical environment | <u>9,418</u> |
| Total depreciation expense - governmental activities | <u>\$ 235,894</u> |

7. Long-term Obligations

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

| | Balance at 9/30/18 | Additions | Reductions | Balance at 9/30/19 |
|--|-----------------------|----------------|---------------|-----------------------|
| Compensated absences representing the long term portion of the General Fund's liability for accrued vacation leave | \$ 102,422 | 3,958 | - | 106,380 |
| Net pension liability | 2,079,021 | 340,046 | - | 2,419,067 |
| Obligations under capital lease | <u>-</u> | <u>146,261</u> | <u>33,696</u> | <u>112,565</u> |
| Total | <u>\$ 2,181,443</u> | <u>490,265</u> | <u>33,696</u> | <u>2,638,012</u> |

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

8. Lease Commitments

Obligations under Capital Lease

The City leases four vehicles under leases that have been recorded as capital leases under the criteria of the Governmental Accounting Standards Board. The leases expire from January 2023 to April 2023 and call for annual payments of \$6,934 to \$9,746, including interest from 7.26% to 7.88%.

Future commitments and the related obligations are as follows:

| <u>Year ending September 30,</u> | | |
|--------------------------------------|----|----------------|
| 2020 | \$ | 33,696 |
| 2021 | | 33,696 |
| 2022 | | 33,696 |
| 2023 | | 33,696 |
| | | <u>134,784</u> |
| Less amounts representing interest | | (22,219) |
| Obligation under capital lease | \$ | <u>112,565</u> |

The related vehicles are included in property and equipment as follows:

| | | |
|-----------------------------------|----|----------------|
| Vehicles | \$ | 146,261 |
| Less accumulated amortization | | (16,150) |
| | \$ | <u>130,111</u> |
| Amortization expense for the year | \$ | <u>16,150</u> |

Operating Lease

The City leases copiers under non-cancellable operating leases that expires in November 2023. Lease expense for the year ended September 30, 2019 was \$3,575.

Future minimum rental commitments under the lease as of September 30, 2019 are as follows:

| <u>Year ending September 30,</u> | <u>Amount</u> |
|----------------------------------|------------------|
| 2020 | \$ 3,575 |
| 2021 | 3,575 |
| 2022 | 3,575 |
| 2023 | 3,575 |
| 2024 | 894 |
| Total | <u>\$ 15,194</u> |

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.

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

9. Commitments and Contingencies - continued

- 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 and state 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. Fund Balances - GASB 54

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

Non-spendable - 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 Council addresses these commitments through formal board action prior to the City's fiscal year end.

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.

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

10. Fund Balances - GASB 54 – continued

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

| | Balance at 9/30/18 | Increases | Decreases | Balance at 9/30/19 |
|-----------------------------|-----------------------|------------------|--------------------|-----------------------|
| Nonspendable: | | | | |
| Inventories | \$ 2,103 | - | (2,103) | - |
| Prepaid expenses | 32,310 | 11,842 | - | 44,152 |
| | <u>34,413</u> | <u>11,842</u> | <u>(2,103)</u> | <u>44,152</u> |
| Restricted: | | | | |
| Police education | 41,428 | 5,475 | (3,595) | 43,308 |
| Law enforcement trust | 10,727 | - | - | 10,727 |
| Storm water | 34,964 | 126 | (11,122) | 23,968 |
| Fines and forfeitures | 120,553 | - | - | 120,553 |
| | <u>207,672</u> | <u>5,601</u> | <u>(14,717)</u> | <u>198,556</u> |
| Committed: | | | | |
| Police impact fees | 9,411 | - | - | 9,411 |
| Fire and rescue impact fees | 41,641 | - | - | 41,641 |
| | <u>51,052</u> | <u>-</u> | <u>-</u> | <u>51,052</u> |
| Unassigned | 2,466,912 | 3,377,203 | (3,563,561) | 2,280,554 |
| Total fund balances | <u>\$ 2,760,049</u> | <u>3,394,646</u> | <u>(3,580,381)</u> | <u>2,574,314</u> |

11. Pension Plans

Defined Benefit Plans

The City participated in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (850) 488-6491.

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the FRS Pension Plan. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state community college, or district school board, unless restricted from FRS membership under Sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

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

11. Pension Plans - continued

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive an HIS benefit, a retiree under one of the state administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

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 5 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.

Eligible retirees and beneficiaries receive monthly HIS payments equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The City is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the City are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to the FRS. The City's contribution rates as of September 30, 2019, were as follows:

| | FRS | HIS | Total |
|------------------------|--------------|-------|--------------|
| Regular Employees | 6.60-6.81% | 1.66% | 8.26-8.47% |
| Special Risk Employees | 22.84-23.82% | 1.66% | 24.50-25.48% |
| DROP Employees | 12.37-12.94% | 1.66% | 14.03-14.60% |

The City's contributions for the year ended September 30, 2019 were \$214,024 to the FRS and \$19,202 to the HIS for a total of \$233,226.

Pension Liabilities and Pension Expense

At September 30, 2019, the City reported a liability for its proportionate shares of the net pension liability. The net pension liability for the FRS Pension Plan was measured as of July 1, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated July 1, 2019. The HIS program valuation is updated biannually and the most recent actuarial valuation was prepared as of July 1, 2018 and update procedures were used to determine liabilities as of June 30, 2019. The City's proportions of the net pension liabilities were based on the City's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

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

11. Pension Plans - continued

| | <u>FRS</u> | <u>HIS</u> | <u>Total</u> |
|---|---------------|---------------|--------------|
| Net pension liability at September 30, 2019 | \$ 2,033,346 | 385,721 | 2,419,067 |
| Proportion at: | | | |
| June 30, 2018 | 0.00005701501 | 0.00003417376 | |
| June 30, 2019 | 0.00005904264 | 0.00003447322 | |
| Pension expense (benefit), year ended | | | |
| September 30, 2019 | \$ 516,541 | 32,648 | 549,189 |

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>FRS</u> | | <u>HIS</u> | |
|---|---|--|---|--|
| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
| Differences between expected and actual experience | \$ 120,604 | (1,262) | 4,685 | (472) |
| Changes of assumptions | 522,251 | - | 44,660 | (31,523) |
| Net difference between projected and actual earnings on pension plan investments | - | (112,495) | 249 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 90,394 | (66,800) | 18,721 | (12,415) |
| City contributions subsequent to the measurement date | 52,938 | - | 5,163 | - |
| Total | \$ 786,187 | (180,557) | 73,478 | (44,410) |

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

| | <u>FRS Expense</u> | <u>HIS Expense</u> |
|---------------------------|------------------------|------------------------|
| Year ending September 30, | | |
| 2020 | \$ 200,448 | 10,185 |
| 2021 | 60,457 | 8,151 |
| 2022 | 146,085 | 4,464 |
| 2023 | 110,197 | (3,242) |
| 2024 | 28,412 | 591 |
| Thereafter | 7,093 | 3,756 |
| Total | \$ 552,692 | 23,905 |

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

11. Pension Plans - continued

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

| | <u>FRS</u> | <u>HIS</u> |
|---------------------------|------------|------------|
| Inflation | 2.60% | 2.60% |
| Payroll growth | 3.25% | 3.25% |
| Investment rate of return | 6.90% | N/A |

Mortality assumptions for both plans were based on the Generational RP-2000 with Projections Scale BB tables.

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent actuarial valuation for the HIS Program was July 1, 2018. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for this program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The following changes in actuarial assumptions occurred in 2019:

FRS: The long-term expected investment rate of return decreased from 7.00% to 6.90%.

HIS: The municipal bond rate used to determine the total pension liability increased from 3.87% to 3.50%.

To develop an analytical basis for the selection of the long-term expected rate of return assumption, the FRS Actuarial Assumptions Conference reviewed long-term assumptions developed by both the FRS actuary's capital market assumptions team and by a capital market assumptions team from consultants to the State Board of Administration. The table below summarizes the key assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes below.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the reduced investment return assumption of 6.90% was adopted by the Florida Retirement System Actuarial Assumption Conference.

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

11. Pension Plans - continued

| Asset Class | Target Allocation | Annual Arithmetic Return | Compound Annual (Geometric) Return |
|------------------------|-------------------|--------------------------|------------------------------------|
| Cash | 1% | 3.3% | 3.3% |
| Fixed income | 18% | 4.1% | 4.1% |
| Global equity | 54% | 8.0% | 6.8% |
| Real estate (property) | 11% | 6.7% | 6.1% |
| Private equity | 10% | 11.2% | 8.4% |
| Strategic investments | 6% | 5.9% | 5.7% |
| | <u>100%</u> | | |
| Assumed inflation rate | | | 2.6% |

Discount rate

The discount rate used to measure the total pension liability for FRS was 6.90%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.50% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the City's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

| | FRS | | | HIS | | |
|---|------------------------|-----------------|------------------------|------------------------|-----------------|------------------------|
| | Current Discount | | | Current Discount | | |
| | 1% Decrease (5.90%) | Rate (6.90%) | 1% Increase (7.90%) | 1% Decrease (2.50%) | Rate (3.50%) | 1% Increase (4.50%) |
| City's proportionate share of the net pension liability | \$3,514,979 | \$2,033,346 | \$ 785,933 | \$ 440,320 | \$ 385,721 | \$ 340,246 |

Pension Plans' Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the State's separately issued financial reports.

Payables to the Pension Plans

As of September 30, 2019, the City did not have an outstanding payable to the plans for regular employee and employer contributions that were legally required to be paid to the plans but not remitted prior to the end of the year.

CITY OF EDGEWOOD, FLORIDA
NOTES TO FINANCIAL STATEMENTS

12. Interfund Transfer

Transfers are used to move funds from the General Fund to the Roads and Streets Fund to finance various major maintenance and capital improvement projects.

13. Subsequent Events

Management has evaluated subsequent events through March 31, 2020, the date which the financial statements were available to be issued.

14. New Accounting Standards

The Governmental Accounting Standards Board (GASB) issued several pronouncements that are effective for these financial statements. These are:

- GASB Statement 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (Employers)
- GASB Statement 83 - Asset Retirement Disclosures
- GASB Statement 85 - Omnibus
- GASB Statement 86 - Certain Debt Extinguishment Issues
- GASB Statement 88 - Certain Debt Disclosures

The City has reviewed each statement and determined that none of these pronouncements have any discernable impact on these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules

- General Fund
- Roads and Streets Fund

CITY OF EDGEWOOD, FLORIDA
General Fund
Budgetary Comparison Schedule
For the year ended September 30, 2019

| | Budgeted amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|---------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes: | | | | |
| Ad valorem taxes | \$ 1,623,202 | 1,623,202 | 1,648,780 | 25,578 |
| Franchise and utility taxes | 516,400 | 516,400 | 653,746 | 137,346 |
| Local communications services tax | 101,000 | 101,000 | 88,974 | (12,026) |
| Total taxes | <u>2,240,602</u> | <u>2,240,602</u> | <u>2,391,500</u> | <u>150,898</u> |
| Licenses and permits: | | | | |
| Regulatory licenses | 31,000 | 31,000 | 35,958 | 4,958 |
| Building, electrical and sign permits | 29,100 | 29,100 | 50,087 | 20,987 |
| Total licenses and permits | <u>60,100</u> | <u>60,100</u> | <u>86,045</u> | <u>25,945</u> |
| Intergovernmental revenues: | | | | |
| State revenue sharing | 121,721 | 121,721 | 100,892 | (20,829) |
| Alcohol beverage licenses | 1,500 | 1,500 | 1,070 | (430) |
| Half-cent government sales tax | 420,249 | 420,249 | 452,908 | 32,659 |
| Grants | 6,000 | 6,000 | 10,000 | 4,000 |
| Other | 1,500 | 1,500 | 1,590 | 90 |
| Total intergovernmental revenues | <u>550,970</u> | <u>550,970</u> | <u>566,460</u> | <u>15,490</u> |
| Charges for services: | | | | |
| Solid waste collection | 292,000 | 292,000 | 296,137 | 4,137 |
| Other | 56,913 | 56,913 | 97,685 | 40,772 |
| Total charges for services | <u>348,913</u> | <u>348,913</u> | <u>393,822</u> | <u>44,909</u> |
| Fines and forfeitures: | | | | |
| Court fines | 49,227 | 49,227 | 111,124 | 61,897 |
| Red light citations | 97,000 | 97,000 | 173,526 | 76,526 |
| Code enforcement/parking fines | 2,100 | 2,100 | 2,732 | 632 |
| Total licenses and permits | <u>148,327</u> | <u>148,327</u> | <u>287,382</u> | <u>139,055</u> |
| Investment earnings | 9,710 | 9,710 | 15,491 | 5,781 |
| Impact fees | 9,187 | 9,187 | - | (9,187) |
| Miscellaneous | 16,000 | 21,300 | 21,053 | (247) |
| Total revenues | <u>\$ 3,383,809</u> | <u>3,389,109</u> | <u>3,761,753</u> | <u>372,644</u> |

(Continued)

CITY OF EDGEWOOD, FLORIDA
General Fund
Budgetary Comparison Schedule
For the year ended September 30, 2019

| | Budgeted amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|---|---------------------|------------------|------------------|---|
| | Original | Final | | |
| Expenditures: | | | | |
| General government: | | | | |
| Financial and Administrative: | | | | |
| Personal services | \$ 306,428 | 282,304 | 281,916 | 388 |
| Operating expenditures | 202,602 | 202,602 | 159,394 | 43,208 |
| Capital outlay | 20,000 | 20,000 | 9,022 | 10,978 |
| Legal counsel | 69,500 | 69,500 | 79,314 | (9,814) |
| Comprehensive planning | 35,000 | 35,000 | 63,087 | (28,087) |
| Other general government | 71,734 | 71,734 | 33,919 | 37,815 |
| Total general government | <u>705,264</u> | <u>681,140</u> | <u>626,652</u> | <u>54,488</u> |
| Public safety: | | | | |
| Law enforcement: | | | | |
| Personal services | 1,567,403 | 1,591,527 | 1,534,927 | 56,600 |
| Operating expenditures | 325,940 | 325,940 | 308,060 | 17,880 |
| Capital outlay | 33,382 | 38,682 | 55,475 | (16,793) |
| Total law enforcement | <u>1,926,725</u> | <u>1,956,149</u> | <u>1,898,462</u> | <u>57,687</u> |
| Fire protection | 663,807 | 663,807 | 663,660 | 147 |
| Total public safety | <u>2,590,532</u> | <u>2,619,956</u> | <u>2,562,122</u> | <u>57,834</u> |
| Physical environment: | | | | |
| Operating expenditures | 273,194 | 273,194 | 265,885 | 7,309 |
| Total expenditures | <u>3,568,990</u> | <u>3,574,290</u> | <u>3,454,659</u> | <u>119,631</u> |
| Excess (deficiency) of revenues over (under) expenditures before transfers | (185,181) | (185,181) | 307,094 | 492,275 |
| Transfer out | - | - | (6,000) | (6,000) |
| Excess (deficiency) of revenues over (under) expenditures | (185,181) | (185,181) | 301,094 | 486,275 |
| Fund balance | | | | |
| Beginning of year | 2,760,049 | 2,760,049 | 2,760,049 | - |
| End of year | <u>\$ 2,574,868</u> | <u>2,574,868</u> | <u>3,061,143</u> | <u>486,275</u> |

CITY OF EDGEWOOD, FLORIDA
Roads and Streets - Special Revenue Fund
Budgetary Comparison Schedule
For the year ended September 30, 2019

| | Budgeted Amounts | | Actual | Variance with Final Budget- Positive (Negative) |
|---|------------------|-----------|---------|--|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | | | | |
| Local option gas tax | \$ 90,546 | 90,546 | 92,845 | 2,299 |
| Intergovernmental: | | | | |
| State revenue sharing, fuel tax | - | - | 30,018 | 30,018 |
| Total intergovernmental | 90,546 | 90,546 | 122,863 | 32,317 |
| Other revenues: | | | | |
| Investment earnings | 30 | 30 | 59 | 29 |
| Impact fees | 2,075 | 2,075 | - | (2,075) |
| Hurricane relief | - | - | 104,475 | 104,475 |
| FDOT reimbursement | 28,760 | 28,760 | 28,760 | - |
| Total revenues | 121,411 | 121,411 | 256,157 | 134,746 |
| Expenditures | | | | |
| Current: | | | | |
| Highways and streets | | | | |
| Operating expenditures | | | | |
| Streets and road maintenance | 198,350 | 198,350 | 146,786 | 51,564 |
| Utilities | 52,354 | 52,354 | 44,293 | 8,061 |
| Total expenditures | 250,704 | 250,704 | 191,079 | 59,625 |
| Excess (deficiency) of revenues over expenditures before transfer | (129,293) | (129,293) | 65,078 | 194,371 |
| Transfer in | - | - | 6,000 | 6,000 |
| Excess (deficiency) of revenues over expenditures | (129,293) | (129,293) | 71,078 | 200,371 |
| Fund balance | | | | |
| Beginning of year | 61,741 | 61,741 | 61,741 | - |
| End of year | \$ (67,552) | (67,552) | 132,819 | 200,371 |

CITY OF EDGEWOOD, FLORIDA
Notes to Required Supplementary Information
September 30, 2019

1. Summary of Significant Budget Policies

The City Council annually adopts a budget for the General Fund and Roads and Streets 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 Schedules for the General Fund and Roads and Streets Fund present 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
Schedule of Proportionate Share of Net Pension Liability

Florida Retirement System
Last Ten Fiscal Years*

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| City's proportion of the net pension liability | 0.005904264% | 0.005701501% | 0.006190058% | 0.006150802% | 0.005222203% | 0.005108970% |
| City's proportionate share of the net pension liability | \$ 2,033,346 | 1,717,322 | 1,830,978 | 1,553,082 | 674,518 | 311,722 |
| City's covered-employee payroll | \$ 1,157,916 | 1,161,110 | 1,117,456 | 1,091,698 | 1,037,212 | 976,023 |
| City's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 175.60% | 147.90% | 163.85% | 142.26% | 65.03% | 31.94% |
| Plan fiduciary net position as a percentage of the total pension liability | 82.61% | 84.26% | 83.89% | 84.88% | 92.00% | 96.09% |

Health Insurance Subsidy Program
Last Ten Fiscal Years*

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|---------------|--------------|--------------|--------------|--------------|--------------|
| City's proportion of the net pension liability | 0.0034472322% | 0.003417376% | 0.003582227% | 0.003499923% | 0.003250538% | 0.003263377% |
| City's proportionate share of the net pension liability | \$ 385,721 | 361,699 | 383,028 | 407,902 | 331,504 | 305,134 |
| City's covered-employee payroll | \$ 1,157,916 | 1,161,110 | 1,117,456 | 1,091,698 | 1,037,212 | 976,023 |
| City's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 33.31% | 31.15% | 34.28% | 37.36% | 31.96% | 31.26% |
| Plan fiduciary net position as a percentage of the total pension liability | 2.63% | 2.15% | 1.64% | 0.97% | 0.50% | 0.99% |

Data prior to 2014 is unavailable

** The amounts presented for each fiscal year were determined as of 6/30*

CITY OF EDGEWOOD, FLORIDA
Schedule of Pension Contributions

Florida Retirement System
Last Ten Fiscal Years*

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Contractually required contributions | \$ 214,024 | 194,227 | 172,477 | 165,261 | 148,284 | 131,513 |
| Contributions in relation to the contractually required contribution | <u>(214,024)</u> | <u>(194,227)</u> | <u>(172,477)</u> | <u>(165,261)</u> | <u>(148,284)</u> | <u>(131,513)</u> |
| Contribution deficiency (excess) | \$ <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| City's covered-employee payroll | \$ 1,157,916 | 1,161,110 | 1,117,456 | 1,091,698 | 1,037,212 | 976,023 |
| Contributions as a percentage of covered-employee payroll | 18.48% | 16.73% | 15.43% | 15.14% | 14.30% | 13.47% |

Health Insurance Subsidy Program
Last Ten Fiscal Years*

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Contractually required contributions | \$ 19,202 | 18,998 | 18,621 | 18,040 | 14,133 | 12,906 |
| Contributions in relation to the contractually required contribution | <u>(19,202)</u> | <u>(18,998)</u> | <u>(18,621)</u> | <u>(18,040)</u> | <u>(14,133)</u> | <u>(12,906)</u> |
| Contribution deficiency (excess) | \$ <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| City's covered-employee payroll | \$ 1,157,916 | 1,161,110 | 1,117,456 | 1,091,698 | 1,037,212 | 976,023 |
| Contributions as a percentage of covered-employee payroll | 1.66% | 1.64% | 1.67% | 1.65% | 1.36% | 1.32% |

Data prior to 2014 is unavailable

** The amounts presented for each fiscal year were determined as of 6/30*

STATUTORY SECTION

HOLLAND & REILLY

CERTIFIED PUBLIC ACCOUNTANTS
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ASSOCIATION OF
CERTIFIED FRAUD EXAMINERS

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

INDEPENDENT AUDITORS' 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, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund, of the City of Edgewood, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 31, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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 or other matter that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 31, 2020
Orlando, Florida

Holland & Riley

HOLLAND & REILLY

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH FLORIDA STATUTES 218.415 – INVESTMENTS OF PUBLIC FUNDS

Honorable Mayor and City Council
City of Edgewood, FL

We have examined the City of Edgewood's (the City) compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2019. City management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City of Edgewood complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

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

Holland & Reilly

March 31, 2020
Orlando, Florida

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

NONE

STATUS OF PRIOR YEARS' COMMENTS

NONE

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 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.
3. Based on our audit procedures performed, we determined that the City did not meet any of the conditions described in Florida Statutes Section 218.503 (1).



CITY COUNCIL MINUTES
Regular Meeting Tuesday, March 24, 2020

CALL TO ORDER

Council President Horn called the Edgewood City Council meeting to Order at 6:30 p.m. Council President Horn asked for a moment of silence, followed by leading everyone in the Pledge of Allegiance.

ROLL CALL & DETERMINATION OF QUORUM

City Clerk Meeks announced a quorum, with the Mayor and all Council Members present.

Attendees

John Dowless, Mayor
Richard Alan Horn, Council President
Ben Pierce, Council President Pro-Tem
Chris Rader, Council Member
Lee Chotas, Council Member
Susan Lomas, Council Member

Staff

Bea L. Meeks, City Clerk
John Freeburg, Police Chief
Drew Smith, City Attorney
Ellen Hardgrove, Planner (Telephone Attendance)

ORGANIZATIONAL MEETING

1. Administer Oath of Office

City Clerk Meeks administered the Oath of Office to Council Members Susan Lomas and Chris Rader.

2. Election of Council President and Council President Pro Tem

Council Member Rader nominated Council Member Horn to be the Council President. Council Member Horn accepted the nomination. Council Member Chotas Second the nomination. Unanimously approved (5/0).

Council President Horn nominated Council Member Pierce to be the Council President Pro-tem. Council Member Pierce accepted the nomination. Council Member Chotas Second the nomination. Unanimously approved (5/0).

3. Designation of Council Assignments

Council Members agreed to the following Council assignments:

| |
|--|
| Finance & Budget – CM Ben Pierce |
| Code Enforcement CM Lee Chotas |
| HAINC liaison CP Richard Alan Horn |
| Cypress Grove liaison CP Richard Alan Horn |
| Land Development/Master Plan CM Chris Rader |
| Public Works CM Susan Lomas |
| Metro Plan Mayor John Dowless |
| Police Department* |
| City Hall* |
| Contract Staff* |

City Clerk Meeks reminded Council that Mayor Dowless has jurisdiction over the police department, city hall and contracted staff per the City Charter.

4. Review and Appointment of Consultants per City Charter

City Clerk Meeks referred Council to her report in their agenda file, and gave a brief overview.

Council Member Chotas made the Motion to bid out the City’s auditing service; Second by Council Member Lomas.

Council President Horn asked for public comments; there were none.

Unanimously approved (5/0).

City Clerk Meeks reported that Jerry Reynolds has indicated he will request an increase for New Horizon’s contract. City Clerk Meeks explained that New Horizon’s contract is a three-year contract and this was explained to Jerry and Sande Reynolds prior to them signing the Contract. City Attorney Smith said if there is a request to increase the pay, he recommended send it out for an RFQ. *There was no action taken on this item.*

Mayor Dowless said he will decide on how to move forward with the Waste Management contract. *There was no action taken on this item.*

| |
|---------------------|
| PRESENTATION |
|---------------------|

Police Chief John Freeburg – Employee of the Year Presentation

Chief Freeburg said the employee of the year presentation will be held at a later date.

| |
|-----------------------|
| CONSENT AGENDA |
|-----------------------|

1. Review and Approval of Minutes

- February 18, 2020

Council Member Rader ask for the following correction:

Motion by Council Member Rader to approve a waiver to ECD Ordinance Section 134-460 (c) (1) to allow a six-foot-high black omega fence within the road view area, with a three-foot high opaque landscape buffer, ...

Council Member Chotas asked for the following corrections:

City Attorney Smith asked if Planner Dao wanted to offer testimony regarding the six criteria. ~~Council Member Chotas said Planner Dao might want to wait on explaining the applicants' hardship.~~ Planner Dao said they believe that the Code is incorrect with regards to parking, and asked for approval of a Code that might be amended. ~~-Council Member Chotas said an attorney might be able to make a case for an interim variance.~~

Council Member Rader made the Motion to approve the February 18, 2020 minutes, with corrections; Second by Council Member Rader.

Council President Horn asked for public comments; there were none. *Unanimously approved 5/0.*

| |
|-------------------|
| ORDINANCES |
|-------------------|

City Clerk Meeks stated that this is the first reading of Ordinance 2020-01, and not the second reading as represented on the Agenda. City Clerk Meeks announced that Planner Ellen Hardgrove will be joining the meeting by telephone.

ORDINANCE 2020-01 - AN ORDINANCE OF THE CITY OF EDGEWOOD, ORANGE COUNTY, FLORIDA AMENDING CHAPTER 134, "ZONING," SECTIONS 134-1, 134-605, 134-606, AND 134-607 OF THE CODE OF ORDINANCES; INCLUDING A DEFINITION FOR OPEN AIR SEATING AREAS; PROVIDING FOR MINIMUM PARKING REQUIREMENTS FOR PLAYGROUNDS, AND DOG PARKS ACCESSORY TO COMMERCIAL BUSINESSES; AMENDING PROVISIONS RELATED TO THE USE OF OFF-SITE PARKING SPACES TOWARD MEETING REQUIRED OFF-STREET PARKING AND THE USE OF SHARED PARKING AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION, CONFLICTS, AND EFFECTIVE DATE.

City Attorney Smith gave the first reading of Ordinance 2020-01 in title only. City Attorney Smith explained that the Ordinance, as it relates to off-site parking, increases the circle from 300 feet to 1,320 feet. Regarding the off-site parking agreements, it makes the off-site parking agreements more rigorous in terms of what the agreement looks like so that the City has more safety. City Attorney Smith said the open air dining and the playground dog park accessory did not have a category to fall into; therefore, the Boozehounds applicants and their Planner Solange Dao, along with City Planner Hardgrove worked together to come up with a calculation that made sense for use and for the City.

Council President Horn said that there is a significant difference between staff's recommendation on how to count parking on the inside and outside. He said staff's recommendation is significantly different than how the Planning & Zoning Board came up with their methodology. City Attorney Smith said Planner Hardgrove recommended the gross square footage calculation which would be 1 space per 100 square feet versus 1 per 100 per patron use area, which is what the Planning & Zoning Board recommended. The current Code provides 1 per 75 of patron usage. Planner Hardgrove said "plus 1 space per 40 feet in a restaurant". Planner Hardgrove explained that seating is flexible and definitely not permanent. Council President Horn said he agrees with Planner Hardgrove because the City does not have their own building department; therefore, the City approves the plan and sends it to Orange County who determines the seating. He thinks it is better with a simple calculation of 100 on the inside and 200 for the outside. Council Member Pierce agreed with Council President Horn. Council Member Pierce questioned "indoor versus outdoor". Planner Hardgrove said that in her research she found with 1 per 100, you are getting more parking spaces when you have multi-doors eating. She said that counts not only for patrons but also employees; however, outside you are just "talking about your guests who are coming to the restaurant". It was confirmed for Council Member Chotas that per staff recommendation the dog run would not be included in the calculation.

Council Member Rader asked Planner Hardgrove to address code section 134-605(a) (17) and (18), which are the two references to dog parks because Council was told that the dog park would not be included in the calculation. He said he was not sure which paragraph would be used. City Attorney Smith said it would be paragraph (17). He said paragraph (18) does not have a commercial business attached to it. City Attorney Smith further explained that in paragraph (17), there would be parking requirements for a commercial business. City Attorney Smith said paragraph (18) would have an accessory business attached and there would not be a minimum parking requirement. A stand-alone playground or parking lot would have to have parking reserved.

Council Member Rader referred to Planner Hardgrove's table and said that in looking at the calculations, if the City is going to ignore the dog park, then it means ignoring everything that the Waterfront (f/k/a Julies Waterfront) wanted to do outdoors. Planner Hardgrove explained the difference and that the distinction is that children are not driving to the park and patrons are. City Attorney Smith confirmed that the Ordinance in the agenda packet is the Ordinance recommended by the Planning & zoning Board. Planner Hardgrove's noted her recommendation at the end of her report:

~~*One space for each four fixed seats provided for patron use, plus one space for each 75 per 100 square feet of gross floor area provided for patron use which does not contain fixed seats and of one space for each 200 gross square feet of open air dining area. Provided that No use covered by this sub-paragraph shall have less than four spaces.*~~

Planner Hardgrove confirmed for Mayor Dowless her recommended change would replace sub-paragraph (19) in the Ordinance.

Council President Horn asked for public comments.

Public Comments:

Paul Jaszczenski, 1732 Indiana Street, Orlando, Florida (Boozehounds applicant) – Mr. Jaszczenski explained the difference in numbers if you base your parking calculation on patron use, which is what the Ordinance provides. He said based on patron use, just for the interior space, he would have to have 17.4 parking spaces. He said if you use the proposed gross square footage calculation, his parking increases by 5 spaces. He explained that his business will have 42% of non-patron use (i.e., storage, coolers, refrigerators, office space), and this is a “big chunk” of space to include in the gross square footage calculation. Mr. Jaszczenski confirmed for Council Member Chotas he likes the Ordinance recommended by the Planning & Zoning Board. Planner Hardgrove said the easiest way to calculate is the gross square footage, which is the industry standard of 1 per 100. Planner Hardgrove said she feels very strongly that the 1 per 100 indoor gross, and 1 per 200 outdoor is a very reasonable calculation. She said it is easier to implement and explained that seating could change after an approved plan. Planner Hardgrove said she is very comfortable with her calculation. Council Member Rader referred to Planner Hardgrove’s table in her report as it relates to Boozehounds’s parking and said the Code amendment as presented, presents a thirty percent on-site requirement; even if Boozehounds went to 1 to 42. Council Member Rader said Boozehounds meets with this site plan even with 1 per 100 for square footage, indoor and outdoor, if you are ignoring the dog park area. Mr. Jaszczenski confirmed for Council Member Chotas that Boozehounds needs 19 spaces in addition to the 13 spaces he has, to reach 32 parking spaces. Mr. Jaszczenski said it can be done with off-site agreements. He said there is the question of allowing on-street parallel parking to be included in the count. Council Member Rader said the calculation of on-street parking is acceptable to him, as long as it is appropriate and the geometry works; and, it does not cross an arterial road. Planner Hardgrove confirmed that the Ordinance does not include public parking, only addresses agreements.

Council Member Chotas noted the accountability in the off-site parking agreements and the twelve months’ notice requirements. Mr. Jaszczenski, said that reducing the parking agreements would help. Also, it would help to lessen the twelve months’ notice to thirty days. City Attorney Smith said that termination for convenience means termination not for cause. He confirmed you can terminate for convenience; however, you have to give 12 months’ notice.

Lainie Pekich, 1732 Indiana Street, Orlando, Florida (Boozehounds co-owner):

Ms. Pekich said up until now she has been impressed with City staff but she asked where is the forward thinking. Ms. Pekich said she has done a lot of reading and research to understand where parking is going in this country and “they are trying to get rid of it”. She confirmed for Council President Horn that they do have the parking spaces they need through Agreements. Council President Horn said that if they have the parking agreements, the matter is moot. Ms. Pekich said the twelve months’ notice is a concern to those they have talked to about the Agreements. She noted on-street parking and how the City of Orlando addressed this by allowing on-street parking directly in front of a business to count towards the business’ parking.

Tina Demostene, Resident (AICP), 5106 Leeward Way

Ms. Demostene spoke to forward thinking and other people’s property rights. She said it is a great concept but the City does not have the right to impose the parking on others, who may not want to share their parking. Ms. Demostene stated that the Ordinance is not just about the dog park; it is a City wide ordinance and effects all parking for future development. She said that the Ordinance seems to be for one business. She said that the City Attorney and Planner did a great job on setting up exceptions to parking agreements and does not think twelve months is unreasonable. Ms. Demostene said most jurisdictions require a permanent easement. She recommended using gross square footage and stated her reasons why; emphasizing it is a known number. In response to Mayor Dowless, Ms. Demostene said Altamonte Springs requires shared easements. Ms. Demostene said that the accepted industry standard is the 1 per 100. She referenced Planner Hardgrove’s table in the staff report and said the parking being presented (1 per 200) is potentially less for Vanbury’s, The Waterfront and potentially for the proposed dog park. Ms. Demostene recommended raising the percentage of off-site parking to at least fifty percent, and go with staff’s recommendation of 1 per 100 inside and 1 per 200 outside.

Erin Sterk, 414 Bywater Drive, Orlando (Planner-Not associated with City or any Application before the City)

Ms. Sterk said she understood that the staff report was not distributed with the agenda packet, and she did not have time to review and ask to table the Ordinance. She recommended looking at what Code requires today, look at what is being proposed by staff, and look at what the Boozehounds applicants recommend. Ms. Sterk said the last time she spoke before Council regarding the Boozehounds application, she recommended on-street parking and read from the Orange Avenue corridor study where on-street parking was included.

Andy Hansen, Groveland, FL (representing Discovery Church)

Mr. Hansen noted that Discovery Church is applying for a parking variance. He said the Church is being sold. He asked which Code do they follow. Planner Hardgrove said the Ordinance does not address Churches, it only addresses restaurants, bars and lounges, as it relates to the parking calculations. City Attorney Smith said the parking agreements are City wide.

Solange Dao (Planner for Boozehounds)

Planner Dao said she was at the Planning & Zoning meeting when the Ordinance was discussed. She noted the trend of rideshare. She said she helps her husband in his business in preparing parking agreements and none of the agreements are for twelve months. Planner Dao said in her husband's industry, this is not standard. Planner Dao confirmed for Council Member Chotas that parking agreements were not discussed in the Planning & Zoning Board meeting. Council Member Lomas said not everyone rideshares.

Council Member Rader confirms that the proposed Ordinance combines restaurants, bars and lounges. Council Member Rader said in his opinion, those going to a bar are more likely to use rideshare than a restaurant. For this reason, he feels in moving the Ordinance forward, the calculation of the restaurant should be separate from the bar calculation.

Working off Ordinance in the agenda packet, Council Member Chotas noted a typo on Page 1, Line 28. The change is as follows: **“create challenges in the provision of adequate off-street off-street parking; and”**.

Council Member Chotas made the following recommendation for Paragraph 3, Page 28 (agenda page number), Line 156, add the following paragraphs: (a) the Agreement shall not be terminated for convenience, (b) the number of shared parking spaces shall not be reduced, nor (c) shall the hours of availability of the parking spaces be changed, without first providing at least six months' notice in writing delivered to all parties including the City;

Council Member Chotas also recommended replacing lines 116 through 122 of the Ordinance to the recommended language of Planner Hardgrove as follows:

(Lines 116-122)

(19) ~~Restaurants, grills, bars, lounges, similar dining and/or drinking establishments. One space for each four fixed seats provided for patron use, plus one space for each 75 100 square feet of air conditioned floor area provided for patron use which does not contain fixed seats. In lieu of the above, required parking for open air dining, as defined herein, shall be provided at the ratio of one space for each 200 square feet of open air dining area, provided that nNo use covered by this sub-paragraph shall have less than four spaces.~~

(Planner Hardgrove's recommendation)

One space per 100 square feet of gross floor area and of one space for each 200 gross square feet of open air dining area. No use covered by this sub-paragraph shall have less than four spaces.

City Attorney Smith provided the following recommendations based on his discussion with Attorney Randi Fitzgerald:

- (1) Acknowledgement by the grantor of the shared parking spaces that it understands the granting of shared parking spaces may impact **will need to be accounted for in any** future requests for expansion or change of use during the term of the shared parking agreement; and

City Attorney Smith confirmed for Council Member Rader that the City would be one of the parties receiving notification for termination of a parking agreement. Council Member Rader asked if at Line 132 of the Ordinance should include a reference to Code Section 134-605, as it relates to “other required parking”? [At least thirty percent (30%) of the required parking shall be provided on-site.]. City Attorney said it will be added as a Code reference.

Motion by Council Member Chotas to approve the first reading of Ordinance 2020-01 with revisions; Second by Council Member Pierce.

| | |
|---|--------------|
| <i>The Motion was approved by the following roll call vote (5/0):</i> | |
| <i>Council Member Lomas</i> | <i>- Yes</i> |
| <i>Council Member Chotas</i> | <i>- Yes</i> |
| <i>Council Member Rader</i> | <i>- Yes</i> |
| <i>Council Member Pierce</i> | <i>- Yes</i> |
| <i>Council President Horn</i> | <i>- Yes</i> |

PUBLIC HEARINGS (ORDINANCES – SECOND READINGS & RELATED ACTION)

None.

H. UNFINISHED BUSINESS

None.

I. NEW BUSINESS

None.

J. GENERAL INFORMATION (No action required)

K. CITIZEN COMMENTS

Chief Freeburg confirmed Resident Steve Kreidt talked to him about some parking concerns and as a result, Mr. Kreidt left the meeting without making any public comments.

L. BOARDS & COMMITTEES

None.

M. STAFF REPORTS

City Attorney Smith referenced Orange County Mayor Demings' "Stay at Home" Order. He confirmed it covers unincorporated Orange County and municipalities. Mayor Dowless said he participated in Mayor Deming's conference call.

Police Chief Freeburg:

Chief Freeburg referred to his report and asked if there were any questions. He confirmed for Mayor Dowless that the red light citations were lower because there were some issues with the lights and now that the issue have been resolved, there have been some catch-up payments. Council Member Lomas said the residents need to be educated about the light. Chief Freeburg said this information is on Police Department's website.

Mayor Dowless asked about adding YouTube on the City's website but not allow any comments. City Attorney Smith said the City can use this media format. Chief Freeburg said his department has created online reporting and it went live this morning.

Chief Freeburg explained that he is staggering his staff due to COVID-19 concerns. He confirmed personnel is being paid. He said his department will work with Belle Isle if need be. Chief Freeburg said a grant proposal to City of 100 was submitted and received a \$5000 grant for vests.

Council Member Rader said a couple of cases of mail theft have occurred in Legacy. Chief Freeburg said if these incidents are reported to the Police Department, they will do investigative work and then turn it over to the U.S. Postal Service.

City Clerk Meeks:

City Clerk Meeks reported on the following:

1. The Point Match addressing required by the Florida Department of Revenue has been completed.
2. Holland & Reilly, CPA are in the final stages of completing the City's 2018/2019 fiscal year audit.
3. Elevation Development will be coming before Council in April with a request to consider allowing gas pumps in the City.
4. Met with DOT representatives on March 11, 2020, to discuss the railroad envelopes. She said DOT will provide their own "maintenance of transportation", which will require them to close one lane at a time.
5. Provided an update regarding the Ruiz v. City of Edgewood litigation, and the meeting held with Attorney John Robinson.
6. Recommended reposting the "Debris Monitoring" contract; have one company interested in submitting. ***It was the consensus of Council to repost this bid.***
7. Confirmed participating in conference calls related to COVID-19 with the State and/or County, along with Chief Freeburg.

MAYOR & COUNCIL REPORTS

- **Mayor Dowless**
No report.
- **Council Member Chotas**
No report.
- **Council Member Pierce**
No report.
- **Council Member Rader**
No report.
- **Council Member Lomas**
No report.
- **Council President Horn**
No report.

ADJOURNMENT

Having no further business, on the Motion of Council Member Lomas; Second by Council Member Rader, the meeting adjourned at 9:10 p.m.

Richard A. Horn
Council President

Bea L. Meeks, MMC, CPM, CBTO
City Clerk

Approved in

(Recording found on B.dcr-DCR2 Player)

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ORDINANCE NO. 2020-01

AN ORDINANCE OF THE CITY OF EDGEWOOD, ORANGE COUNTY, FLORIDA AMENDING CHAPTER 134, "ZONING," SECTIONS 134-1, 134-605, 134-606, AND 134-607 OF THE CODE OF ORDINANCES; INCLUDING A DEFINITION FOR OPEN AIR SEATING AREAS; PROVIDING FOR MINIMUM PARKING REQUIREMENTS FOR PLAYGROUNDS, AND DOG PARKS ACCESSORY TO COMMERCIAL BUSINESSES; AMENDING PROVISIONS RELATED TO THE USE OF OFF-SITE PARKING SPACES TOWARD MEETING REQUIRED OFF-STREET PARKING AND THE USE OF SHARED PARKING AGREEMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION, CONFLICTS, AND EFFECTIVE DATE.

19 **WHEREAS**, Section 134-606 of the Code of Ordinances provides that required off-street
20 parking spaces must be provided on the same lot where the principal use is located or within 300
21 feet from the pedestrian entrance as measured along the most direct pedestrian route; and
22

23 **WHEREAS**, the City desires to promote development and redevelopment within the
4 City's commercial corridor; and
25

26 **WHEREAS**, the City Council recognizes the tension between configuration of existing
27 lots and site development proposing to maximize use of the land can, from time to time, create
28 challenges in the provision of adequate off-street parking; and
29

30 **WHEREAS**, the City Council also recognizes that a properly implemented shared
31 parking program can alleviate some of the challenges site development can present and create
32 opportunities for greater efficiency of development; and
33

34 **WHEREAS**, the City Council also recognizes, though, that without necessary
35 protections shared parking arrangements can negatively impact future development; and
36

37 **WHEREAS**, the City currently allows off-site off-street parking when the parking spaces
38 so provided are within three hundred feet of the principal entrance of the building for which the
39 parking is required provided that such spaces are not on the opposite side of an arterial road from
40 the building for which the parking is required; and
41

42 **WHEREAS**, the City currently allows shared parking agreements to be used to count
43 parking spaces that fall within the above referenced requirements and which are located on a
44 separate developed lot provided such spaces are not required for the building or buildings located
45 on the donor lot or if the uses on the donor and donee lot occur at such different times that there
'6 is not overlap of the demand for the spaces; and

47
8 **WHEREAS**, the City Council desires to extend the allowed distance between the
49 building needing parking spaces and the off-site off-street parking spaces while also providing
50 more protections related to the use of shared parking agreements; and
51

52 **WHEREAS**, the City Council finds that playgrounds, and dog parks that are accessory to
53 a commercial business are unlikely to drive the same parking demand as they would when
54 standalone uses; and
55

56 **WHEREAS**, the City Council finds it appropriate to amend the Code of Ordinances to
57 provide different minimum parking requirements for playgrounds, and dog parks depending
58 upon whether the amenity is accessory to a commercial business or standalone; and
59

60 **WHEREAS**, a proposal has been made to amend the method by which minimum parking
61 is calculated for open air seating areas; and
62

63 **WHEREAS**, the City Council finds it appropriate to define “open air seating areas” and
64 amend the method by which required parking is calculated for such areas; and
65

66 **WHEREAS**, the City Council of the City of Edgewood finds that this Ordinance is in the
67 best interest of the health, safety, and welfare of citizens, businesses, and visitors to the City of
68 Edgewood.
69

70 **NOW, THEREFORE, BE IT ENACTED** by the City Council of the City of
71 Edgewood, Florida as follows:
72

73 **NOTE:** Underlined words constitute additions to the City of Edgewood Code of
74 Ordinances, ~~strikethrough~~ constitutes deletions from the original Code of Ordinances, and
75 asterisks (***) indicate an omission from the existing text which is intended to remain
76 unchanged.
77

78 **Section 1.** Chapter 134, Sections 134-605 134-606 and 134-607 of the City of
79 Edgewood Code of Ordinances shall be amended as follows:
80

81 **Sec. 134-1. - Definitions.**

82 Except where specific definitions are used within a specific article or section of this chapter,
83 the following terms, phrases, words and their derivation shall have the meanings given herein
84 where not inconsistent with the context. Words used in the present tense include the future,
85 words in the plural number include the singular number and words in the singular number
86 include the plural number. The word "lot" includes the words "plot" and "tract." The word
87 "building" shall include the word "structure." The words "used for" shall include the meaning
88 "designed for." The word "person" shall include the words "firm, association, organization,
89 partnership, trust, company, corporation," as well as "an individual." The word "shall" is
90 mandatory. Whenever in this chapter a term, phrase or word is not defined, then in that event the
91 city council shall define the same.

92 * * *

93 *Odor* means that property of a substance which affects the sense of smell; any smell; scent;
94 fragrance.

95 *Open air dining area* means a seating or dining area of a restaurant, grill, bar, lounge, or
96 similar dining or drinking establishment with or without a roof that is open on at least two sides;
97 for the purpose of this definition an area shall be considered open on a side if there is no barrier
98 between the seating area and the exterior environment or if any barrier is pervious and nonrigid
99 such as, but not limited to, canvas or screening.

100 *Open space* means an area of land, excluding rights-of-way, not covered by an impervious
101 surface.

102 * * *

103

104 **Sec. 134-605. - Quantity of off-street parking.**

105 (a) *Number of required spaces.* Off-street parking spaces shall be provided for any use
106 hereafter established or at the time of the erection of any main building or structure or at the
107 time any main building, structure or occupational use is enlarged or increased in capacity by
108 adding dwelling units, guestrooms, floor area, seats, or by increasing employment,
109 according to the following minimum requirements:

110 * * *

111 (16) *Office building, including business, commercial and government.* One space for each
112 200 square feet of floor area used for office purposes.

113 (17) *Playground and dog park accessory to a commercial business.* No minimum.

114 (18) *Playground and dog park, standalone.* 1 space per 10,000 square feet. 1 per 500 sq. ft.
115 of GFA for buildings and enclosed structures.

116 (19) *Restaurants, grills, bars, lounges, similar dining and/or drinking establishments.* One
117 space for each four fixed seats provided for patron use, plus one space for each 75 100
118 square feet of gross floor area provided for patron use which does not contain fixed
119 seats and one space for each 200 gross square feet of open air dining area, provided
120 that ~~no~~ use covered by this sub-paragraph shall have less than four spaces.

121

122 * * *

123 **Sec. 134-606. - Location of off-site off-street parking.**

124 The parking spaces provided for herein shall be provided on the same lot where the principal
125 use is located or within ~~300~~ 1,320 feet from the principal entrance as measured along the most
126 direct pedestrian route from each space to the principal entrance of the building for which the
127 space is to be used as required parking; provided, however, that parking spaces provided across
128 an arterial road from the lot where the principal use is located shall not be counted toward the
129 parking spaces required herein. Off-site off-street parking shall also be subject to following:

- 130 (a) At least thirty percent (30%) of the parking spaces required by Section 134.605 or any
1 other provision of this Code of Ordinances shall be provided on-site;
- 132 (b) No required Americans With Disabilities Act accessible parking spaces may be provided
133 off-site;
- 134 (c) If valet parking is proposed, an on-site vehicle drop-off and pick-up lane shall be
135 provided and included on the site-plan;
- 136 (d) Off-site off-street parking spaces may only be counted toward required parking if such
137 spaces are located on a paved and lined parking area which has been approved by the
138 City for use as a parking area;
- 139 (e) Off-site off-street parking spaces may not be counted toward required parking if such
140 spaces are part of the required parking calculation of any other use unless approved by
141 the City Council based on competent, substantial evidence that the different uses occur
142 at such different times that there would not be overlap of demand for the shared spaces;
- 143 (f) If shared parking agreements are proposed for new development or redevelopment of an
144 existing site, fully executed agreements contingent upon approval by the City shall be
145 submitted to the City no later than submission of an application for site plan review; and
- 146 (g) With the exception of shared parking agreements approved prior to effective date of this
147 ordinance, all shared parking agreements and any amendments thereto shall be submitted
148 to the City for approval and must include all of the following:
- 149 (1) Provision for which party is responsible for the maintenance of parking area;
- 150 (2) Specificity as to the days and/or hours when the shared parking spaces may be used
151 by the party granted use of the shared parking spaces (note: when shared parking
152 spaces are used to satisfy required parking, site plan approval may include a
153 condition that hours of operation are restricted to the hours of availability of the
154 parking spaces);
- 155 (3) Provision that the agreement shall not:
- 156 (i) be terminated without cause,
- 157 (ii) have the number of shared parking spaces reduced, nor
- 158 (iii) have the hours of availability of the shared parking spaces changed
159 without at least one hundred eighty (180) days' notice in writing delivered to all
160 parties including the City;
- 161 (4) Provision that the agreement shall benefit and be binding on any subsequent
162 purchaser of either parcel;
- 163 (5) Provision that the agreement shall be recorded in the Official Records of Orange
164 County, Florida;
- 165 (6) Acknowledgement by the grantor of the shared parking spaces that it understands the
166 granting of shared parking spaces may impact future requests for expansion or
167 change of use during the term of the shared parking agreement; and

- 168 (7) Acknowledgment and agreement by the grantee of the shared parking spaces that if
169 such shared parking spaces become unavailable for any reason the grantee must
170 immediately reduce its use of the property benefitted by the shared parking
171 agreement in a manner that existing available parking shall be sufficient to meet the
172 parking requirements of this Code. The grantee shall acknowledge that it
173 understands the loss of shared parking spaces may have negative financial impacts to
174 it and that it accepts the risk of such impacts and shall hold the City harmless from
175 any lawful action taken by the City to cause compliance;
- 176 (8) Inclusion of the City as a party to the agreement for the purpose of enforcing any of
177 the above required provisions;
- 178 (9) Notarized or attested signatures of all parties.
- 179

180 **Sec. 134-607. -- Joint use of off-street parking space. (Reserved).**

181 ~~No part of an off-street parking area required for any building or use for the purpose of~~
182 ~~complying with the provisions of this chapter shall be included as part of any off-street parking~~
183 ~~area similarly required for another building or use, except in the case where the parking demands~~
184 ~~of different uses occur at different times. The following requirements must be satisfied in order~~
185 ~~to comply with this exception:~~

- 186 (1) ~~A notarized statement from all property owners involved indicating that the activities~~
187 ~~of each separate building or use which creates a demand for parking shall occur at~~
188 ~~different times. Such statement must include an agreement between the parties involved~~
189 ~~indicating responsibility for maintenance of the parking area.~~
- 190 (2) ~~Such agreement shall run with the duration of the occupational licenses of all~~
191 ~~buildings or uses involved in the agreement and shall be required to be renewed at the~~
192 ~~time of occupational license renewal. Where an occupational license is not required,~~
193 ~~then the agreement shall run with the duration of the uses. Nothing in this chapter shall~~
194 ~~be construed to prevent the joint use of off-street parking space by two or more~~
195 ~~buildings or uses, if the total of such spaces, when used together, shall not be less than~~
196 ~~the sum of the requirements for the various individual uses of buildings computed~~
197 ~~separately.~~

198
199 **Section 2.** The provisions of this Ordinance shall be codified as and become and be
200 made a part of the Code of Ordinances of the City of Edgewood.

201
202 **Section 3.** If any section, sentence, phrase, word or portion of this ordinance is
203 determined to be invalid, unlawful or unconstitutional, said determination shall not be held to
204 invalidate or impair the validity, force or effect of any other section, sentence, phrase, word or
205 portion of this Ordinance not otherwise determined to be invalid, unlawful or unconstitutional.

206
207 **Section 4.** All ordinances that are in conflict with this Ordinance are hereby repealed.

208
209 **Section 5.** This Ordinance shall become effective immediately upon its passage and
i0 adoption.

211
212 **PASSED AND ADOPTED** this _____ day of _____, 2020, by the City
213 Council of the City of Edgewood, Florida.
214
215 PASSED ON FIRST READING: March 24, 2020
216
217 PASSED ON SECOND READING: April 21, 2020
218
219
220
221 _____
222 Richard A. Horn, Council President
223
224 *ATTEST:*
225
226
227 _____
228 Bea L. Meeks
229 City Clerk

Bea Meeks

From: Alex Mestdagh <alex@m-wlawfirm.com>
Sent: Friday, March 27, 2020 5:07 PM
To: wrjac@aol.com; Drew Smith
Cc: Jason McMullen; Helen Ford
Subject: RE: Change in Hours
Attachments: March 24 2020 Agenda Packet.pdf

Ellen –

I second Jason’s sentiment.

In follow up to our call this afternoon, and yesterday’s call with Drew Smith and Helen from our office, both of whom I’ve copied on this email, please see below the proposed revised language to (g)(7) of the revisions to parking statute Section 134-606 as to items to contain in the parking agreement:

“Acknowledgement and agreement by the grantee of the shared parking spaces that if such shared parking spaces become unavailable ~~for any reason~~ **by reason of the termination of the shared parking agreement following the 6 months' notice, resulting from a default by grantee under the shared parking agreement, termination of the shared parking pursuant to the terms of the shared parking agreement, or a condemnation whereby there is a taking of all or any portion of the property on which the parking spaces are located resulting in loss of parking spaces**, the grantee must immediately reduce its use of the property benefitted by the shared parking agreement in a manner that existing available parking shall be sufficient to meet the parking requirement of this Code. The grantee shall acknowledge that it understands the loss of shared parking spaces may have negative financial impacts to it and that it accepts the risk of such impacts and shall hold the City harmless from any lawful action taken by the City to cause compliance.”

Please let us know your thoughts on the above, including if acceptable to include in the revised ordinance.

Kind regards,

Alex

--

Alexandre M. Mestdagh, Esq.

[Mestdagh, Wall & Hamilton, P.A.](#)

T: (407) 702-6702 | F: (407) 702-6677

C: (407) 222-4663 | W: www.M-WLawFirm.com

Primary Email: Alex@M-WLawFirm.com

Email: Notices@M-WLawFirm.com

280 W. Canton Avenue, Suite 110 | Winter Park, FL 32789

From: Jason McMullen <jason@deeperfellowshipchurch.org>
Sent: Friday, March 27, 2020 4:54 PM
To: wrjac@aol.com

RESOLUTION NO. 2020-01

A RESOLUTION OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY'S BUDGET FOR THE 2019/2020 FISCAL YEAR; AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THE THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, at its regular meeting on October 1, 2019, the City Council of the City of Edgewood, Florida adopted Resolution No. 2019-03 approving the annual budget for Fiscal Year 2019-2020; and

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

WHEREAS, the City Council has determined that it is necessary to amend the budget to reflect these changes.

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

SECTION 1. CHART OF ACCOUNT AMENDMENT: The City Council of the City of Edgewood, Florida amends the Fiscal Year 2019-2020 budget to add formally adopt the Roads & Streets budget that was not included in the budget summary:

SECTION 2. BUDGET AMENDMENT. ; The City Council of the City of Edgewood, Florida amends the Fiscal Year 2019/2020 budget as shown on Schedule "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 _____, 2020.

RICHARD ALAN HORN, COUNCIL PRESIDENT

ATTEST:

Bea L. Meeks, MMC, CPM
City Clerk

City of Edgewood Budget Amendment

| | | |
|---------------|---------------|--|
| | | |
| Submitted by: | McDimit Davis | |
| Fiscal Year: | 19-20 | |
| Submitted on: | 4/8/2020 | |
| | | |

| Account Number | Account Description | Amount |
|----------------|---------------------|--------|
|----------------|---------------------|--------|

Expenditures:

| | | |
|-----------|-----------------------------|---------------|
| 541410-02 | Tree Removal | \$ 15,000.00 |
| 541320-02 | Traffic Light Utility | \$ 6,000.00 |
| 541460-02 | Street Maintenance Contract | \$ 49,062.00 |
| 541600-02 | Traffic Light Maintenance | \$ 25,000.00 |
| 541637-02 | Roads & Streets Maintenance | \$ 125,000.00 |
| 549460-02 | Railroad Crossing | \$ 5,000.00 |
| 549320-02 | Street Signs | \$ 3,000.00 |
| 541431-02 | Streetlight Utility | \$ 42,500.00 |
| 541530-02 | Road Repair-Potholes | \$ 250.00 |
| 541610-02 | Sidewalk repair | \$ 25,000.00 |
| 541634-02 | Storm Drain Cleaning | \$ 10,000.00 |

Revenues:

| | | |
|-----------|----------------------------|---------------|
| 363240-10 | Transportation Impact Fees | \$ 2,075.00 |
| 312410-02 | Local Option Gas tax | \$ 92,694.00 |
| 361200-02 | Interest-Road | \$ 40.00 |
| 399900-02 | FDOT Reimbursement | \$ 28,470.00 |
| 389200-02 | Transfer from General Fund | \$ 182,533.00 |

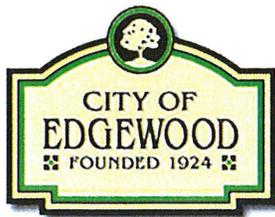
| | | |
|--|----------------------|------|
| | Net effect on budget | \$ - |
|--|----------------------|------|

Notes/Comments:

To formally adopt Roads and Streets budget inadvertently left off original budget summary

Signed by:

SCHEDULE "A"



Memo

To: Bea Meeks, City Clerk
CC: City Council
From: Sandy Riffle, Deputy City Clerk
Date: March 26, 2020
Re: 5655 S Orange Avenue Cornerstone Pace Waiver Request

During the March 9, 2020 Planning and Zoning Board meeting, the Board considered a waiver request from Cornerstone Pace, located at 5655 S. Orange Avenue. They are requesting setback waivers in the ECD to allow the approved driveway drop off area and the patio to be covered.

The following information has been included for your review:

- Letter from Brent Spain of Theriaque & Spain requesting waiver
- Staff report from City Planner Ellen Hardgrove, dated February 20, 2020

A legal advertisement was placed in the Orlando Sentinel to advertise the requested waivers and public hearings, as required by City Code.

The City Planner is prepared to respond to any questions you may have regarding the waiver requests. The applicant/representative for Cornerstone Pace will also be in attendance.

Board Member Gragg moved to recommend approval of the waiver request; second by Board Member Santurri. The motion was approved (4/0).



REPLY TO: WINDERMERE

March 2, 2020

VIA ELECTRONIC MAIL

Sandy Riffle, Deputy City Clerk
City of Edgewood
405 Larue Avenue
Edgewood, Florida 32809

Re: *Cornerstone Hospice/PACE – Waiver Request*

Dear Ms. Riffle:

As you are aware, our firm represents Cornerstone Health Services (“Cornerstone”) with regard to the Cornerstone Hospice/PACE medical facility at 5655 S. Orange Avenue in Edgewood, Florida. This letter is to confirm our client’s request originally submitted via electronic mail on February 20, 2020, for a waiver from the 25’ ECD side street setback to allow for the installation of the awnings associated with the drop-off and covered patio areas shown on the commercial development plans that the City Council reviewed and approved for Cornerstone’s PACE facility at its meeting on February 18, 2020.

To better depict the requested waiver, our client has prepared the attached sketch – which shows the awning for the drop-off area being 13’ from the rear property line and the covered patio awning being approximately 8’ from the rear property line. Based upon such sketch, our client seeks a waiver to reduce the side street setback to 13’ for the drop-off area awning and 8’ for the covered patio awning.

Our client respectfully submits that application of a 25’ side street setback would create an illogical, impractical, and unreasonable result – effectively preventing our client from being able to provide a drop-off area and an outdoor siting area for its clientele which are shielded from the elements. Our client submits that the requested waiver will have no adverse impact on the adjacent property, which consists of Gem Street. Further, given the unique layout of the property – *i.e.*, being bounded on all four sides by roads – our client submits that the requested waiver is warranted. Additionally, the requested waiver for the installation of the subject awnings is consistent with and furthers the spirit and intent of the ECD regulations to enhance building facades within the district.

TALLAHASSEE
433 NORTH MAGNOLIA DRIVE
TALLAHASSEE, FLORIDA 32308
(850) 224-7332
FAX: (850) 224-7662

WINDERMERE
9100 CONROY WINDERMERE ROAD, SUITE 200
WINDERMERE, FLORIDA 34786
(407) 258-3733
FAX: (407) 264-6132

www.theriaquelaw.com

Sandy Riffle, Deputy City Clerk
City of Edgewood
March 2, 2020
Page 2

Lastly, our client respectfully submits that the subject awnings do not constitute an “expansion” of the existing shopping center building for purposes of the ECD regulations, as the awnings do not increase the building square footage of one or more existing buildings on the property. *See* § 134-463(c), Edgewood Land Development Code. As such, the requested waiver and installation of the subject awnings should not trigger or cause other portions of the shopping center site to be governed by the ECD standards at this juncture, including, but not limited to, any fleet vehicle requirements or limitations.

Our client appreciates the City Staff’s assistance and support of the requested waiver. As always, please do not hesitate to contact me if you have any questions or need additional information.

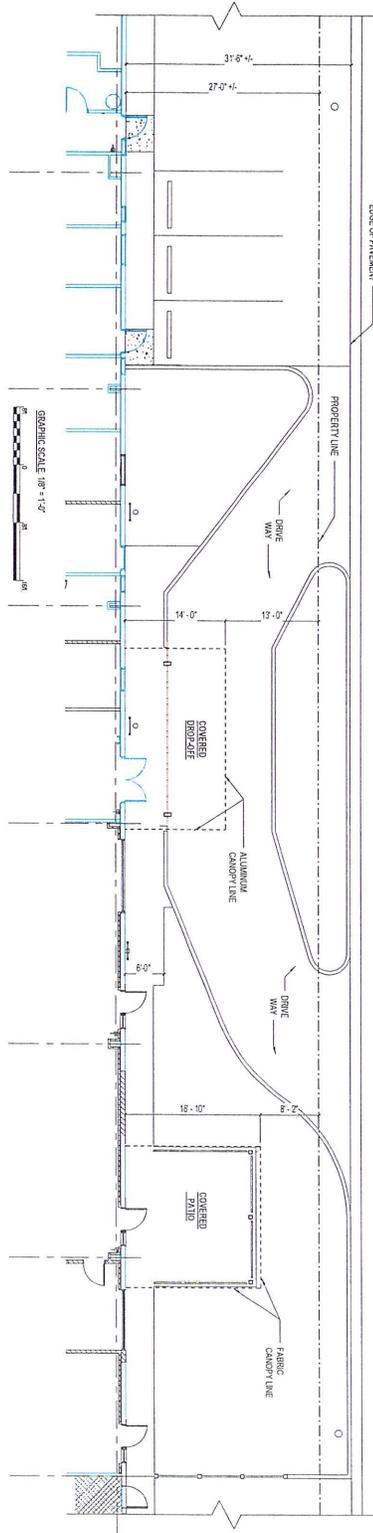
Sincerely,

A handwritten signature in blue ink, appearing to read "S. Brent Spain", with a long horizontal flourish extending to the right.

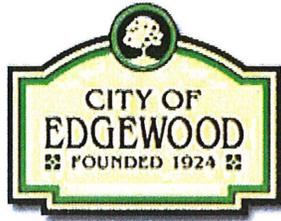
S. Brent Spain

Enclosure

cc: Cornerstone Health Services



GEM STREET



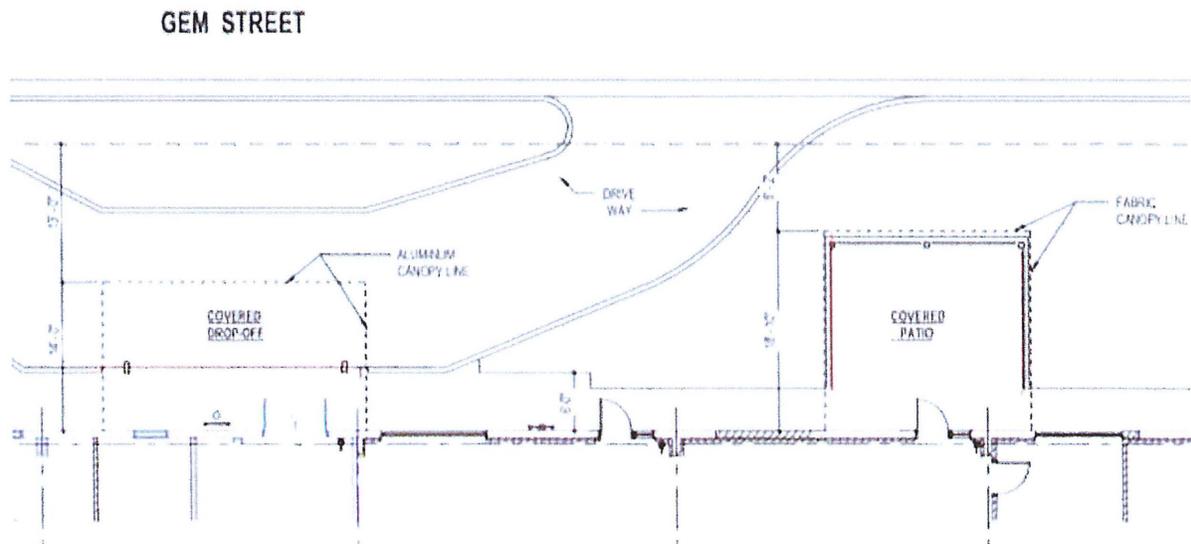
Date: February 20, 2020
To: Planning and Zoning (P&Z) Board
From: Ellen Hardgrove, City Planning Consultant
XC: Sandy Riffle, Deputy City Clerk
Bea Meeks, City Clerk
Drew Smith, City Attorney
Allen Lane, CPH Engineering, City Engineering Consultant
Re: Cornerstone PACE facility at 5655 South Orange Avenue

Request

City Council has recently approved a special exception to permit an adult day care within the Cornerstone Hospice leased space in the Edgewood Isle Shopping Center as well modifications to the building to include a rear drop off entrance and outdoor patio for the clients. The current request is for setback waivers in the ECD to allow the approved driveway drop off area and the patio to be covered.

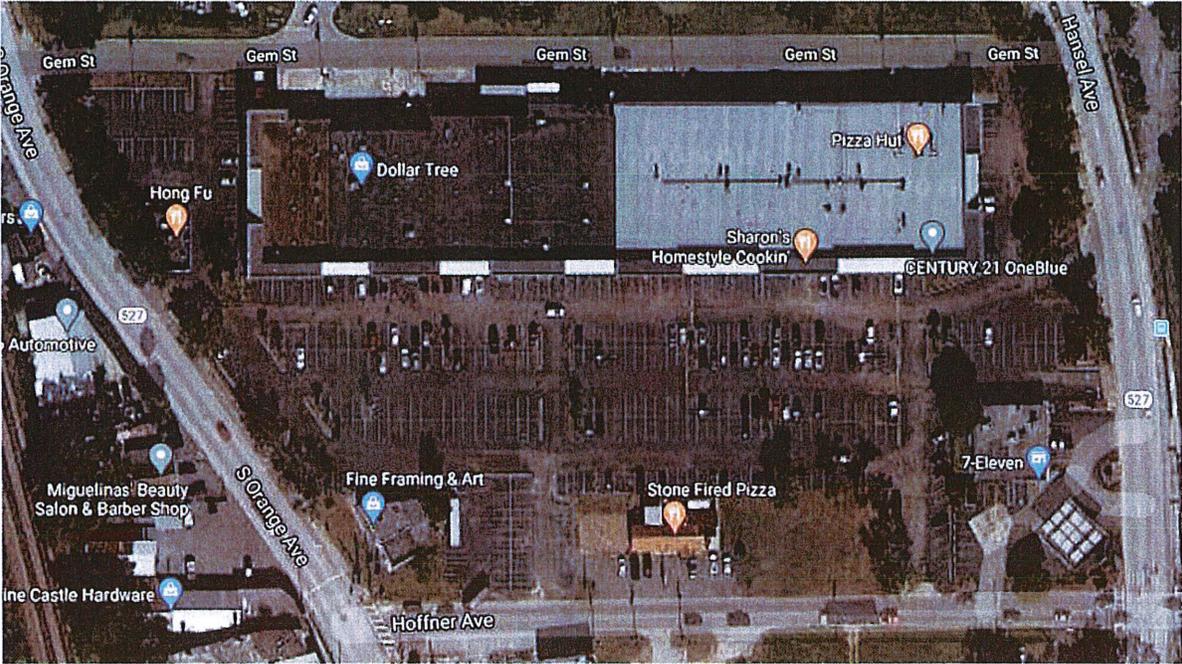
As shown on Exhibit 1, the awning over the drop-off area is proposed to be located 13' from the Gem Street property line and the patio awning is proposed to be located $\pm 8'$ from the Gem Street property line. ECD Ordinance Section 134-458(g)(1)b.3 requires a 25' setback from Gem Street.

Exhibit 1

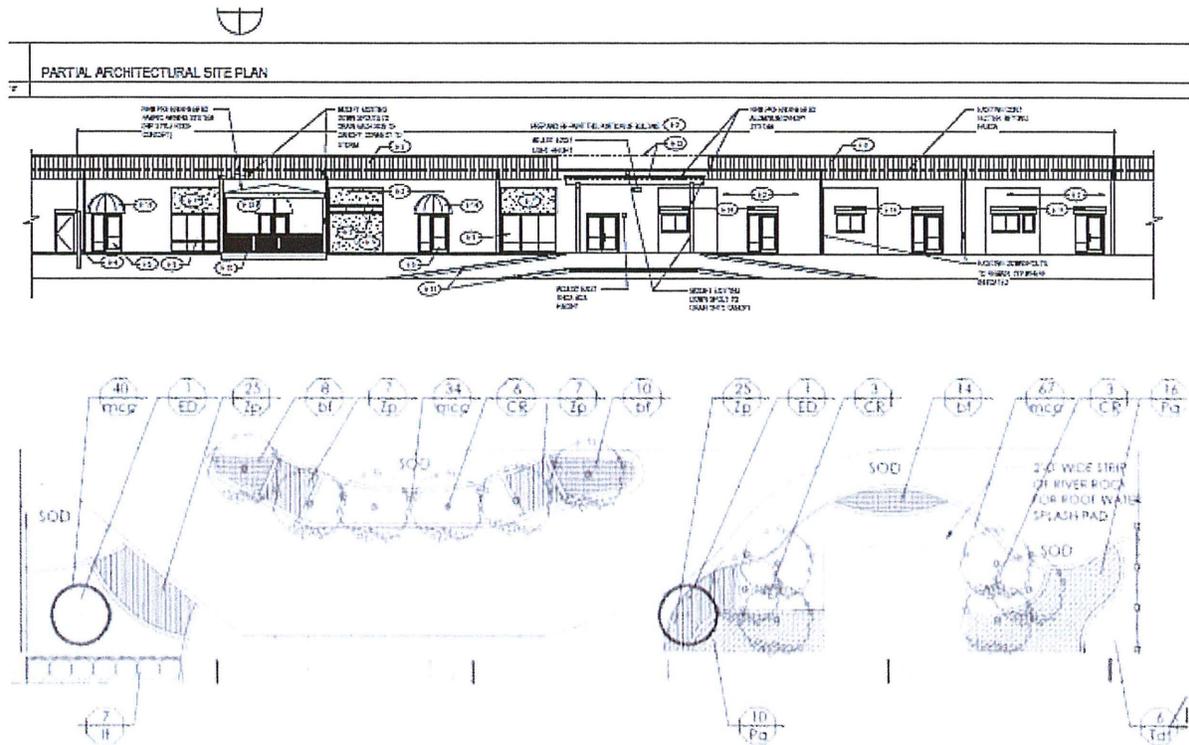


The covered areas are essential for this permitted use to provide a drop-off area and outdoor seating area for its clientele which are shielded from the elements. Given the position of the existing building and property's location abutting streets on all sides (see Exhibit 2), compliance with the ECD's 25 feet setback would eliminate the ability to have the covered drop off area and outdoor seating area.

Exhibit 2



The requested waiver can be considered consistent with the ECD goals. Gem Street, a side street, is an appropriate location for vehicle use areas within the setback. The outdoor seating area brings people activity toward the street as intended in the ECD. The additions will enhance the building façade which has been, up until this point, only a back to a shopping center, bringing the building more into conformity with the goal of avoiding flat wall surfaces with articulation, varying rooflines, and decorative elements. Furthermore, as approved by Council and shown below, landscaping will be planted adjacent to the driveway and patio area, increasing the aesthetics along Gem Street.



Staff Recommendation

Staff recommends approval of a waiver to allow the awning/cover for the drop-off area to be 13 feet from the Gem Street property line and the awning/cover for the outdoor seating area to be 8 feet from the Gem Street property line. There has been substantial competent evidence presented that strict application of the ECD side street setback would create an illogical, impossible, impractical or unreasonable result on the applicant. Granting the proposed waiver will not have the effect of nullifying the intent and purpose of the ECD standards; it will serve the health, safety and welfare of the city; is the minimum waiver that will reasonably eliminate or reduce the illogical, impossible, impractical, or unreasonable result caused the required side street setback; and will not adversely impact the use or property values of adjacent properties.

ESH

**Edgewood Police Department
April City Council Report
2020**

| | March | April |
|------------------------|--------------|--------------|
| Residential Burglaries | 0 | 1 |
| Commercial Burglaries | 2 | 1 |
| Auto Burglaries | 0 | 4 |
| Theft | 2 | 3 |
| Assault/Battery | 1 | 1 |
| Sexual Battery | 0 | 0 |
| Homicides | 0 | 0 |
| Robbery | 0 | 0 |
| Traffic Accident | 9 | 12 |
| Traffic Citations | 250 | 90 |
| Red Light Citations | 750 | 710 |
| Traffic Warnings | 379 | 105 |
| Felony Arrests | 5 | 5 |
| Misdemeanor Arrests | 2 | 0 |
| Warrant Arrests | 3 | 1 |
| Traffic Arrests | 5 | 0 |
| DUI Arrests | 2 | 2 |

Department Highlights:

- At the Edgewood Police Department staff meeting, Officer First Class Adam Lafan was named the 2019 Office of the Year. He dedicated much of 2019 to making sure our Department maintained its accredited status as well as helped many others obtain an accredited status.
- Due to COVID-19 trainings had been cancelled
- Orange County Emergency Management has been working with the Edgewood Police Department to obtain equipment. We have received hand sanitizer, masks, and face shields. We have also worked with different community partners to obtain wipes, cleaning supplies, and masks.
- The Edgewood Police Department has worked closely with business that have closed during this time to do additional patrols and gather contact information.