



REGULAR CITY COUNCIL MEETING

6:30 PM – COUNCIL CHAMBERS – CITY HALL

JUNE 2, 2015

AGENDA

ALL CITIZENS DESIRING TO ADDRESS THE PORT ORANGE CITY COUNCIL DURING CITIZEN PARTICIPATION SHOULD COMPLETE A SPECIAL APPLICATION FORM WHICH IS LOCATED ON THE STANDS OUTSIDE THE COUNCIL CHAMBERS. AFTER COMPLETING THE FORM, PRESENT IT TO THE CITY CLERK.

A. OPENING

1. Pledge of Allegiance
2. Invocation - Pastor Tom Nelson of First United Methodist Church
3. Roll Call

B. PUBLIC HEARING

4. Second Reading - Ordinance No. 2015-7 - Amending Fire and Rescue Pension Fund
5. Second Reading - Ordinance No. 2015-18 - Amending City Code Section 2-267 - Waiver of Bidding Requirements
6. Second Reading - Ordinance No. 2015-20 - Amending Police Pension Fund for Internal Revenue Code Compliance
7. Second Reading - Ordinance No. 2015-21 - Amending City Code Section 18-230(5) to allow wrecker storage business within a seven-mile instead of five-mile radius of the City
8. Second Reading - Ordinance No. 2015-22 - Amending Sex Offender Residency Restriction

C. AGENDA APPROVAL

D. BOARD APPOINTMENTS

9. Civil Service Board Appointment

E. SPECIAL AWARDS, REPORTS, RECOGNITION AND PROCLAMATIONS

10. Port Orange Elementary Schools Art Contest Winners

11. Financial Audit Presentation from James Moore

12. Report from Kemper Sports regarding Cypress Head Golf Course

F. CITIZEN PARTICIPATION (Agenda)

13. Chrissy LoCurto - Request to reduce code enforcement fines on 5313 Christianity Avenue

G. CITIZEN PARTICIPATION (Non-Agenda – 15 minutes)

H. COUNCIL COMMENTS

14. Comments/Concerns from Council Members

I. CONSENT AGENDA

15. Approval of Minutes

b. May 19, 2015 - Regular City Council Meeting

a. May 26, 2015 - City Council Workshop

16. Resolution No. 15-13 - Maximum Non-consensual Tow Rates

17. Increase in Authorized Annual Spending Limit with Florida Detroit Diesel for Fire Station 73 Emergency Generator Fuel Tank Replacement.

18. Increase in Spending Limit for Zev Cohen & Associates, Inc. for Professional Traffic Engineering Services for Traffic Control Improvements on Isabelle Avenue, Jackson Street, and Summer Trees Road.

19. 2015-2016 Renewal of Pollution Liability Insurance Policy, Including a Waiver of Formal Bidding

20. Stormwater Maintenance Progress

21. Co-Sponsorship/Club Exchange Agreements Policy

a. Resolution No. 15-31 - Parks and Recreation Donation Acceptance and Exchange Agreement Policy

b. Police Athletic League Exchange Agreement

c. Port Orange Youth Football Association "Pop Warner" Exchange Agreement

J. REGULAR AGENDA

22. Monthly Financial Report for April 2015

K. COMMENTS

23. City Attorney Comments

24. Interim City Manager Comments

L. COUNCIL COMMITTEE REPORTS

25. City Council Committee Reports

- a. River to Sea TPO Board
- b. YMCA
- c. Police Pension Board
- d. Fire Pension Board
- e. General Employee's Pension Board

M. ADJOURNMENT

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION MADE BY THE CITY COUNCIL WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE HE OR SHE MAY NEED TO ENSURE AT HIS OR HER OWN EXPENSE FOR THE TAKING AND PREPARATION OF A VERBATIM RECORD OF ALL TESTIMONY AND EVIDENCE OF THE PROCEEDINGS UPON WHICH THE APPEAL IS TO BE BASED.

NOTE: IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS ANY ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS PROCEEDING, YOU ARE ENTITLED, AT NO COST TO YOU, TO THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE CITY CLERK FOR THE CITY OF PORT ORANGE, 1000 CITY CENTER CIRCLE, PORT ORANGE, FLORIDA 32129, TELEPHONE NUMBER 386-506-5563, WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING DATE; IF YOU ARE HEARING OR VOICE IMPAIRED, CONTACT THE RELAY OPERATOR AT 1-800-955-8771.



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Second Reading - Ordinance No. 2015-7 - Amending Fire and Rescue Pension Fund

DEPARTMENT: Administrative Services

RECOMMENDED MOTION: Moove to adopt Ordinance No. 2015-7 on second reading, amending Chapter 54, Article IV, Code of Ordinances, revising the Fire and Rescue Pension Fund, subject to receipt of a corrective ordinance for conflicts with Section 54-102 and simultaneous adoption with Ordinance No. 2015-7.

SUMMARY: The attached ordinance has been prepared by Scott R. Christiansen, Attorney for the Fire and Rescue Pension Fund. By consensus of the the Fire and Rescue Pension Fund Board, it has been approved for submission to the City for adoption. The proposed ordinance amends Sections of Chapter 54, Article IV of the City Code of Ordinances to conform to the requirements of the Internal Revenue Code.

An actuarial review of the proposed ordinance has been prepared on April 17, 2015 by the Fire and Rescue Pension Fund's Actuary, Mr. Patrick T. Donlan, of Foster and Foster. The Plan's Actuary has determined that adoption of the proposed ordinance will have no impact on the funding requirements of the program.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Ord. No. 2015-7	Ord. No. 2015-7.pdf
2.	Actuarial Statement	Actuarial Statement - Ord. No. 2015-7.pdf

Fenwick, Robin

Created/Initiated - 05/21/2015

ORDINANCE NO. 2015- 7

**AN ORDINANCE OF THE CITY OF PORT ORANGE,
VOLUSIA COUNTY, FLORIDA, AMENDING CHAPTER 54,
PERSONNEL, ARTICLE IV, FIRE AND RESCUE PENSION
FUND, OF THE CODE OF ORDINANCES OF THE CITY OF
PORT ORANGE; AMENDING SECTION 54-77,
DEFINITIONS; AMENDING SECTION 54-91, MAXIMUM
PENSION; PROVIDING FOR CODIFICATION; PROVIDING
FOR REPEAL OF CONFLICTING ORDINANCES;
PROVIDING FOR SEVERABILITY OF PROVISIONS AND
PROVIDING AN EFFECTIVE DATE.**

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE,
VOLUSIA COUNTY, FLORIDA:

SECTION 1: That Chapter 54, Personnel, Article IV, Fire and Rescue Pension Fund, of the Code of Ordinances of the City of Port Orange, is hereby amended by amending Section 54-77, Definitions, to amend the definition of "Credited Service", to read as follows:

* * * * *

Credited service.

- (1) Credited service means the total number of years and fractional parts of years of service as a full-time firefighter with member contributions when required, omitting intervening years or fractional parts of years when such member was not employed by the city as a firefighter. Service as a volunteer firefighter shall be credited at one month of credited service for each complete year of volunteer service. If a member accumulates service as both a full-time firefighter and as a volunteer firefighter, credited service shall be calculated separately for full-time and volunteer service, with the sum of all years and fractional parts of years of service used only for vesting and benefit eligibility purposes. A member may voluntarily leave his accumulated contributions in the fund for a period of five years after leaving the employ of the fire and rescue department pending the possibility of being reemployed as a firefighter without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the fire and rescue department, his accumulated contributions will be returned only upon his written request. If a member who is not vested is not reemployed as a firefighter with the fire and rescue department within five years, his accumulated contributions shall be returned. Upon return of a member's accumulated contributions, all of his rights and benefits under the system shall be forfeited and terminated. Upon any reemployment, a firefighter shall not receive credit for the years and fractional parts of years of services for which he has withdrawn his accumulated contributions from the fund unless he repays into the fund the contributions he has withdrawn, together with interest as determined by the board, within 90 days after his reemployment.

- (2) The years or fractional parts of years that a member serves in the military service of the Armed Forces of the United States, the United States Merchant Marines or the United States Coast Guard, whether voluntarily or involuntarily, after separation from employment as a firefighter with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:
- a. The member must return to his employment as a firefighter with the city within one year from the earlier of the date of his military discharge or release from active service.
 - b. The member is entitled to reemployment under the provisions of the Uniformed Services Employment and Reemployment Rights Act (P.L. 103-353).
 - c. The maximum credit for military service shall be five years.
 - d. This paragraph is intended to satisfy the minimum requirements of USERRA. To the extent that this paragraph does not meet the minimum standards of USERRA, as it may be amended from time to time, the minimum standards shall apply.

In the event a member dies on or before January 1, 2007, while performing USERRA Qualified Military Service, the beneficiaries of the member are entitled to any benefits (other than benefit accruals, relating to the period of qualified military service) as if the member had resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the code, an individual receiving differential wage payments (as defined under section 3401(h)(2) of the code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

* * * * *

SECTION 2: That Chapter 54, Personnel, Article IV, Fire and Rescue Pension Fund, of the Code of Ordinances of the City of Port Orange, is hereby amended by amending Section 54-91, Maximum Pension, to read as follows:

Sec. 54-91. Maximum Pension

(a) *Basic limitation.* Notwithstanding any other provisions of this system to the contrary, the member contributions paid to, and retirement benefits paid from, the system shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds

the dollar amount specified in Code Section 415(b)(1)(A) (\$160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this system. For purposes of this section, "limitation year" shall be the calendar year.

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(b) *Adjustments to basic limitation for form of benefit.* If the form of benefit without regard to any benefit increase feature is not a straight life annuity, then the Code Section 415(b) limit applicable at the annuity starting date is reduced to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the death benefits under the form of benefit. If the benefit under the plan is other than the annual benefit described in subsection (a), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using fractions prescribed in Treasury Regulations. If the form of the benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the additional benefits under the form of benefit as follows:

- (1) For a benefit paid in a form to which section 417(e)(3) of the code does not apply (generally, a monthly benefit), the actuarially equivalent straight life annuity benefit that is the greater of:
 - a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or
 - b. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or
- (2) For a benefit paid in a form to which section 417(e)(3) of the code applies (generally, a lump sum benefit), the actuarially equivalent straight life annuity benefit that is the greatest of:

- a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;
- b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or
- c. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation Section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1, 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate in effect for the first day of the plan year with a one-year stabilization period)) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code), divided by 1.05.

- (3) The actuary may adjust the 415(b) limit at the annuity starting date in accordance with subsections (1) and (2) above.

(c) *Benefits not taken into account.* For purposes of this section, the following benefits shall not be taken into account in applying these limits:

- (1) Any ancillary benefit which is not directly related to retirement income benefits;
- (2) Any other benefit not required under § 415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1); and
- (3) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity.

(d) *COLA effect.* Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

- (1) A member's applicable limit will be applied to the member's annual benefit in the member's first ~~calendar~~ limitation year of benefit payments without regard to any automatic cost of living adjustments;
- (2) Thereafter, in any subsequent ~~calendar~~ limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but
- (3) In no event shall a member's benefit payable under the system in any ~~calendar~~ limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the system, for purposes of applying the limits under Code Section 415(b), a member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Internal Revenue Code and applicable Treasury Regulations.

(e) *Other adjustments in limitations.*

- (1) In the event the member's retirement benefits become payable before age 62, the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a \$160,000 annual benefit beginning at age 62.
- (2) In the event the member's benefit is based on at least 15 years of credited service as a full-time employee of the fire or police department of the city, the adjustments provided for in (e)(1) shall not apply.
- (3) The reductions provided for in (e)(1) shall not be applicable to disability benefits pursuant to section 54-84, or pre-retirement death benefits paid pursuant to section 54-83.
- (4) In the event the member's retirement benefit becomes payable after age 65, for purposes of determining whether this benefit meets the limit set forth in subsection (a) herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age 65. This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

(f) *Less than ten years of service participation.* The maximum retirement benefits payable under this section to any member who has completed less than ten years of ~~credited service with the city participation~~ shall be the amount determined under subsection (a) multiplied by a fraction, the numerator of which is the number of the member's years of ~~credited service participation~~ and the denominator of which is ten. The reduction provided by this subsection cannot reduce the maximum benefit below ten percent of the limit determined without regard to this subsection. The reduction provided for in this subsection shall not be applicable to ~~pre-retirement~~ disability benefits paid pursuant to section 54-84, or pre-retirement death benefits paid pursuant to section 54-83.

(g) *Participation in other defined benefit plans.* The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the city shall apply as if the total benefits payable under all city defined benefit plans in which the member has been a member were payable from one plan.

~~(h) *Additional limitation on pension benefits.* Notwithstanding anything in this section to the contrary:~~

~~———— (1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, shall not exceed 100 percent of his average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.~~

~~———— (2) No member of the system shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from different employer's system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter 67, Title 10, U.S. Code.~~

~~———— (3) The normal retirement benefit or pension payable to a member who retires on or after the effective date of this section, including supplemental retirement benefits but excluding cost-of-living adjustments, shall not exceed 80 percent of average final compensation; provided however, if a member's accrued normal retirement benefit on the effective date of this section, including any supplemental retirement benefit, exceeds 80 percent of average final compensation on that date, the normal retirement benefit or pension payable to such member upon retirement, including supplemental retirement benefits but excluding cost-of-living adjustments, shall not exceed the member's accrued benefit, expressed as a percentage of average final compensation, as of the effective date of this section. Cost of living adjustments shall be calculated in accordance with section 54-82(f). In no event shall a member receive less than two percent of average final compensation for each year of credited service.~~

(h) *Ten thousand dollar (\$10,000) limit; less than ten years of service.* Notwithstanding anything in this Sec. 54-91, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection (h) of Sec. 54-91 if the benefits payable, with respect to such member under this system and under all other qualified defined benefit pension plans

to which the City contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year or for any prior limitation year, and the City has not at any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the member has completed less than ten (10) years of credited service with the City, the limit under this subsection (h) of Sec. 54-91 shall be a reduced limit equal to ten thousand dollars (\$10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10).

(i) *Reduction of benefits.* Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

(j) *Service credit purchase limits.*

(1) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in sections 54-101 and 54-102, then the requirements of this section will be treated as met only if:

- a. The requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or
- b. The requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

ε. — For purposes of applying subsection (j)(1)a., the system will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this subparagraph ε., and for purposes of applying subsection (j)(1)b. the system will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Internal Revenue Code solely by reason of this subsection-ε.

(2) For purposes of this subsection the term "permissive service credit" means service credit:

- a. Recognized by the system for purposes of calculating a member's benefit under the plan,
- b. Which such member has not received under the plan, and

- c. Which such member may receive only by making a voluntary additional contribution, in an amount determined under the system, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the system, include service credit for periods for which there is no performance of service, and, notwithstanding subsection (j)(2)b., may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

(k) Contribution Limits.

- (3 1)** For purposes of applying the Code Section 415(c) limits in this subsection (j): which are incorporated by reference and for purposes of this subsection (k), only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a calendar limitation year, except as noted below and as permitted by Treasury Regulations Section 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the system, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)).

- a. However, for calendar limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For calendar limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).
- b. For limitation years beginning on and after January 1, 2007, compensation for the calendar limitation year will also include compensation paid by the later of two and one-half months after an employee's severance from employment or the end of the calendar limitation year that includes the date of the employee's severance from employment if:
 - 1. The payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments,

and, absent a severance from employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or

2. The payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.
 - c. Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under the definition of salary in section 54-77.
- (4 2) Notwithstanding any other provision of law to the contrary, the board may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:
- a. If the law requires a lump sum payment for the purchase of service credit, the board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).
 - b. If payment pursuant to subsection ~~(j)(4)a.~~ (k)(2)a. will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution.
- (3) If the annual additions for any member for a limitation year exceed the limitation under section 415(c) of the code, the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).
- (4) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this subsection (k) shall not exceed the annual limit under section 401(a)(17) of the code.
- ~~(k 1)~~ *Additional limitation on pension benefits.* Notwithstanding anything in this section to the contrary:
- (1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, and retires prior to January 1, 2013, shall not exceed 100 percent of his average final compensation. However, nothing contained in this subsection shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

- (2) No member of the system shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from different employer's system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter ~~67~~ 1223, Title 10, U.S. Code.
- (3) The normal retirement benefit or pension payable to a member who retires on or after January 1, 2013, including supplemental retirement benefits but excluding cost-of-living adjustments, shall not exceed 90 percent of average final compensation; provided however, if a member's accrued normal retirement benefit on the effective date of this section, including any supplemental retirement benefit, exceeds 90 percent of average final compensation on that date, the normal retirement benefit or pension payable to such member upon retirement, including supplemental retirement benefits but excluding cost-of-living adjustments, shall not exceed the member's accrued benefit, expressed as a percentage of average final compensation, as of the effective date of this section. Cost of living adjustments shall be calculated in accordance with section 54-82(f). In no event shall a member receive less than two percent of average final compensation for each year of credited service.
- (4) The normal retirement benefit or pension payable to a member who retires on or after January 1, 2013, including supplemental retirement benefits and cost-of-living adjustments, shall not exceed \$95,000.00 annually; provided however, if a member's accrued benefit on January 1, 2013, including any supplemental retirement benefit and cost of living adjustment, exceeds \$95,000.00 on that date, the normal retirement benefit or pension payable to such member upon retirement, including supplemental retirement benefits and cost-of-living adjustments, shall not exceed the member's accrued benefit, expressed in dollars as an annual amount, as of January 1, 2013. In no event shall a member receive less than two percent of average final compensation for each year of credited service.

* * * * *

SECTION 3: Codification. Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Port Orange.

SECTION 4: Repeal of Ordinances. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 5: Severability. In the event any section, subsection, paragraph, sentence, clause, phrase or word of this ordinance shall be held invalid by a court of competent jurisdiction, then such invalidity shall not effect the remaining portions hereof.

SECTION 6: Effective Date. This ordinance shall become effective upon adoption.

MAYOR, ALLEN GREEN

ATTEST:

CITY CLERK

Passed on First Reading, this _____ day of _____, 2015.

Passed and adopted on Second Reading this _____ day of _____, 2015.

Reviewed and Approved:

CITY ATTORNEY



April 17, 2015

Via Mail & Email

Board of Trustees
City of Port Orange
1000 City Center Circle
Port Orange, FL 32129

Re: City of Port Orange Fire and Rescue Pension Fund

Dear Board:

We have reviewed the proposed Ordinance (identified as dm/po/fire/04-10-15.IRC.Ord on page 11) for compliance with the Internal Revenue Code and have determined that its adoption will have no impact on the funding requirements of the program.

Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Sarah Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the opinions contained herein.

If you have any questions, please let me know.

Sincerely,

Patrick T. Donlan, ASA, EA, MAAA

PTD/lke



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Second Reading - Ordinance No. 2015-18 - Amending City Code Section 2-267 - Waiver of Bidding Requirements

DEPARTMENT: Finance

RECOMMENDED MOTION: Move to approve Ordinance No. 2015-18, revising language in City Code Section 2-267 - Waiver of Bidding Requirements.

SUMMARY: On March 31, 2015, a workshop was held to discuss purchasing process improvement strategies implemented, and proposed revisions to our existing purchasing code, namely Sections 2-262-- Purchase and Sales Procedure; 2-265 -- Waiver of Irregularities; 2-267 --- Waiver of Bidding Requirements; and 2-271-- Emergency Purchases. At the meeting, council directed staff to maintain the current process for the spending limit of \$25,000 regardless of project.

This agenda item requests the approval on first reading of Ordinance No. 2015-18 - amending City Code Section 2-267 Waiver of Bidding Requirements. The section title is changed to "Bidding Requirements". The ordinance restates and clarifies those situations when competitive bids are not required, and adds provisions regarding contract renewals and the priority for award of identical bids. The provision on contract renewals has been modified based on Council discussion at the meeting of May 5.

Project Funding Account
No.: No.:

ATTACHMENTS:

1.	Ord. No. 2015-18	Ord. No. 2015-18 5.19.15.doc
2.	Workshop Powerpoint presentation with original proposed changes and comment	Workshoppresentation3 -31-15.pdf

Fenwick, Robin

Created/Initiated - 05/21/2015

ORDINANCE NO. 2015-18

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING THE CITY CODE CHAPTER 2, ARTICLE VI, DIVISION 2, SECTION 2-267, ESTABLISHING BIDDING REQUIREMENTS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, for purposes of this ordinance words with underlined (underlined) type shall constitute additions to the original text and words with strikethrough (~~strikethrough~~) type shall constitute deletions from the original text.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

SECTION 1: The City Council of the City of Port Orange hereby amends Chapter 2, Article VI, Section 2-267 of the Code of Ordinances, to read as follows:

Chapter 2 – ADMINISTRATION

Section 2-267: - ~~Waiver of Bidding Requirements.~~

The city manager shall be responsible for the procurement of supplies, materials, equipment and services paid for from city funds. The departments and/or offices shall purchase their goods and services through the Division of Purchasing, which is the city's official purchasing agency. All purchases shall comply with local, state and federal laws, rules regulations and policies, as applicable. No contract or purchase shall be subdivided to avoid the requirements of this article.

Purchases exceeding \$25,000 require approval by city council except for goods and/or services that do not lend themselves to the normal competitive bidding process and the city manager has approved waiving the formal bidding requirements, as follows:

Maintenance and/or service contracts, on various types of technical equipment that are offered and/or supplied only by the original manufacturer or its representative, or that are required to maintain the integrity of the manufacturer's warranty, or that are part of the manufacturer's rental, lease or lease purchase agreement's terms and conditions.

Materials purchased directly from a producer or publisher, an owner of a copyright, an exclusive agent with the state, a governmental agency or a recognized educational institution.

Public or regulated utility services or government franchised services.

Commodities or contractual services determined to only be available from a single source. The city shall electronically or otherwise publicly post a description of the commodities or contractual services for a period of a least seven (7) business days. The posted description must include a request that prospective vendors provide information regarding their ability to supply the commodities or contractual services described.

Professional services (except as otherwise provided for in Florida Law) and contracts for professional services, (which include but are not limited to services provided by attorneys, accountants, actuaries, lobbyists and financial advisors) may be made or entered into by the city manager without utilizing a sealed competitive method or the written quotations method.

Admission fees

Association fees and professional association dues

License fees and agreements

Media advertising (i.e., newspaper, radio, television, etc.)

Permit fees

Petty cash replenishment

Postage

Registration fees

State fees (unemployment compensation)

Travel reimbursement

Insurance coverage or claims expenditures as provided in the insurance fund, excepting however, damage to city owned property.

Supplies, equipment and vehicles purchased at a public auction.

Purchases from other governmental agencies including school boards, community colleges, federal agencies, and agencies from other states, when the awarded contract by the other entity permits purchases by the city on the same terms, conditions, and prices (or below such prices) and the purchase is considered economically advantageous to the city.

Purchase, sale, lease or rental of real property.

The requirements for formal bidding may be waived for the following:

- ~~(a) Where there is a sole source.~~
- ~~(b) Where standardization is determined to be in the best interest of the city.~~
- ~~(c) Where solicitation of bids is otherwise deemed to be inappropriate.~~
- ~~(d) Where a maximum storage capacity for supplies is not conducive to solicitation of bids.~~
- ~~(e) Where the need for replenishment of supplies on a timely basis is not conducive to solicitation of bids.~~
- ~~(f) Where the market is not conducive to solicitation of bids.~~
- ~~(g) Materials purchased directly from a producer or publisher, an owner of a copyright, an exclusive agent with the state, a governmental agency or a recognized educational institution.~~
- ~~(h) Insurance coverage or claims expenditures as provided in the insurance fund, excepting, however, damage to city owned property.~~
- ~~(i) Commodities from established State of Florida, PRIDE, RESPECT, government pricing or federal General Services Administration contracts.~~
- ~~(j) Purchase, sale, lease or rental of real property.~~
- ~~(k) Certain professional services, design build, guaranteed maximum payment construction or fast track construction, which shall be conducted in accordance with accepted industry practices or as required by state law.~~
- ~~(l) Public utility services.~~
- ~~(m) Supplies, equipment and vehicles purchased at public auction.~~

The purchase of certain items for resale ~~are~~ is exempt from the requirements for multiple quotations for purchases of less than \$12,000.00 not to exceed the \$25, 000.00 formal bid threshold. It should be noted, however, that it is always in the best interest and the intent of the city to obtain the most advantageous pricing possible. These purchases shall comply with the restrictions listed below:

- (1) Items purchased shall be exclusively for resale;
- (2) Items with brand name specifications significant to their retail sales appeal;
and
- (3) The items, after reasonable expected resale, will result in no cost to the city.

In such cases, the purchase of materials, supplies, equipment and contractual services may be made by negotiation without regard to the estimated cost, but only with the prior approval of the city council.

Contract Renewals

The city shall have the authority to award and reject any or all bids. The city manager shall have the authority to exercise, in subsequent years, any renewal options initially included in the bid solicitation, provided [they are approved by Council at the initial award of the contract, and the](#) terms and conditions as well as current market conditions are favorable for the city. Such renewals are subject to the availability of funds.

Identical Prices-Priorities for Award

When identical prices are received from two (2) or more vendors and all other factors are equal, priority for award shall be given to vendors in the following sequence.

1. Drug Free Workplace- Pursuant to Florida Statute 28-067
2. Certified service-disabled veteran
3. Local businesses as defined in Chapter 2, Article VI, Division 2, Section 2-275 of the Code of Ordinances
4. Firm with the lowest volume of work on City projects within the last five (5) years. The information will be based on information provided by the Proposer, subject to verification at the City's option.

SECTION 2: CONFLICTING ORDINANCES.

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 3: SEVERABILITY.

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

SECTION 4: EFFECTIVE DATE.

This Ordinance shall take effect immediately upon adoption.

MAYOR ALLEN GREEN

ATTEST:

Robin L. Fenwick, CMC, City Clerk

Passed on first reading on the _____ day of _____

Passed and adopted on second and final reading on the _____ day of _____

Reviewed and Approved: _____
City Attorney

Streamlining the Procurement Process

City of Port Orange
Purchasing Division
March 31, 2015

Overview

- The Purchasing Division conducted a review of the City's current procurement practices, including procedures manual, current code and ordinances, to determine whether any opportunities for improvement existed, or if they reflected a best practice. Several municipalities were benchmarked, and the results validated the observations and opportunities for improvement made by staff.

Improvements

- Revised the internal approval process of requisitions thereby reducing lead time for over 600 requisitions a year.
- Added a sole source and notice of intended action feature to the City website, including protest remedies.



Accomplishments

- Drafted a vendor performance review for automation by Information Technology Department.
- Clarified the contract and insurance requirements for all contracts and modified the requirements for small purchases under \$2,500.
- Revised Purchasing Policies and Procedures Manual to reflect current practices, including City code and ordinance requirements.
- Revised boilerplate language for all bids and request for proposals, and developed templates for standardization.

Accomplishments

- Provided training to all using departments on the use of Florida State Contract as well as WSCA contract for the purchase of MRO items (maintenance, repair and operating) The City will benefit from significant discounts ranging from 13%-48% from MSRP.

Proposed changes to code

- Drafted changes to existing code for purchasing goods and services as follows:
- Section 2-2.62 – Purchase and sales procedures
 - Revised the language to define what types of purchases are subject to the local preference policy, and propose to making it a cost-neutral program in lieu of the current 3% bid preference.
 - Defined local as either (1) a business within the municipal boundaries of the city or (2) a business with a valid business license, issued by a jurisdiction located in Volusia County. Each one would have a different percentage for evaluation purposes.

Proposed changes to code

- Section 2-2.65 – Waiver of irregularities
 - Revised the language to grant the City Manager the authority waive any non-substantial or minor irregularities in any bids or proposals. Any waiver shall be noted in any award recommendation to council.

Proposed changes to code

- Section 2-2.67 – Waiver of bidding requirements
 - Revised the language to clarify the authority granted by Council to the City Manager, to include spend authority; exceptions for categories exempted by code, statutes or regulations, and categories that do not lend themselves to a competitive process such as postage, copyrighted material; professional association fees; public or regulated utility services; sole source, piggyback etc.
 - Included language regarding contract renewals
 - Included language regarding identical bids

Proposed changes to code

- Section 2-2.71-- Emergency purchases
 - Revised the language to clarify the definition of emergency purchase, and outlined the process and documentation requirements.

Sec. 2-262. - Purchase and sales procedures.

- (a) All supplies, equipment and contractual services, except as otherwise provided herein, when the estimated purchase price thereof shall exceed \$25,000.00, shall be purchased from the bidder determined by the city council to be the lowest and best responsible bidder pursuant to the formal bidding procedure.
- (b) No contract or purchase shall be subdivided to avoid the requirements of this article.
- (c) Items with a purchase price of more than \$2,500.00 but less than \$5,000.00 shall be made using verbal quotations. Items with a purchase price of more than \$5,000.00 but less than \$25,000.00 shall be made with three quotations confirmed in writing.
- (d) In the purchase of, ~~or contract for, personal property or contractual goods or~~ services, the city council may give a preference ~~in an amount not to exceed three percent of the bid price~~ to local persons; provided, however, that this section in no way prohibits the right of the city council to compare quality of materials proposed for purchase and to compare qualifications, character, responsibility and fitness of all persons submitting bids. Local persons shall be defined as those whose principal place of business is located within the municipal boundaries of the city for a minimum period of one year.

~~-If not within the municipal boundaries of the city, local business shall be defined as a local vendor who has a valid business license, issued by a jurisdiction located in Volusia County, with its headquarters, manufacturing facility, or locally-owned franchise located within the legal boundaries of Volusia County, for at least twelve (12) months prior to the bid or proposal opening date. Post office boxes are not verifiable and shall not be used for purpose of establishing said physical address. In order to be considered for local preference, vendors must provide a copy of their business license and the local business affidavit of eligibility with their bid or proposal.~~

~~A vendor who misrepresents the local preference status of its firm in a proposal or bid submitted to the City of Port Orange, will lose the privilege to claim preference status, and shall lose eligibility to claim local preference status for a period of one (1) year. The City Manager may also recommend that the firm be recommended for debarment.~~

PROCESS:

Competitive bid:

~~When a responsive, responsible non-local business submits the lowest price bid, and the bid submitted by one or more responsive, responsible local business is within five percent (5%) for business located within the municipal boundaries of the City or three (3%) for the business with jurisdiction located in Volusia County of the price submitted by the non-local business, then each of the aforementioned local businesses shall have the opportunity to submit a best and final bid equal or lower than the amount of the low responsive, responsive bid submitted by the non-local business. Contract award shall be made to the responsive, responsible business submitting the lowest best and final bid. In case of a tie bid, the tie shall be broken in accordance with 2.267 Bidding requirements – Identical Prices-Priorities for Award.~~

Request for Proposals:

~~If following the completion of initial evaluations, a local firm has submitted a proposal and is competing with a non-local proposer(s), then the local vendor(s) shall have the opportunity to proceed to be considered for further evaluation provided the price is within five percent (5%) for the business located within the municipal boundaries of the City, or three percent (3%) for the business with jurisdiction located in Volusia County of the cost proposed by the non-local vendor, all other technical requirements being equal. In the case of a tie in the best and final proposal between a local business, the tie shall be broken pursuant to 2.267 Bidding requirements- Identical Prices—Priorities for Award.~~

Professional Services:

Formatted: Indent: First line: 0"

Local preference policy shall apply to services of which are subject to the Consultants Competitive Negotiation Act, as delineated in F.S. 287.055. It two (2) firms, one local and one non-local are within five percent (5%) for business located within the municipal boundaries of the City, or three percent (3%) for the business with jurisdiction located in Volusia County of each other's qualitative scores, the local firm shall be ranked higher than the non-local firm in the final ranking. In case of a two-tiered evaluation process, the local preference shall also apply at the conclusion of the first tier to allow eligible local proposers within five percent (5%) of the points assigned to those recommended to participate in the second-tier evaluation.

The preference does not apply to goods or services exempted by stature, or prohibited by Federal or State law, or other funding source restrictions.

- (e) All sales of personal property (except trade-in personal property) which has become obsolete or unusable or the sale of which is otherwise determined to be in the best interest of the city, when the estimated value exceeds \$25,000.00, shall be made to the highest responsible bidder pursuant to the formal bidding procedure of this article. Acceptance or rejection of bids for such sales shall be made by the city council. The city council may, by appropriate resolution, authorize the city manager or other city official to execute any and all title transfers, bills of sale or other documents necessary to convey and transfer such property to the successful bidder. In the absence of such authorization by resolution, the mayor and city clerk may execute such instruments.
- (f) All sales of personal property (except trade-in personal property) which has become obsolete or unusable or the sale of which is otherwise determined to be in the best interest of the city, when the estimated value is \$25,000.00 or less, may be sold upon the written approval of the city manager. Notice of such sale shall be posted in city hall and, insofar as is practicable and reasonable, written and sealed bids should be solicited. Notwithstanding the foregoing, such property may be sold by negotiated sale, auction or other procedure approved by the city manager. Formal advertising or compliance with the formal bidding procedure shall not be required. The city manager, or such person as he shall designate in writing, is authorized to execute any and all title transfers, bills of sale or other documents necessary to convey and transfer such property to the purchaser thereof.

(Code 1981, § 8-26; Ord. No. 1997-22, § 2, 5-6-97; Ord. No. 2004-15, § 2, 7-20-04)

Sec. 2-265. - Waiver of irregularities.

The city council ~~shall have grants the City Manager,~~ the authority to waive any and all nonsubstantial or minor irregularities in any and all formal bids. Any waiver will be noted in any award recommendation to council.

(Code 1981, § 8-29)

Sec. 2-267. - ~~Waiver of bidding~~Bidding requirements.

The city manager shall be responsible for the procurement of supplies, materials, equipment and services paid from city funds. The departments and or offices shall purchase their goods or services through the Division of Purchasing, which is the city's official purchasing agency. All purchases shall comply with State laws, rules, federal regulations or policies. No contract or purchase shall be subdivided to avoid the requirements of this article. The city manager is authorized to purchase commodities or services when the total amount does not exceed \$25,000; however, where more than one purchase or expenditure is made or entered into in connection with and directly related to the same project, the cumulative value of such purchases or expenditures may not exceed \$25,000 without approval by city council. Expenditures for normal maintenance and operational expenses for city facilities and departments are not considered expenditures for "projects", and therefore not subject to the cumulative value spending limitation. However, these purchases will follow the informal bidding guidelines outlined in the City of Port Orange Purchasing Manual Policies and Procedures, to insure cost efficiency and maximize competition.

Purchases exceeding \$25,000 shall be approved by city council except for goods and/or services that do not lend themselves to the normal competitive bidding process wherein the city manager has approved and waived the formal bidding requirements, as follows:

Maintenance and/or service contracts, on various types of technical equipment that are offered and/or supplied only by the original manufacturer or its representative, or that are required to maintain the integrity of the manufacturer's warranty, or that are part of the manufacturer's rental/lease/lease purchase agreements terms and conditions.

Materials purchased directly from a producer or publisher, an owner of a copyright, an exclusive agent with the state, a governmental agency or a recognized educational institution.

Public or regulated utility services or government franchised services.

Commodities or contractual services determined to only be available from a single source. The city shall electronically or otherwise publicly post a description of the commodities or contractual services for a period of a least seven (7) business days. The description must include a request that prospective vendors provide information regarding their ability to supply the commodities or contractual services described.

~~Purchases from other city or county governmental agencies, other school boards, community colleges, Federal agencies, or governmental agencies of any state, when the awarded contract by the other entity permits purchases by the City on the same terms, conditions, and prices (or below such prices) and the purchase is considered economically advantageous to the City.~~

~~Commodities or contractual services determined to be available from a single source. The City shall electronically or otherwise publicly post a description of the commodities or contractual services for a period of a least seven (7) business days. The description must include a request~~

Comment [GJ1]: The original proposed revision of code could be amended by adding the following requirement: "These purchases shall be subject to ratification by the City Council on a quarterly basis or as soon as practicable."

Formatted: Font color: Text 1

Formatted: Indent: Left: 0.5"

Formatted: Indent: Left: 0.5"

that prospective vendors provide information regarding their ability to supply the commodities or contractual services described.

Professional services, except as otherwise provided for in Florida Law, contracts for professional services, (which include but not limited to services provided by attorneys, accountants, actuaries, lobbyists and financial advisors) may be made or entered into by the city manager without utilizing a sealed competitive bid method or the written quotations method.

Admission fees

Association fees, Professional association dues

License fees and agreements

Media Advertising (newspaper, radio, television, etc.)

Permit fees

Petty cash replenishment

Postage

Registration fees

State fees (unemployment compensation)

Travel reimbursement

Insurance coverage or claims expenditures as provided in the insurance fund, excepting however, damage to city owned property.

Supplies, equipment and vehicles purchased at a public auction.

Purchases from other governmental agencies including school boards, community colleges, federal agencies, and agencies from other states, when the awarded contract by the other entity permits purchases by the city on the same terms, conditions, and prices (or below such prices) and the purchase is considered economically advantageous to the city.

Purchase, sale, lease or rental of real property.

The requirements for formal bidding may be waived for the following:

(a) Where there is a sole source.

(b) Where standardization is determined to be in the best interest of the city.

Formatted: Indent: Left: 0.5"

Formatted: Indent: Left: 0.8"

- ~~(c) Where solicitation of bids is otherwise deemed to be inappropriate.~~
- ~~(d) Where a maximum storage capacity for supplies is not conducive to solicitation of bids.~~
- ~~(e) Where the need for replenishment of supplies on a timely basis is not conducive to solicitation of bids.~~
- ~~(f) Where the market is not conducive to solicitation of bids.~~
- ~~(g) Materials purchased directly from a producer or publisher, an owner of a copyright, an exclusive agent with the state, a governmental agency or a recognized educational institution.~~
- ~~(h) Insurance coverage or claims expenditures as provided in the insurance fund, excepting, however, damage to city owned property.~~
- ~~(i) Commodities from established State of Florida, PRIDE, RESPECT, government pricing or federal General Services Administration contracts.~~
- ~~(j) Purchase, sale, lease or rental of real property.~~
- ~~(k) Certain professional services, design build, guaranteed maximum payment construction or fast track construction, which shall be conducted in accordance with accepted industry practices or as required by state law.~~
- ~~(l) Public utility services.~~
- ~~(m) Supplies, equipment and vehicles purchased at public auction.~~

~~(n)~~ The purchase of certain items for resale ~~are~~ exempt from the requirements for multiple quotations for purchases ~~of less than \$12,000.00 not exceeding the \$25,000~~ formal bid threshold. It should be noted, however, that it is always in the best interest and the intent of the city to obtain the most advantageous pricing possible. These purchases shall comply with the restrictions listed below:

- (1) Items purchased shall be exclusively for resale;
- (2) Items with brand name specifications significant to their retail sales appeal; and
- (3) The items, after reasonable expected resale, will result in no cost to the city.

In such cases, the purchase of materials, supplies, equipment and contractual services may be made by negotiation without regard to the estimated cost, but only with the prior approval of the city council.

Contract Renewals

~~The City shall have the authority to award bids and reject any or all bids. The City Manager shall have the authority to exercise, in subsequent years, any renewal options initially included in the bid solicitation, provided terms and conditions as well as current market conditions are favorable for the City. Such renewals are subject to the availability of funds.~~

Identical Prices-Priorities for aAward

When identical prices are received from two (2) or more vendors and all other factors are equal, priority for award shall be given to vendors in the following sequence.

1. Drug Free Workplace- Pursuant to Florida Statute 28-067
2. Certified service-disabled veteran
3. Local vendor

Formatted: Indent: Left: 1.1"

Formatted: Indent: Left: 1.13"

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

4. Firm with the lowest volume of work on City projects within the last five (5) years. The information will be based on information provided by the Proposer, subject to verification at the City's option.e)

(Code 1981, § 8-32; Ord. No. 1997-22, § 4, 5-6-97; Ord. No. 2001-86, § 1, 11-13-01)

Sec. 2-271. - Emergency purchases.

Situations may arise whereby an exception to the City's policies and procedures may be required. Emergency purchases represent one of the potential situations. Emergency is defined as an unplanned or unexpected event that requires immediate action in order to prevent or remedy a service outage; or to prevent or remedy a situation that presents an immediate danger to human life, health or safety or a significant loss or damage to property, and where failure to take immediate action would enhance the risk of loss or prolong the delay in restoring service to Customers. Routine repairs and planned refurbishment do not constitute emergencies. Therefore, the City may dispense with requirements for competitive solicitations and the City Manager may acquire or contract for non-real property, goods, or services required in contemplation of, preparation for, or during an emergency. Emergency acquisitions of non-real property, goods or services where the expenditure by the City is estimated to exceed \$25,000.00 shall be subject to ratification by the City Council at the next regularly scheduled meeting or as soon as practicable. The requesting department shall state the reason for the emergency purchase, and what caused the emergency situation, including a statement of financial or operational damage or risk that will occur if needs are not satisfied immediately. Once a determination has been made, the City may procure commodities or contractual services needed. However, such an emergency purchase shall be made by obtaining pricing information from at least two (2) prospective vendors, which must be documented with the purchase request, unless the City determines that the time required to obtain pricing information will increase the immediate danger to the public health, safety, or welfare or other substantial loss to the City.

- ~~(a) In case of any apparent emergency which requires immediate purchase of supplies, equipment or contractual services, the department head is authorized to secure by open market procedure as herein set forth, at the lowest obtainable price, any such supplies, equipment or contractual services. The department heads are hereby given the authority to act in the case of any emergency that might affect the public health, safety and welfare. Such action shall be reported in writing to the purchasing agent at the beginning of the following workday, and such report shall be presented to the city manager.~~
- ~~(b) "Emergency" is defined as an incident or accident or equipment breakdown which jeopardizes public health, welfare and safety. During working hours a verbal authorization by the city manager or finance director is required without a purchase order being required. If an emergency occurs during nonworking hours or on weekends, the appropriate department head or his designee is authorized to correct the problem. Proper paperwork must follow within one working day. "Emergency" is further defined as a situation where probable legal problems and/or adverse financial consequences could result and sufficient time is not available to follow the bid requirements of this article. In a situation such as this, the city manager is granted authority to correct the problem even if the price exceeds \$25,000.00. Unless sole source, at least three telephone bids are required and an immediate written report must be made to the city council if the price exceeds \$25,000.00. Where possible, council approval must be received prior to authorization.~~

(Code 1981, § 8-36; Ord. No. 1997-22, § 7, 5-6-97; Ord. No. 2004-15, § 6, 7-20-04)



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Second Reading - Ordinance No. 2015-20 - Amending Police Pension Fund for Internal Revenue Code Compliance

DEPARTMENT: Administrative Services

RECOMMENDED MOTION: Move to adopt Ordinance No. 2015-20 on second reading, amending Chapter 54, Section 54-139(a)(14), Port Orange Code of Ordinances, relating to Police Pension Fund Internal Revenue Code compliance.

SUMMARY: The attached ordinance has been recommended for adoption by the Board of Trustees of the Port Orange Police Pension Fund. This ordinance amendment is to ensure compliance with the favorable determination letter received from the Internal Revenue Service regarding the qualified status of the Plan.

The proposed amendment adds differential wage payments as compensation for the purpose of determining the maximum amount of retirement income. Differential wage payment is voluntary; employers are not required by law to make such payments. The City of Port Orange does not currently provide for differential wage payment for military service.

The actuarial impact statement from the Plan Actuary is included with this agenda item. The Plan Actuary, Chad M. Little, ASA, EA, has determined that the proposed ordinance will have no material impact on the cost of the Plan.

Project Funding Account
No.: No.:

ATTACHMENTS:

1.	Ord. No. 2015-20	Ord. No. 2015-20.pdf
2.	Actuarial Impact Statement	Actuarial Statement.pdf
3.	IRS Determination Letter	IRS Determination (Issued 18Nov2014).pdf

Fenwick, Robin

Created/Initiated - 05/21/2015

ORDINANCE NO. 2015-20

**AN ORDINANCE OF THE CITY OF PORT ORANGE,
VOLUSIA COUNTY, FLORIDA, AMENDING THE
CITY OF PORT ORANGE POLICE PENSION FUND
TO PROVIDE FOR COMPLIANCE WITH SECTION
401(a) OF THE INTERNAL REVENUE CODE BY
AMENDING SECTION 54-139(a)(14), INTERNAL
REVENUE CODE COMPLIANCE; PROVIDING FOR
CODIFICATION; PROVIDING FOR REPEAL OF
CONFLICTING ORDINANCES; PROVIDING FOR
SEVERABILITY; AND PROVIDING AN EFFECTIVE
DATE.**

WHEREAS, on January 30, 2014, an application was filed with the Internal Revenue Service for a Favorable Determination Letter regarding the qualified status of the Plan under Section 401(a) of the Internal Revenue Code; and

WHEREAS, on November 18, 2014, the Internal Revenue Service issued a Favorable Determination Letter, finding that the Plan complies with all qualification requirements; and

WHEREAS, the Favorable Determination Letter is subject to the timely adoption of the amendments provided herein, and

WHEREAS, the trustees of the City of Port Orange Police Pension Fund has requested and approved such amendments as being in the best interests of the participants and beneficiaries as well as improving the administration of the plan, and

WHEREAS, the City Council has received and reviewed an actuarial impact statement related to this change and attached as such; and

WHEREAS, the City Council deems it to be in the public interest to provide this change to the retirement plan;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA AS FOLLOWS:

Section 1. Subsection (a)(14), *Maximum Pension* of Section 54-139, *Internal Revenue Code Compliance*, of the City of Port Orange Police Pension Fund is hereby amended as follows:

Sec. 54-139. Internal Revenue Code Compliance.

(a) *Maximum Amount of Retirement Income.*

...

- (14) For the purpose of applying the limitations set forth in Sections 401(a)(17) and 415 of the Internal Revenue Code, Compensation shall include any elective deferral (as defined in Code Section 402(g)(3) of the Internal Revenue Code), and any amount which is contributed or deferred by the employer at the election of the Member and which is not includible in the gross income of the Member by reason of Section 125 or 457 of the Internal Revenue Code. For limitation years beginning on and after January 1, 2001, for the purposes of applying the limitations described in this Subsection (a), compensation paid or made available during such limitation years shall include elective amounts that are not includible in the gross income of the Member by reason of Section 132(f)(4) of the Internal Revenue Code. For limitation years on or after July 1, 2007, compensation shall include payments that otherwise qualify as compensation and that are made by the later of: (a) 2 and ½ (two and one-half) months after severance from employment with the employer, and (b) the end of the limitation year that includes the date of severance. With respect to plan years beginning on or after December 31, 2008, Compensation shall also include differential wage payments within the meaning of Section 3401(h)(2) of the Internal Revenue Code.

Section 2. Specific authority is hereby granted to codify and incorporate this ordinance in the existing Code of Ordinances of the City of Port Orange.

Section 3. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provision or applications of this ordinance which can be given effect without the invalid provision or application, and to this and the provisions of this ordinance are declared severable.

Section 5 This ordinance amendment shall take effect on adoption.

MAYOR ALLEN GREEN

ATTEST:

Robin L. Fenwick, City Clerk

Passed on first reading on the _____ day of _____, 2015.

Passed and adopted on second and final reading on the _____ day of _____, 2015.

Reviewed and Approved: _____
Margaret T. Roberts, City Attorney



March 17, 2015

Karan Rounsavall
Pension Administrator
City of Port Orange Police Officers' Pension Fund
3695 Indian River Drive
Cocoa FL 32926

Re: Impact of Proposed IRC Compliance Ordinance

Dear Karan:

As requested, we have determined the impact associated with revising the provisions of the City of Port Orange (the City) Police Officers' Pension Fund (the Plan) to meet the requirements under the current Internal Revenue Code (the IRC). This letter outlines our understanding of the proposed changes and summarizes the actuarial cost impact on the Plan. The changes are summarized as follows:

Section	Amendment
54-139(a)(14)	Added language for compliance with the Internal Revenue Code.

Actuarial Impact

The total amount of benefits payable under the Plan is not anticipated to be affected by this change in Plan provisions. Therefore, there is no material impact to the cost of Plan.

Please let us know if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, which appears to read "Chad Little", is positioned above the printed name and title of the signatory.

Chad M. Little, ASA, EA
Partner, Consulting Actuary

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 13 2014

CITY OF PORT ORANGE FL
C/O SUGARMAN & SUSSKIND PA
DAVID E ROBINSON
100 MIRACLE MILE STE 300
CORAL GABLES, FL 33134

Employer Identification Number:
59-6000412
DLN:
17007035055024
Person to Contact:
DWAYNE T MASON ID# 31037
Contact Telephone Number:
(513) 263-4750
Plan Name:
CITY OF PORT ORANGE POLICE PENSION
PLAN
Plan Number: 001

Dear Applicant:

We have made a favorable determination on the plan identified above based on the information you have supplied. Please keep this letter, the application forms submitted to request this letter and all correspondence with the Internal Revenue Service regarding your application for a determination letter in your permanent records. You must retain this information to preserve your reliance on this letter.

Continued qualification of the plan under its present form will depend on its effect in operation. See section 1.401-1(b)(3) of the Income Tax Regulations. We will review the status of the plan in operation periodically.

The enclosed Publication 794 explains the significance and the scope of this favorable determination letter based on the determination requests selected on your application forms. Publication 794 describes the information that must be retained to have reliance on this favorable determination letter. The publication also provides examples of the effect of a plan's operation on its qualified status and discusses the reporting requirements for qualified plans. Please read Publication 794.

This letter relates only to the status of your plan under the Internal Revenue Code. It is not a determination regarding the effect of other federal or local statutes.

This determination letter gives no reliance for any qualification change that becomes effective, any guidance published, or any statutes enacted, after the issuance of the Cumulative List (unless the item has been identified in the Cumulative List) for the cycle under which this application was submitted.

This determination is subject to your adoption of the proposed amendments submitted in your letter dated 10/28/14. The proposed amendments should be adopted on or before the date prescribed by the regulations under Code section 401(b).

This determination letter is based solely on your assertion that the plan is entitled to be treated as a Governmental plan under section 414(d) of the

Letter 2002

CITY OF PORT ORANGE FL

Internal Revenue Code.

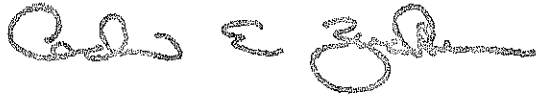
This determination letter is applicable to the plan and related documents submitted in conjunction with your application filed during the remedial amendment cycle ending 1/31/14.

This letter may not be relied on after the end of the plan's first five-year remedial amendment cycle that ends more than 12 months after the application was received. This letter expires on January 31, 2019. This letter considered the 2012 Cumulative List of Changes in Plan Qualification Requirements.

We have sent a copy of this letter to your representative as indicated in the Form 2848 Power of Attorney or appointee as indicated by the Form 8821 Tax Information Authorization.

If you have questions concerning this matter, please contact the person whose name and telephone number are shown above.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Andrew E. Zuckerman', with a stylized flourish at the end.

Andrew E. Zuckerman
Director, EP Rulings & Agreements

Enclosures:
Publication 794

Letter 2002



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Second Reading - Ordinance No. 2015-21 - Amending City Code Section 18-230(5) to allow wrecker storage business within a seven-mile instead of five-mile radius of the City

DEPARTMENT: Police Services

RECOMMENDED MOTION: To approve Ordinance No. 2015-21, amending Section 18-230 of the City Code, "Wrecker services agreement required".

SUMMARY: This proposed ordinance amendment would modify Section 18-230 paragraph (5) of the City Code to expand the location of the wrecker storage business allowed to serve the City from within a five-mile radius of the Port Orange city limits to within a seven-mile radius. The intent of expanding the radius is to increase the number of eligible bidders for the City's wrecker bid.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Ord. No. 2015-21	.pdf
----	------------------	------

Fenwick, Robin

Created/Initiated - 05/21/2015

ORDINANCE NO. 2015-21

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 18-230 RELATING TO LOCATION OF WRECKER SERVICE PROVIDER IN RELATION TO CITY LIMITS; PROVIDING FOR CODIFICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council wishes to encourage more competition among prospective contractors seeking award of the wrecker services agreement; and

WHEREAS, the City Council recognizes that increasing the radius for prospective bidders will increase the number of potential bidders that may submit proposals while only minimally impacting the potential trip length of citizens utilizing the services; and

WHEREAS, for purposes of this Ordinance text with underlined (underlined) type shall constitute additions to the original text and text with strike-through (~~strike-through~~) type shall constitute deletions to the original text;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

SECTION 1. The City Council of the City of Port Orange, Florida hereby amends Section 18-230 of the Code of Ordinances to read as follows:

Sec. 18-230. - Wrecker services agreement required.

A wrecker services agreement shall be required which shall include the following terms and conditions:

- (1) Performance bond in the amount of \$50,000.00 or a letter of credit guaranteeing performance of the wrecker service agreement;
- (2) Towing for city and seized vehicles;

- (3) Storage and equipment to meet police department specifications and contract requirements approved by the police chief;
- (4) The wrecker service shall respond within 20 minutes, 24 hours per day/seven days per week;
- (5) The wrecker storage and business office shall be located within a ~~five~~ seven-mile radius of the Port Orange city limits;
- (6) The city shall inspect the wrecker service business on 24 hours' notice;
- (7) The wrecker service entity as legally organized shall provide and maintain a complete listing of employees;
- (8) The wrecker service shall be required to maintain books and records;
- (9) The city shall have the right to cancel;
- (10) Penalties for wrecker service late arrival; and
- (11) The city shall have the right to terminate upon breach.
- (12) The minimum monthly fee shall not be less than \$5,000.00 monthly.

SECTION 2. The provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Port Orange and the Sections of this Ordinance may be renumbered or re-lettered to accomplish such intention. The Code codifier is granted liberal authority to codify the provisions of this Ordinance.

SECTION 3. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 4. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

SECTION 5. This ordinance shall become effective immediately upon final passage by the City Council.

MAYOR ALLEN GREEN

ATTEST:

Robin L. Fenwick, CMC, City Clerk

Passed on first reading on the day of _____, 2015

Passed and adopted on second and final reading on the day of _____, 2015

Reviewed and Approved: _____
Assistant City Attorney



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Second Reading - Ordinance No. 2015-22 - Amending Sex Offender Residency Restriction

DEPARTMENT: Police Services

RECOMMENDED MOTION: Move to approve Ordinance No. 2015-22 on second reading.

SUMMARY: This amendment is proposed to protect our residency restriction ordinance against potential constitutional challenge regarding ex post facto application and to avoid confusion regarding the establishment of residency.

The proposed amendment will strengthen the enforceability of the City's residency restrictions for sex offenders.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Ord. No. 2015-22	Ord. No. 2015-22.pdf
----	------------------	----------------------

Fenwick, Robin

Created/Initiated - 05/21/2015

ORDINANCE NO. 2015-22

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 46-63 RELATING TO SEX OFFENDER RESIDENCY RESTRICTION; AMENDING SECTION 46-64 RELATING TO EXCEPTIONS TO THE SEX OFFENDER RESIDENCY RESTRICTION; PROVIDING FOR CODIFICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council wishes to amend its sexual offender residency restriction to strengthen its enforceability; and

WHEREAS, for purposes of this Ordinance text with underlined (underlined) type shall constitute additions to the original text and text with strike-through (~~strike-through~~) type shall constitute deletions to the original text;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

SECTION 1. The City Council of the City of Port Orange, Florida hereby amends Section 46-63 of the Code of Ordinances to read as follows:

Sec. 46-63. - Residency restriction.

It is unlawful for any person to ~~establish permanent or temporary residence~~ reside within 2,500 feet of any child care facility, park, playground or school who has been convicted of a violation of F.S. § 794.011 (sexual battery), 800.04 (lewd and lascivious acts on/in presence of persons under age 16), 827.071 (sexual performance by a child), 847.0135(5) (sexual acts transmitted over computer) or 847.0145 (selling or buying of minors for portrayal in sexually explicit conduct), or a similar law of another jurisdiction, regardless of adjudication, in which the victim or apparent victim of the offense was less than 16 years of age.

SECTION 2. The City Council of the City of Port Orange, Florida hereby amends Section 46-64 of the Code of Ordinances to read as follows:

Sec. 46-64. - Exceptions.

This ~~section~~ article shall not apply if any of the following apply:

- (1) The person established the permanent residence or temporary residence, and reported and registered pursuant to F.S. § 775.21, 943.0435 or 944.607, prior to January 22, 2014, and has since then continually maintained residency at the subject location ~~the first reading of this article.~~
- (2) The child care facility, park, playground or school was opened after the person established the permanent residence or temporary residence and reported and registered pursuant to F.S. § 775.21, 943.0435 or 944.607, and the person has subsequently continually maintained residency at the subject location.
- (3) The person was convicted within the State of Florida for violation of F.S. § 794.011 (sexual battery), 800.04 (lewd and lascivious acts on/in presence of persons under age 16), 827.071 (sexual performance by a child), 847.0135(5) (sexual acts transmitted over computer) or 847.0145 (selling or buying of minors for portrayal in sexually explicit conduct) prior to January 22, 2014 ~~October 1, 2004.~~
- (4) The person was convicted outside of the State of Florida for a violation similar to F.S. § 794.011 (sexual battery), 800.04 (lewd and lascivious acts on/in presence of persons under age 16), 827.071 (sexual performance by a child), 847.0135(5) (sexual acts transmitted over computer) or 847.0145 (selling or buying of minors for portrayal in sexually explicit conduct) prior to January 22, 2014 ~~May 26, 2010.~~
- (5) The person was a minor when he/she committed the offense and was not convicted as an adult.

For the purpose of this section, any person incarcerated for 30 or more consecutive days shall be considered to have abandoned any previously established

residency and shall no longer be eligible for an exception requiring residency to be continually maintained.

SECTION 3. The provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Port Orange and the Sections of this Ordinance may be renumbered or re-lettered to accomplish such intention. The Code codifier is granted liberal authority to codify the provisions of this Ordinance.

SECTION 4. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

SECTION 6. This ordinance shall become effective immediately upon final passage by the City Council.

MAYOR ALLEN GREEN

ATTEST:

Robin L. Fenwick, CMC, City Clerk

Passed on first reading on the day of _____, 2015

Passed and adopted on second and final reading on the day of _____, 2015

Reviewed and Approved: _____
Assistant City Attorney



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Civil Service Board Appointment

DEPARTMENT: City Clerk

RECOMMENDED MOTION: Move to re-appoint Wayne Wilcox to the Civil Service Board

SUMMARY: Wayne Wilcox's term on the Civil Service Board has expired; however, he has expressed an interest to be re-appointed to the Board. Mr. Wilcox has served on the Board since 2008. The new term will expire in May 2017.

There is one other opening on the Board but no other applications have been received at this time.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

Fenwick, Robin

Created/Initiated - 05/28/2015



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Port Orange Elementary Schools Art Contest Winners

DEPARTMENT: Police Services

RECOMMENDED MOTION: Recognition of the winners at all six Port Orange Elementary Schools by the Mayor and City Council and presentation of the new bicycles and certificates to the winners of the 2015 Port Orange Elementary Schools Art Contest.

SUMMARY: The Port Orange Police Department is promoting crime prevention in the City of Port Orange by sponsoring a Crime Prevention Art Contest at all six elementary schools in Port Orange - kindergarten through fifth grade. First place winners from each of the six elementary schools will receive a certificate, a new bicycle and a new bicycle helmet.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

Grabowski, Debbie
Monahan, Gerald
Harden, David

Created/Initiated - 03/16/2015
Approved - 03/16/2015
Final Approval - 03/16/2015



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Financial Audit Presentation from James Moore

DEPARTMENT: Finance

RECOMMENDED MOTION: Accept the draft Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2014 as presented.

SUMMARY: Auditors from James Moore will be here to present the draft Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2014. The report will remain in draft form until the Police Pension's Actuarial Valuation Report is accepted, which is currently scheduled to occur at a June 11, 2015 special meeting. Thereafter, the CAFR will be finalized and added to the Council's agenda.

The draft CAFR will be transmitted separately.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	CAFR - Draft	Port Orange CAFR Draft - FY14 - 5-29-15.pdf
----	--------------	---

Fenwick, Robin
Riehm, Tracey

Created/Initiated - 05/20/2015
Final Approval - 05/28/2015

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

CITY OF PORT ORANGE, FLORIDA

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

DRAFT

Prepared by:
Finance Department
Tracey Riehm, Finance Director

Table of Contents

Introductory Section

Table of Contents	i - iii
Principal City Officials	1
Letter of Transmittal.....	2 - 5
Organizational Chart.....	6
Certificate of Achievement for Excellence in Financial Reporting	7

Financial Section

Independent Auditors' Report.....	8 - 10
Management's Discussion and Analysis.....	11 - 24
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	26
Statement of Activities.....	27
Fund Financial Statements	
Balance Sheet—Governmental Funds	28
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position.....	29
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds.....	30
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	31
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	32
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Eastport Business Center CRA.....	33
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Town Center CRA.....	34
Statement of Net Position – Proprietary Funds.....	35
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	36
Statement of Cash Flows – Proprietary Funds	37
Statement of Fiduciary Net Position – Fiduciary Funds	38
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	39
Notes to Financial Statements	40 - 86
Required Supplementary Information	
Modified Approach for Reporting Infrastructure Assets.....	87 - 88
Schedules of Funding Progress	89
Schedules of Contributions from Employer and Other Contributing Entities	90
Schedules of Changes in Net Pension Liability and Related Ratios	91
Schedule of Contributions – General Employee's Plan	92
Schedule of Contributions – Police Plan.....	93
Schedule of Contributions – Fire Plan	94
Schedules of Investment Returns	95

Combining Nonmajor Governmental Funds Financial Statements and Other Schedules	
Combining Balance Sheet – Nonmajor Governmental Funds	97 - 98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	99 - 100
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Business Development	101
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Recreation Facilities	102
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Community Development Building	103
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Community Development Block Grant	104
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Debt Service Funds	105
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Construction	106
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Transportation Capital Projects	107
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Capital Improvement Bond Construction	108
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Fire Impact	109
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Transportation Impact	110
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Obligation Capital Projects	111
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Capital Replacement	112
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Economic Development Capital	113
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Town Center Bond Project	114
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – 2014 Capital Improvement Bond Projects	115
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Recreation Impact	116
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Combining Statement of Net Position – Internal Service Funds	117
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	118
Combining Statement of Cash Flows – Internal Service Funds	119

Statistical Section

Table I	Net Position by Component – Last Ten Fiscal Years.....	121
Table II	Changes in Net Position – Last Ten Fiscal Years.....	122
Table III	Fund Balances – Governmental Funds – Last Ten Fiscal Years	123
Table IV	Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	124
Table V	Tax Revenues by Source – Governmental Funds – Last Ten Fiscal Years	125
Table VI	Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	126
Table VII	Property Tax Rates and Tax Levies – All Direct and Overlapping Governments - Last Ten Fiscal Years	127
Table VIII	Principal Property Taxpayers – Current and Nine Years Ago.....	128
Table IX	Property Tax Levies and Collections – Last Ten Fiscal Years.....	129
Table X	Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	130
Table XI	Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years.....	131
Table XII	Direct and Overlapping Governmental Activities Debt	132
Table XIII	Pledged Revenue Coverage – Last Ten Fiscal Years	133
Table XIV	Demographic and Economic Statistics – Last Ten Fiscal Years	134
Table XV	Principal Employers	135
Table XVI	Full-Time Equivalent Government Employees by Function/Program - Last Ten Fiscal Years	136
Table XVII	Operating Indicators by Function/Program – Last Ten Fiscal Years	137
Table XVIII	Capital Asset Statistics by Function/Program – Last Ten Fiscal Years.....	138

Single Audit

Schedule of Expenditures of Federal Awards and State Financial Assistance	139
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance	140
Schedule of Findings and Questioned Costs.....	141 - 142
Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance In Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General	143 - 144

Other Reports

Independent Auditors' Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <i>Government Auditing Standards</i>	145 - 146
Independent Auditors' Management Letter Required by Chapter 10.550, Rules of the State of Florida Office of the Auditor General.....	147 - 149
Independent Accountants' Examination Report.....	150
Management's Response to Findings.....	151

City of Port Orange, Florida
Comprehensive Annual Financial Report
For the fiscal year ended September 30, 2014

Mayor

Allen Green

Council Members

District 1—Bob Ford

District 2—Donald O. Burnette

District 3—Drew Bastian

District 4—Scott Stiltner

Interim City Manager

David Harden

City Attorney

Margaret Roberts

City Auditors

James Moore & Co., P.L.



CITY OF PORT ORANGE

1000 CITY CENTER CIRCLE
PORT ORANGE, FLORIDA 32129
TELEPHONE 386-506-5500
FAX 386-756-5290
www.Port-Orange.org

June 11, 2015

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Port Orange.

State law requires that all general-purpose local governments publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. We hereby issue the comprehensive annual financial report of the City of Port Orange for the fiscal year ended September 30, 2014.

This report consists of management's representations concerning the finances of the City of Port Orange. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Port Orange has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Port Orange's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Port Orange's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

James Moore & Co., P.L., a firm of licensed certified public accountants has audited the City of Port Orange's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Port Orange for the fiscal year ended September 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Port Orange's financial statements for the fiscal year ended September 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

"Growing In Beauty and Opportunity"

The independent audit of the financial statements of the City of Port Orange was part of a broader, state mandated “Single Audit” designed to meet the special needs of state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of state awards. These reports are available in the City of Port Orange’s separately issued Single Audit Report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

Profile of Government

The City of Port Orange, incorporated in 1925, is located in east central Florida. Central Florida ranks as one of the fastest growing areas in the United States, and the City of Port Orange has followed this pattern steadily, growing from a population of 3,700 people in 1973 to an estimated 57,467 in 2014. The City of Port Orange currently occupies a land area of 28.8 square miles.

The City of Port Orange has operated under the council-manager form of government with a City Council consisting of the Mayor and four other members. The Mayor and Council members are non-partisan and elected to serve four year staggered terms. The Council is the governing board and has legislative responsibilities including setting policy, adopting ordinances and resolutions, adopting an annual millage rate and budget, appointing committees, and appointing both the City Manager and Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing body, for overseeing the day-to-day operations of the City and for appointing the heads of various departments.

Port Orange provides a full range of services, including police, fire and rescue, street construction and maintenance, planning and zoning, parks and recreation, cultural events and general administrative services. In addition, water and sewer service, solid waste collection, stormwater and golf course are provided under an Enterprise Fund concept with user charges established by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Vehicle maintenance, building maintenance, data processing, lease and replacement, self-insurances and loan pool activities are provided through Internal Service Funds. The City of Port Orange provides water and sewer service outside the city limits, including the City of Daytona Beach Shores, the Town of Ponce Inlet, and certain unincorporated parts of Volusia County. The City of Port Orange contracts with private enterprise for solid waste collection.

The annual budget serves as the foundation for the City of Port Orange’s financial planning and control. All departments of the City of Port Orange are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget that is presented to the City Council. The council is required to hold two public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City of Port Orange’s fiscal year. The appropriated budget is prepared by fund, function and department. Subject to City Manager approval, department heads may make transfers of appropriations within a department. Transfers of appropriations between

departments, however, require approval of the City Council. Budget-to-actual comparisons are provided in this report. The general fund and a major capital project fund comparison are presented as part of the required supplemental information for the City. Other funds are presented in the combining and individual fund statements section.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Port Orange operates.

Local economy: The City of Port Orange currently enjoys a favorable economic environment and local indicators point to continued stability. The City's business district is expected to maintain its current occupancy rate with a variety of stores, specialty shops and commercial businesses. Development and construction of Commercial Retail Space is expected to be steady during the foreseeable future, fueled by local and regional populations. Meanwhile, residential growth has stabilized.

Cash Management policies and practices: The City's investment policy is to minimize market risks while maintaining a competitive yield on its' portfolio. The majority of investments other than pension funds held by the government during the fiscal year ended September 30, 2014, are classified low risk as defined by the Governmental Accounting Standards Board.

Risk Management: The Risk Management Program includes coverage for exposure with regard to Workers' Compensation, Property Damage, General Liability, Pollution, Errors and Omission, Crime, Boiler and Machinery, Accidental Death and Dismemberment, and Health Maintenance Options. Based on conservative projections adequate reserves are in place to meet loss expectations.

Pension Trust Fund Operations: The Municipal Fireman's, Police Officer's and General Employee's Pension Trust Funds are managed by contracted investment firms which are overseen by the respective pension boards. The pension plans' required funding levels are determined by an annual actuarial evaluation. The City funds these plans based on future benefit obligations. Please see Notes to these financial statements for more information.

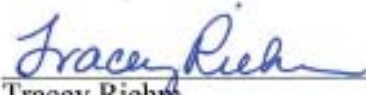
Awards: The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Port Orange for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2013. This was the thirtieth consecutive year that the City of Port Orange has achieved this prestigious award. In order to be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments: The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated and efficient services of the entire staff of the Finance Department. We would like to express our sincere appreciation to each member of the Finance Department team for their contributions to the preparation of this report.

In closing, we wish to express our appreciation to the Mayor and Council for their dedication and leadership.

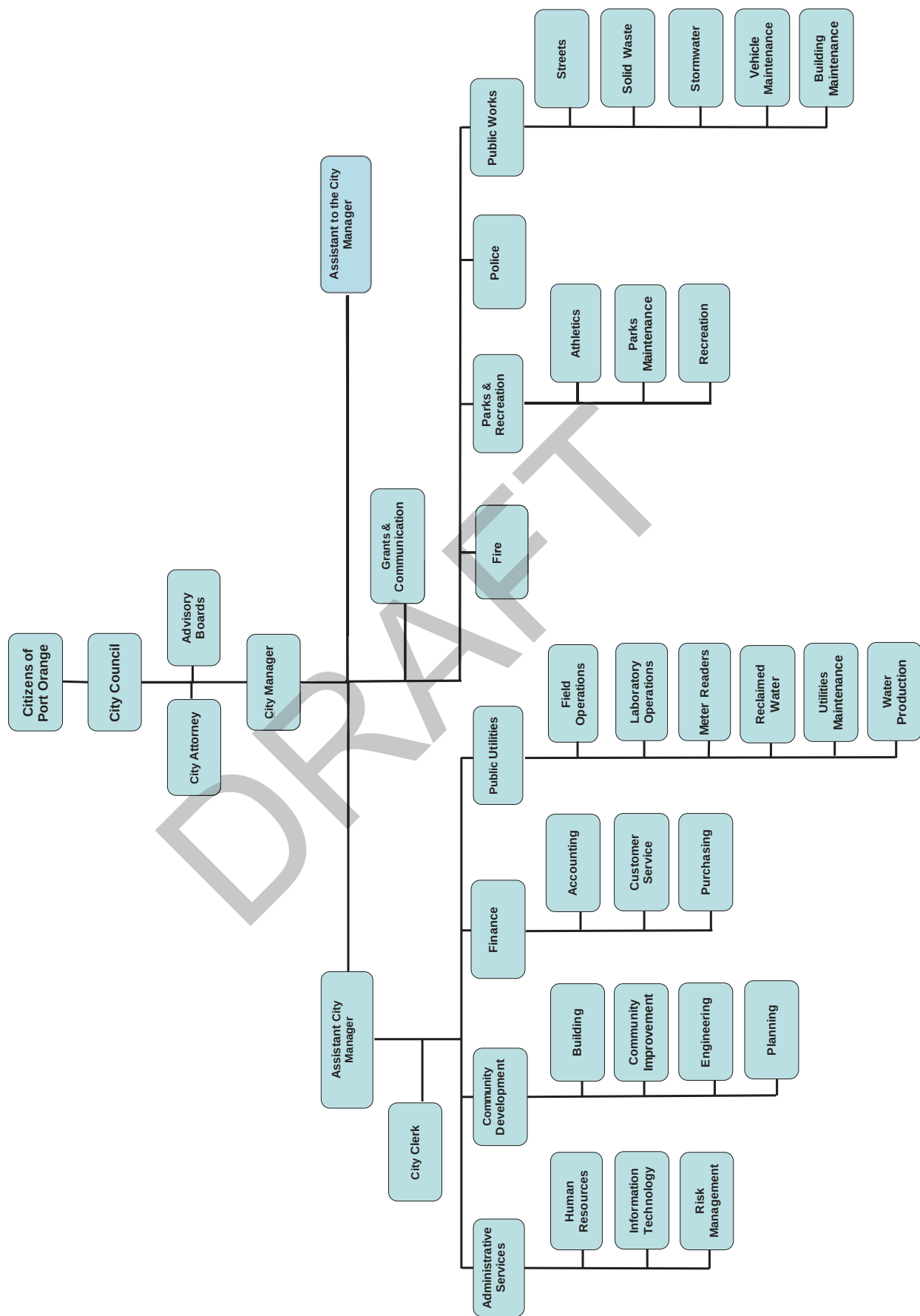
Respectfully submitted,


Tracey Riehm
Finance Director


David Harden

DRAFT

Organizational Chart for the City of Port Orange, Florida





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Port Orange
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013



Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Council, and City Manager,
City of Port Orange, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port Orange, Florida (the City), as of and for the year ended September 30, 2014, 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

The City's 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.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparison for the General, Eastport Business Center CRA, and Town Center CRA funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Emphasis-of-Matter

As discussed in Note (18) to the financial statements, various net position balances as of September 30, 2013, have been restated to correct misstatements. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Port Orange, Florida's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and other schedules, fiduciary fund schedules, supporting schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Section 215.97, Florida Statutes, *Florida Single Audit Act*, is presented for purposes of additional analysis and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and other schedules, fiduciary fund schedules, the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2015, 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 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.

Daytona Beach, Florida
June 11, 2015

 James Moore & Co., P.L.

DRAFT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As financial management of the City of Port Orange, Florida, (hereinafter referred to as the "City"), we offer the readers of these financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$346,533,234 (net position). Of this amount, \$43,549,975 (unrestricted) may be used to meet the government's ongoing obligations to citizens and creditors. Of this unrestricted amount City Council has adopted a policy indicating that the desired net equity reserve should be an amount equal to 15% of the annual budget in the major operating funds (General fund, Water and Sewer fund, Solid Waste, and Stormwater fund) will be reserved for emergencies. The 15% reserve amount for September 30, 2014 was \$10,355,086.
- During the fiscal year the City's total net position increased by \$12,767,817. Of this amount, \$4,868,380 was from governmental sources. Business-type funds produced the remainder increase of \$7,899,437 most of which is attributable to planned capital acquisitions, capital grants, impact fees and developer contributions.
- The City's governmental funds reported combined ending fund balances of \$32,964,443, an increase of \$631,525. This compares to an increase in fund balance of \$3,205,867 in FY13. Approximately 36.9% of this total amount, \$12,150,895, is available for spending at the City's discretion as it is unassigned fund balance. The City continues to maintain a reserve of 15% as defined by City Council policy. Nonspendable amounts representing investments in inventory and prepaids totaled \$428,633 while amounts restricted by enabling legislation and for external purposes totaled \$15,448,966 at year end.
- The City's proprietary funds reported combined ending net position of \$224,913,120 in FY14. This is an increase of \$7,780,330 compared to an increase of \$8,451,517 in the prior year. Approximately 13.1% of the combined ending net position amount, \$29,534,578, is comprised of unrestricted net position which is available for spending at the City's discretion. However as part of the unrestricted amount the City continues to maintain a net equity reserve of 15% of the annual budget amount as defined by City Council policy. Net investment in capital assets totaled \$180,237,227 at year end, compared to \$172,220,505 one year earlier. Other amounts restricted by enabling legislation and external covenants totaled \$15,141,315, compared to \$14,548,813 one year earlier.
- The City's total debt principal decreased by \$6,687,480 during the current fiscal year. This decrease relates to the repayment of debt.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) management's discussion and analysis, 2) the basic financial statements (including government-wide financial statements, fund financial statements and notes to the financial statements), and 3) required supplementary information, including budgetary comparisons and other selected financial and fiduciary fund data. This report also contains other supplementary information.

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 City'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 result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes, licenses and permits, and unrestricted intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works and culture and recreation. The business-type activities of the City include water and sewer, solid waste, stormwater and the golf course. The government-wide financial statements can be found in the "financial section", immediately after this management discussion and analysis.

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. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the citywide 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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a City'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 maintains twenty three individual governmental funds. Twenty of these governmental funds are classified as non-major and are summarized under this heading in the governmental fund presentation.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, other major funds, and non-major governmental funds, all of which are combined into a single, aggregated presentation. Individual fund data for non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 28-32 of this report.

The City legally adopts an annual appropriated budget for its general fund and other governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with this budget.

Proprietary funds The City maintains ten different types of proprietary funds, including enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste, stormwater and golf course activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for data processing, vehicle maintenance, self-insurance, lease and replacement, building maintenance and loan pool activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information of the water and sewer, solid waste, stormwater and golf course activities, which are all considered to be major funds. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 35-37 of this report.

Fiduciary funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 38 and 39 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 40-86 of this report.

Other information In addition to the basic financial statements and accompanying notes, this section presents certain required supplementary information concerning the City's modified approach for reporting infrastructure and schedules of funding progress and employer contributions as it relates to pensions. Please note, targeted road and drainage repair and maintenance costs were not met this year; however, the City has funded these projects in the five-year capital plan. Required supplementary information includes discussions about current condition level compared to target. Please see pages 87-95 of this report. The combining statements referred to earlier in connection with non-major governmental funds, budget versus actual for funds with legal budgets other than the general fund and internal service funds are presented immediately following the other supplementary information. Combining and individual fund statements and schedules can be found on pages 97-119 of this report.

Government-wide Financial Analysis As noted earlier, net position may serve over time as a useful indicator of a City's financial position. Assets exceed liabilities by \$346,533,234 at the close of the most recent fiscal year. By far, the largest portion of the City's net position (77.8%) reflects its investment in

capital assets (e.g. land, buildings, equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of net position as of September 30, 2014 and 2013:

Net Position September 30, (Amounts in \$000's)						
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and other assets.....	\$ 49,484	\$ 50,445	\$ 40,515	\$ 39,269	\$ 89,999	\$ 89,714
Capital assets.....	134,168	128,996	240,127	239,353	374,295	368,349
Total assets.....	<u>183,652</u>	<u>179,441</u>	<u>280,642</u>	<u>278,622</u>	<u>464,294</u>	<u>458,063</u>
Deferred outflows of resources	<u>243</u>	<u>-</u>	<u>721</u>	<u>909</u>	<u>964</u>	<u>909</u>
Liabilities:						
Long-term liabilities.....	41,724	40,576	59,932	66,586	101,656	107,162
Other liabilities.....	<u>4,550</u>	<u>6,298</u>	<u>12,520</u>	<u>11,972</u>	<u>17,069</u>	<u>18,270</u>
Total liabilities.....	<u>46,274</u>	<u>46,874</u>	<u>72,452</u>	<u>78,558</u>	<u>118,725</u>	<u>125,432</u>
Net assets:						
Investment in capital assets.....	95,288	90,770	174,390	167,342	269,678	258,112
Restricted.....	18,164	17,481	15,142	14,549	33,305	32,029
Unrestricted.....	<u>24,170</u>	<u>24,316</u>	<u>19,379</u>	<u>19,082</u>	<u>43,550</u>	<u>43,399</u>
Total net assets.....	<u>\$ 137,622</u>	<u>\$ 132,567</u>	<u>\$ 208,911</u>	<u>\$ 200,973</u>	<u>\$ 346,533</u>	<u>\$ 333,540</u>

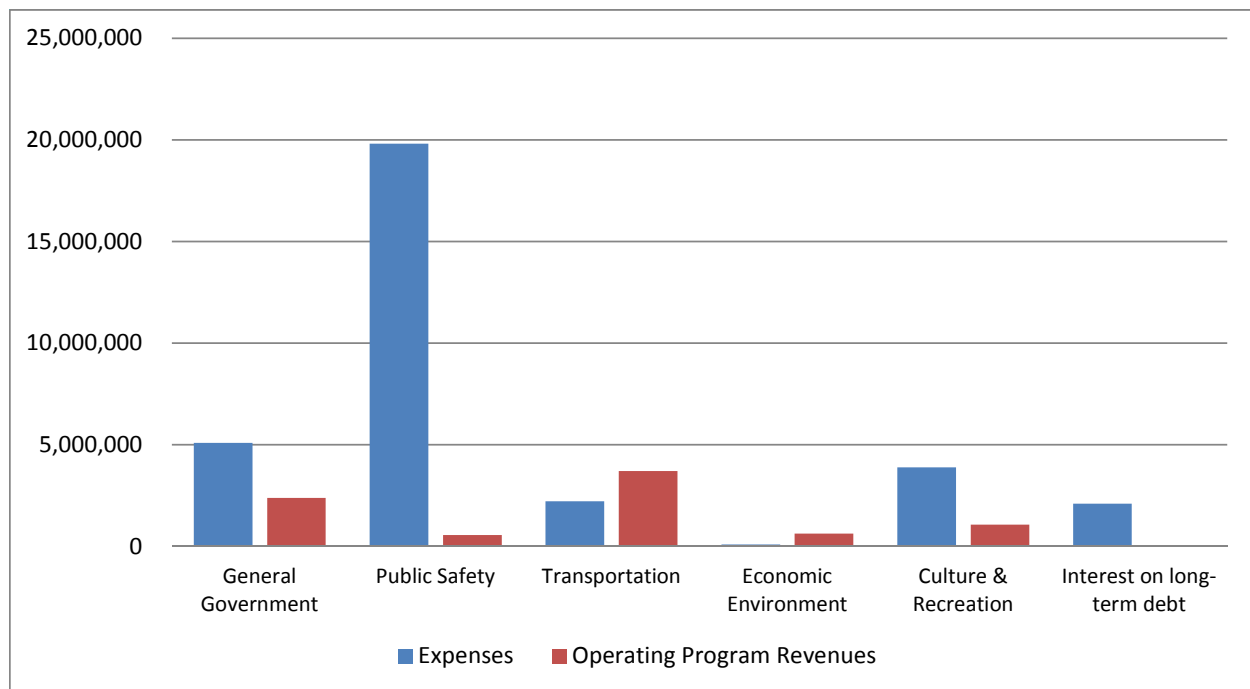
A portion of the City's net position (9.61%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$43,549,975 may be used to meet the government's ongoing obligations. Unrestricted net position include the City Council adopted 15% Net Equity Reserve Policy (15% of total annual expenditures in the General Fund, Water Sewer fund, Solid Waste fund, and Stormwater fund). At the end of the current fiscal year, the City is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year. The City's net position increased by \$12,767,817 during the current fiscal year. A nominal amount of this increase represents the increases in ongoing revenues exceeding similar increases in ongoing expenses. Most of the increase is attributable to a one-time infusion of resources such as capital grants and acquisitions, impact fees, and developer contributions.

The prior year net position shown in the chart above and below have been restated in the current year to \$333,765,417. More information on this restatement can be found in Financial Statement note No. 18 on page 85.

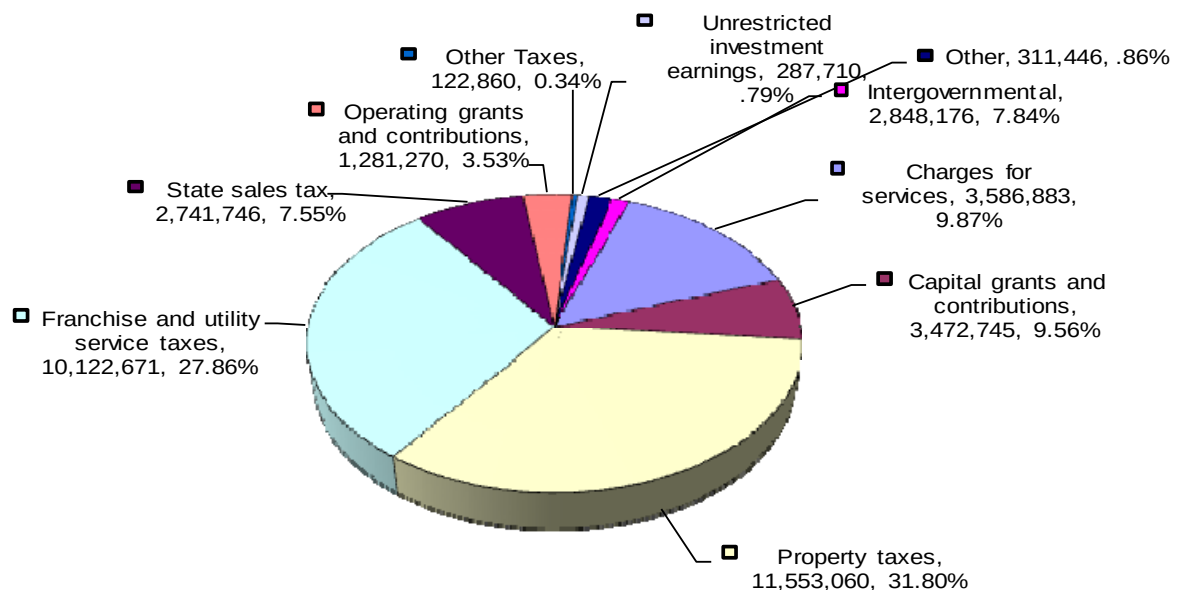
The following is a summary of changes in net position for the years ended September 30, 2014 and 2013:

Change in Net Position Year Ended September 30, (Amounts in \$000's)						
	Governmental Activities		Business-Type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program Revenues:						
Charges for services.....	\$ 3,587	\$ 3,958	\$ 37,417	\$ 35,923	\$ 41,004	\$ 39,881
Operating grants/contributions....	1,281	1,155	-	-	1,281	1,155
Capital grants/contributions.....	3,473	3,716	2,824	3,644	6,297	7,360
General Revenues:						
Property taxes.....	11,553	11,646	-	-	11,553	11,646
Franchise and utility taxes.....	10,123	9,592	-	-	10,123	9,592
State sales taxes.....	2,742	2,591	-	-	2,742	2,591
Other intergovernmental.....	2,971	2,825	-	-	2,971	2,825
Investment earnings.....	288	298	81	83	369	381
Miscellaneous.....	<u>311</u>	<u>500</u>	<u>246</u>	<u>166</u>	<u>558</u>	<u>666</u>
Total revenues.....	<u>36,329</u>	<u>36,281</u>	<u>40,568</u>	<u>39,816</u>	<u>76,898</u>	<u>76,097</u>
Expenses:						
General government.....	5,085	5,509	-	-	5,085	5,509
Public safety.....	19,807	19,193	-	-	19,807	19,193
Transportation.....	2,225	2,017	-	-	2,225	2,017
Economic environment.....	94	111	-	-	94	111
Culture/recreation.....	3,889	3,843	-	-	3,889	3,843
Interest on long-term debt.....	2,100	1,937	-	-	2,100	1,937
Water and Sewer.....	-	-	20,870	19,795	20,870	19,795
Solid Waste.....	-	-	6,456	6,213	6,456	6,213
Stormwater.....	-	-	1,966	1,901	1,966	1,901
Golf Course.....	<u>-</u>	<u>-</u>	<u>1,638</u>	<u>1,551</u>	<u>1,638</u>	<u>1,551</u>
Total expenses.....	<u>33,200</u>	<u>32,610</u>	<u>30,930</u>	<u>29,460</u>	<u>64,130</u>	<u>62,070</u>
Increase (decrease) in net assets before transfers.....	3,129	3,671	9,638	10,356	12,768	14,027
Transfers.....	<u>1,740</u>	<u>1,806</u>	<u>(1,740)</u>	<u>(1,806)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets.....	\$ 4,869	\$ 5,477	\$ 7,898	\$ 8,550	\$ 12,768	\$ 14,027

2014 Expenses and Operating Program Revenues – Governmental Activities



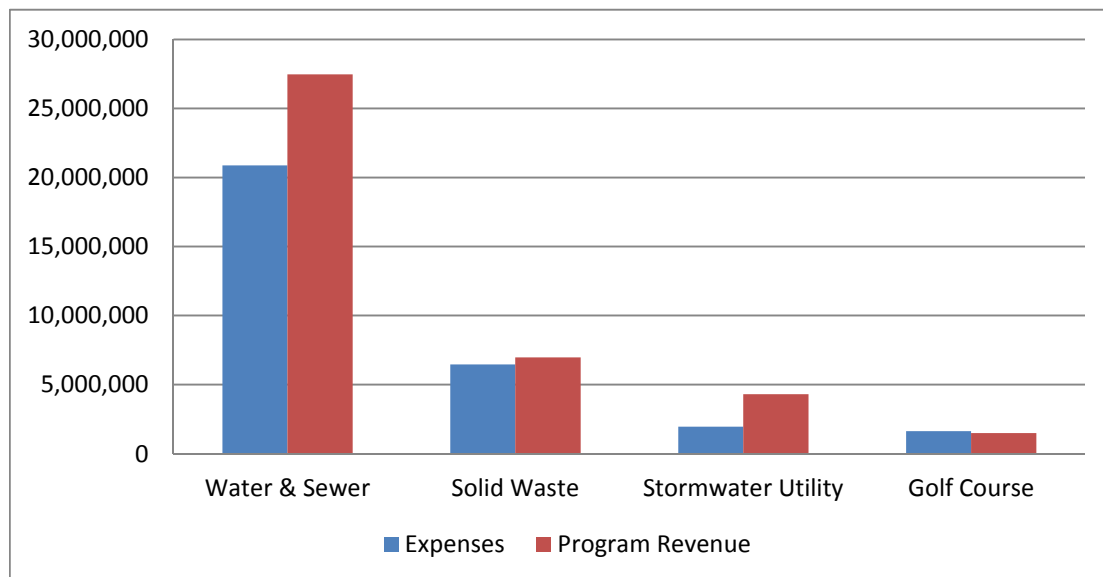
2014 Revenues by Source – Governmental Activities



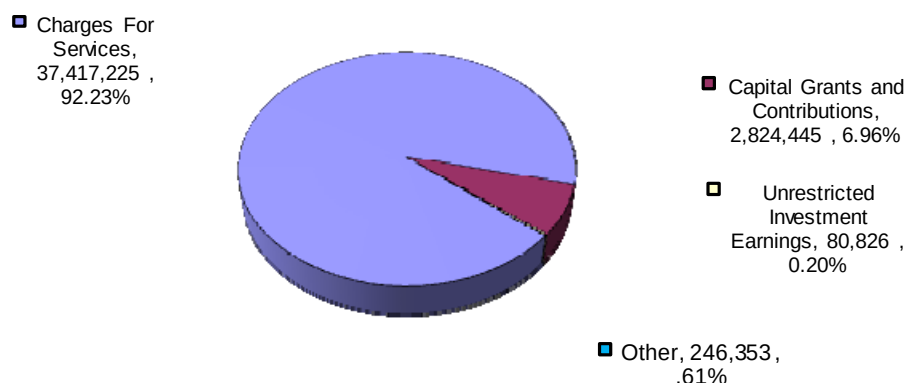
2014 Governmental activities Governmental activities increased the City's net position by \$4,868,380 thereby accounting for 38.1% of the total growth in the net position of the City, as compared to 39.1% in the prior year. The primary element of this change was a decrease of 0.8% in property tax revenue

partially offset by an increase of 5.5% in franchise and utility service tax revenue. Governmental expenses increased 1.8%, mainly due to a \$613,626 increase in public safety expenses.

2014 Operating Expenses and Program Revenues – Business-type Activities



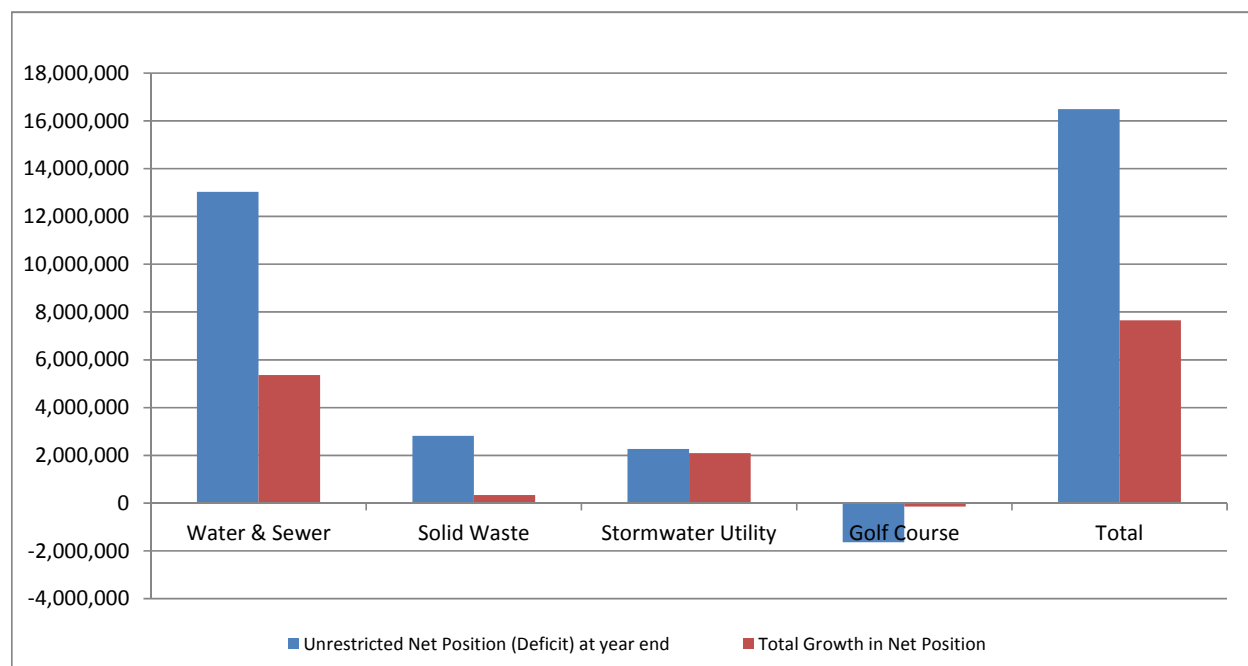
2014 Revenue by Source – Business-type Activities



Business-type activities Business-type activities increased the City's net position by \$7,899,437 accounting for 61.9% of the total growth in the City's net position. This change in growth represents a 1% increase over the prior year. Items of significant variance include:

- Charges for services are the primary source of revenue for water and sewer operations, reporting an increase of \$1,325,886 or 5.57% over the prior fiscal year.
- Capital contributions and grants are a major revenue source for the Water and Sewer Operations and during the current fiscal year produced \$2,824,445 in revenue which was a decrease of \$819,883 from last fiscal year's collections. The amount collected is the result of utility impact fees, water and sewer capital grants and developer infrastructure contributions, all resulting from new construction and development. Impact fees must be used for utility system capital expansion.

2014 Unrestricted Net position and Total Growth – Business-type Activities



Financial Analysis of the City's Funds 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'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's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a City'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 a combined ending fund balance of \$32,964,443, an increase of \$631,525 in comparison with the prior year increase of \$3,205,767. Approximately 36.9% of this total amount, \$12,150,895 constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance (\$20,813,548 or 63.1%), is not available because it has already been allocated to: 1) non-spendable items such as inventories and prepaid expenditures; 2) restricted by enabling legislation or other legal requirements; 3) committed by formal action of City Council; and/or 4) assigned through the City's intent for specific purposes.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$14,034,642 while total fund balance increased to \$16,904,088. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out.

Fund balance of the City's General Fund increased by \$1,231,094 during the current fiscal year. Revenue categories increased during the past year by \$1,132,700. The overall increase was a small percentage of the total General Fund revenues. Increases in taxes, permits and fees, intergovernmental revenue, and charges for services were offset by decreases in fines and forfeitures, and investment income resulting in the overall increase. Expenditures also increased by \$920,793 or 3.2%. The net increase of these changes plus in lieu of tax enterprise funds transfers (based on the City property tax rate multiplied by the City's proprietary real estate excluded for the tax rolls) resulted in a positive change in fund balance. Key factors are summarized as follows:

- An increase in taxes in the amount of \$362,054 or 2.03% was shown during the year. This increase was primarily the result of increased electric utility taxes. Also, electric franchise fees contributed to the \$293,669 increase in permits and fees.
- General Fund charges for services increased by \$391,944 or about 14.67% as compared to the prior year. The majority of the increase relates to culture and recreation charges for services.
- Total general fund expenditures, excluding capital outlay and transfers, increased by \$877,166 or 3.1% compared to prior fiscal year. This increase is primarily the result of increase in public safety activities, due to salary and benefit cost increases.

The special revenue funds are all non-major with exceptions for the Eastport Business Center Community Redevelopment Agency (CRA) and Town Center CRA Funds, both of which receive their primary funding through tax increments. The primary purpose of these CRA funds is to separately report all financial activity of these separate districts. These districts promote and provide economic incentives, infrastructure improvements and an environment conducive for business within the district's boundaries.

Financial information for all other special revenue funds may be found in the Combining Statements – Non-major Governmental Funds, Special Revenue Category. Non-major governmental funds consisting of Special Revenue funds have a fund balance of \$3,053,027. The net decrease in fund balance during the current year in these funds was \$182,933.

Other Non-major Governmental Funds include the Debt Service fund and various Capital Project Funds. The Debt Service fund has a total fund balance of \$2,875,575, which is reserved for the payment of debt service. The decrease in debt service fund balance was as expected at \$2,055,517. This decrease is attributable to the use of funds reserved for debt service requirements during the year.

The Transportation, General Obligation and the Capital Replacement funds, as well as other non-major funds may be found in the Combining Statements – Non-major Governmental Funds, Capital Project Funds Category. The capital project funds contain total fund balances of \$10,246,777. At fiscal year end, the majority of the fund balance was appropriated for infrastructure and facility improvement.

Individual negative fund balances have continued because of financial resources loaned to the Recreation Impact Fund and the Transportation Capital Projects Fund for land acquisition and construction projects. It is expected that these deficit positions will be eliminated with future impact fee collections and earnings. The City is keeping the course with this plan.

Proprietary funds The City's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the enterprise funds at the end of the year amounted to \$16,489,872. The total growth in net position was \$7,653,084, the majority of which was invested in capital assets. Unrestricted net position of the internal service funds at the end of the year amounted to \$13,044,706. The total growth in net position was \$127,246. Other factors concerning the financial position of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The significant variances between the original budget and the final amended budget are briefly summarized as follows:

\$	25,000	Carryover funding for legal services
	6,492	Carryover funding for Leeper Preserve
	50,000	Carryover funding for Riverwalk project
	25,000	Carryover funding for HR Compensation Study
	9,000	Carryover funding for lobbyist
	52,081	Carryover funding for pogTV
	26,139	Carryover funding for Historic Tree Mitigation
	1,757	Carryover funding for Veterans Brick Program
	21,327	Carryover funding for various professional services
	8,881	Carryover funding for legal software
	2,400	Carryover funding for leadership training
	650	Carryover funding for printing
	7,010	Carryover funding for printer
	127,394	Carryover funding for Fire projects and supplies
	26,384	Carryover funding for Police equipment and supplies
	3,499	Carryover funding for Public Works services and supplies
	28,696	Carryover funding for Parks Maintenance contract services and supplies
	26,500	Carryover funding for Parks Furnishings
	112,296	Carryover funding for Skate Park Renovations
	11,000	Carryover funding for Trailer Relocation
	41,867	Carryover funding for Scoreboard Replacements
	7,017	Carryover funding for Recreation equipment, supplies and advertising
	10,109	Carryover funding for HR temporary services
	4,438	Carryover funding for furniture
	303	Carryover funding for Coraci Athletic Complex
	300,000	Grant funding for Coraci Sports Complex
	163,968	Grant funding for Police activities/projects plus misc. donations and forfeiture funds
	10,610	Donation funding for Centennial, Veterans Park and Parks Foundation
	3,189	Funding for Volusia League of Cities dinner
	7,100	Funding for Get Fit Challenge
	4,409	Funding for various donations
	250,000	Equity funding for Dunlawton Medians Phase I project
	35,000	Funding to purchase athletic equipment for Coraci Athletic Complex
	4,188	Funding for recording fees
	14,094	Equity funding for Accounting Manager position
	45,812	Equity funding for Police forfeiture activities
	50,000	Equity funding for the City Manager search
	15,000	Funding for construction inspection services
	5,624	Funding for amenities/athletic equipment at Coraci Athletic Complex
	9,300	Equity funding for salary payouts
	4,336	Funding for Police crime prevention, victim advocate and travel
<u>\$</u>	<u>1,557,870</u>	<u>Total</u>

\$1,276,429 was re-appropriated from unreserved equity or other sources during the year ended September 30, 2014. Of this amount, \$507,673 related to carryover of open encumbrances and existing projects from the prior year. Additional amounts were identified for various operating and project costs.

The significant variances between the final budget and the actual revenues are briefly summarized as follows:

Revenues showed an overall positive variance of \$1,853,783. A portion of the variance, \$760,301, was in various taxes with the majority, \$748,791, coming from utility service taxes. Of this amount, \$676,420 was from electric utility taxes. Permit and fees actual revenues exceeded the budget by \$286,168, most of which came from the FPL franchise fee. Intergovernmental revenue showed a positive budget to actual variance of \$441,460 of which most came from State Share Revenues. The variance of \$163,702 in state revenue sharing proceeds were as a result of the conservative approach taken to budgeting for State revenue sources. The majority of the remaining variance, \$222,860, was in state shared sales tax. There was an additional positive variance of \$190,896 in charges for services revenue. Over half of this variance came from the wrecker services contract with the remaining stemming from one-time development related revenue.

The significant variances between the final budget and the actual expenditures are briefly summarized as follows:

There was an overall positive expense variance in the amount of \$1,307,116. A portion of this variance was the positive variance of \$108,061 for capital outlay as a result of timing delays.

There was a positive variance of \$188,055 in Nondepartmental. Of this amount, \$3,000 related to open encumbrances for legal services as well as \$45,500 related to the Riverwalk project that was carried over to the new fiscal year. In addition, \$25,014 related to the Historic Tree Mitigation project which was also carried over. Another \$8,900 related to the City wide compensation study and \$48,649 for City Manager Search services both of which were carried over into the new fiscal year. Also, \$47,131 of the positive variance was related to funds designated for equipment for pogoTV which was carried over into the new fiscal year.

The Finance and administration functions, which include the Finance department, Human Resource department and City Clerk's office, showed a positive variance of \$193,197. The majority of this variance, \$129,107, was in personnel costs due to various vacancies. A positive variance was shown in professional services of \$30,477 for actuary, audit, and other professional services some of which were carried over into the new fiscal year. An additional \$10,123 positive variance was from unused advertising budget. The remaining positive variance was in relation to the Finance and administrative functions operating budget.

The positive variance of \$93,270 for the Legal function was primarily comprised of \$46,984 in personnel savings, as a result of vacancies, and \$41,079 in legal professional services of which \$38,275 was carried over to the new fiscal year for possible upcoming litigation services.

The law enforcement activity shows a positive variance in the amount of \$188,130. The majority of this variance relates to unspent forfeiture amounts of \$69,266. Unspent operating budget in the repair and maintenance, other charges and other operating supplies amounted to \$92,687 with \$27,249 of this amount coming from open encumbrances that carried over to the new fiscal year.

The positive variance of \$206,809 in fire safety was due in part to unspent funds of \$108,358 in the personnel costs due to various personnel retirements and vacancies. The remaining positive variance was in the fire safety department's operating budget, specifically in repair and maintenance services and operating supplies.

The \$177,789 positive variance in culture and recreation included \$51,303 in personnel service due largely to savings as a result of retirements and staff vacancies. Another \$35,429 positive variance was noted in other contract services of the parks maintenance budget along with an \$8,056 positive variance for the purchase of non-capital equipment of which \$5,555 was carried over to the new fiscal year via open encumbrances. Savings in agricultural supplies, fuel, uniforms and janitorial supplies contributed \$24,786 to the overall positive variance as well. Ongoing projects to re-carpet the Lakeside Center and create a Parks Foundation also contributed \$10,201 to the total variance. The remaining variance was in various culture and recreation operating expenses.

Capital Asset and Debt Administration

Capital Assets The City's investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounts to \$374,294,990 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements other than buildings, equipment, infrastructure and construction in progress. The total net increase in the City's investment in capital assets for the current fiscal year was 1.6%.

City infrastructure assets consisting of arterial and secondary roads and drainage improvements are accounted for using the modified approach for reporting infrastructure assets. Please see the required supplementary information of this comprehensive annual financial report for specifics pertaining to this approach shown on page 87. During this fiscal year, the assessed condition of infrastructure assets declined slightly.

Major capital asset events during the current fiscal year included the following:

- Infrastructure improvements totaling \$3,383,886 were completed during the year. The City continues to enhance its roadways in order to increase traffic capacity and improve safety in highly traveled and traffic-congested areas. In addition improvements of Water and Sewer and Drainage infrastructure occurred as the City replaces aged infrastructure.
- The Lease and Replacement Fund, an internal service fund that purchases all rolling stock, trucks and vehicles for the City, acquired assets of \$2,154,670 during the year. This fund, through operating rentals collected from user departments, funds acquisitions by assigning a life cycle and matching schedule of payments. This type of planning insures proper funding of replacement assets of these types.
- Construction in progress at the close of the fiscal year was \$2,869,274. Expansion of water treatment, sewer collection and processing, reclaimed water storage, and stormwater facilities continued. Construction in progress related to general government facilities includes the B-23 Cambridge Canal, releveling of Coraci Park soccer field, and various road projects.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land.....	\$ 17,513	\$ 17,301	28,781	28,730	46,294	46,031
Buildings and improvements other than buildings.....	29,687	29,290	177,841	176,266	207,528	205,556
Equipment.....	6,615	5,193	497	344	7,112	5,537
Easements.....	2,783	2,448			2,783	2,448
Infrastructure.....	76,718	73,881	31,232	30,685	107,950	104,566
Construction in progress.....	852	883	1,775	3,328	2,627	4,211
Total capital assets.....	<u>\$ 134,168</u>	<u>128,996</u>	<u>240,126</u>	<u>239,353</u>	<u>374,294</u>	<u>368,349</u>

Additional information on the City's capital assets can be found in the notes to these financial statements on page 62 of this report.

Long-term debt At the end of the current fiscal year, the City had outstanding bonds and other debt of \$104,860,150. Of this amount, \$14,440,000 comprises general obligation debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources and other obligations summarized as follows:

Outstanding Long-Term Liabilities September 30, (Amounts in \$000's)						
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation debt.....	\$ 14,440	\$ 14,810	-	-	14,440	14,810
Revenue bonds and notes.....	23,545	23,605	41,095	46,030	64,640	69,635
Loans from other governments.....	-	-	24,688	26,011	24,688	26,011
Less: Original issue (discount)/premium.....	1,139	(197)	(47)	(29)	1,092	(226)
Refunding loss.....	-	-	-	-	-	-
Total outstanding bonds and notes.....	39,124	38,218	65,736	72,012	104,860	110,230
Compensated absences.....	2,568	2,685	669	661	3,237	3,346
Other post-employment benefits.....	1,059	894	304	237	1,363	1,131
Total outstanding long-term debt.....	<u>\$ 42,751</u>	<u>41,797</u>	<u>66,709</u>	<u>72,910</u>	<u>109,460</u>	<u>114,707</u>

The City's total debt principal decreased by \$6,687,569 during the current fiscal year, these amounts exclude original issue discounts and premiums.

A summary of the City's approved debt types, related security pledge and underlying ratings (without regard to credit support bond insurance) are as follows:

Debt Obligation Type	Pledged Security	Bond Rating as of June 2014
General Obligation Bonds	Ad Valorem Taxes	Moody's: Aa2 Standard & Poor's: AA- Fitch: AA
Water and Sewer Bonds	Water & Sewer Revenues	Moody's: Aa2 Standard & Poor's: AA- Fitch: AA
Capital Improvement Bonds	Excise Taxes	Moody's: Aa3 Standard & Poor's: Not rated Fitch: Not rated
Drainage Bonds	Stormwater Drainage Revenues	Moody's: A1 Standard & Poor's: Not rated Fitch: Not rated
Florida State Revolving Fund (Intergovernmental)	Water & Sewer Revenues	Not rated
Bank Loans, Capital Leases, Conduit Debt, and Special Assessment Financing	Various, including Ad Valorem Tax; Gas Tax; Excise Tax; and unsecured, subject to Budgetary Appropriations.	Not rated

State statutes limit the millage rate a governmental entity may levy at 10 mills per dollar of total assessed valuation. The City's general obligation debt millage rate is significantly less than the City's current debt limitation millage rate allowed.

Additional information on the City's long-term debt can be found in the notes to these financial statements on pages 64-68 of this report.

Economic Factors and Next Year's Budgets and Rates

- According to the State of Florida, Department of Economic Opportunity, the unemployment rate for the City of Port Orange as of September 30, 2014 was 4.5%, a decrease of 0.8% from September 30, 2013. This rate is lower than the State's average unemployment rate of 5.6% as of September 30, 2014.
- The gross square footage and occupancy rate of the City's commercial space has steadily increased during the past several years. Due to the continued expansion of commercial space, including recent and planned development of retail and industrial ventures located near the City's interstate access points, this past trend is expected for the future.
- Consistent with State and National trends, taxable assessed property values have begun to increase. Taxable value on January 1, 2013 was \$2,303,928,260 increasing to \$2,448,909,302 on January 1, 2014, an increase of 6.3%.

All of these factors were considered in preparing the City's budget for the 2014/15 fiscal year.

During the fiscal year ended September 30, 2014, the fund balance in the general fund increased to \$16,904,088 including \$103,715 assigned to purchases on account. This compares to \$15,672,994 including \$598,428 assigned to purchases on account for the prior fiscal year. All appropriations lapse at year-end. The City has appropriated 7.4% of this amount in the 2015 fiscal year budget. It is intended that use of available fund balance will minimize the need to raise taxes or charges during fiscal year 2015, and provide carryover funding for projects already approved. The balance of unassigned fund equity of current fiscal year ended September 30, 2014 is \$14,034,642.

Water/sewer and solid waste rates remained constant for the 2014 fiscal year. The City began a water/sewer rate study which was completed and implemented after the close of the fiscal year. The study focused on simplifying the rate structure, improving equity throughout the system and a moderate overall revenue increase. The solid waste rates are anticipated to increase in coming years in relation to the CPI.

The conditions of the road and drainage systems are monitored by management. Roads are visually inspected and evaluated for rutting, block cracking, stress levels, ride and condition of repairs that occurred when open road cuts were mandated by utility failures. The condition of road pavement is measured using the Port Orange Pavement Management System, which brings together the weighted average of these evaluation criteria. More information about this system can be found on page 87 in the financial statement's Required Supplementary Information.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Port Orange, Finance Department Director, 1000 City Center Circle, Port Orange, FL 32129.

BASIC FINANCIAL STATEMENTS

These basic financial statements contain Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements.

DRAFT

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Equity in pooled cash and cash	\$ 36,549,913	\$ 17,166,999	\$ 53,716,912
Receivables, net	1,424,553	3,404,997	4,829,550
Internal balances	(2,715,223)	2,715,223	-
Due from other governments	1,020,706	729,984	1,750,690
Inventories	54,483	524,113	578,596
Prepays	374,150	50,276	424,426
Investment in Communications Interlocal Agency	9,653	-	9,653
Restricted assets:			
Equity in pooled cash	6,962,380	15,402,479	22,364,859
Investments	2,500,724	272,373	2,773,097
Net pension asset	3,302,842	248,628	3,551,470
Capital assets:			
Land, infrastructure, and construction in progress	132,061,337	30,556,807	162,618,144
Other capital assets, net of depreciation	2,106,756	209,570,090	211,676,846
Total assets	<u>\$ 183,652,274</u>	<u>\$ 280,641,969</u>	<u>\$ 464,294,243</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	<u>\$ 243,305</u>	<u>\$ 720,908</u>	<u>\$ 964,213</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 1,985,829	\$ 1,629,818	\$ 3,615,647
Customer deposits	773,126	3,365,943	4,139,069
Unearned revenue	136,019	220,807	356,826
Accrued interest payable	628,009	525,423	1,153,432
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	770,000	6,710,965	7,480,965
Compensated absences	256,825	66,918	323,743
Due in more than one year:			
Bonds and notes payable	38,353,694	59,025,491	97,379,185
Compensated absences	2,311,414	602,263	2,913,677
Net OPEB obligation	1,058,669	304,009	1,362,678
Total liabilities	<u>\$ 46,273,585</u>	<u>\$ 72,451,637</u>	<u>\$ 118,725,222</u>
NET POSITION			
Net investment in capital assets	\$ 95,287,704	\$ 174,390,441	\$ 269,678,145
Restricted for:			
Pensions	3,302,842	248,628	3,551,470
Public safety	1,968,831	-	1,968,831
Community redevelopment projects	345,607	-	345,607
Transportation	5,306,254	-	5,306,254
Debt service	2,247,566	7,054,764	9,302,330
Capital improvements	3,092,123	5,400,179	8,492,302
Other purposes	1,900,576	2,437,744	4,338,320
Unrestricted	24,170,491	19,379,484	43,549,975
Total net position	<u>\$ 137,621,994</u>	<u>\$ 208,911,240</u>	<u>\$ 346,533,234</u>

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

**CITY OF PORT ORANGE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 5,084,368	\$ 2,384,249	\$ 400	\$ -	\$ (2,699,719)	\$ -	\$ (2,699,719)
Public safety	19,806,844	443,645	49,853	64,893	(19,248,453)	-	(19,248,453)
Transportation	2,224,918	41,667	1,205,012	2,459,779	1,481,540	-	1,481,540
Economic environment	94,467	30,501	-	594,847	530,881	-	530,881
Culture and recreation	3,889,223	686,821	26,005	353,226	(2,823,171)	-	(2,823,171)
Interest on long-term debt	2,100,260	-	-	-	(2,100,260)	-	(2,100,260)
Total governmental activities	33,200,080	3,586,883	1,281,270	3,472,745	(24,859,182)	-	(24,859,182)
Business-type activities:							
Water and sewer	20,870,332	25,133,285	-	2,324,445	-	6,587,398	6,587,398
Solid waste	6,456,009	6,985,003	-	-	-	528,994	528,994
Stormwater	1,965,379	3,805,758	-	500,000	-	2,340,379	2,340,379
Golf course	1,637,799	1,493,179	-	-	-	(144,620)	(144,620)
Total business-type activities	30,929,519	37,417,225	-	2,824,445	-	9,312,151	9,312,151
Total primary government	<u>\$ 64,129,599</u>	<u>\$ 41,004,108</u>	<u>\$ 1,281,270</u>	<u>\$ 6,297,190</u>	<u>(24,859,182)</u>	<u>9,312,151</u>	<u>(15,547,031)</u>
General revenues:							
Property taxes					\$ 11,553,060	-	11,553,060
Sales taxes					2,741,746	-	2,741,746
Casualty and fire insurance premium taxes					717,597	-	717,597
Public service taxes					6,974,126	-	6,974,126
Other taxes					122,860	-	122,860
Franchise and utility taxes					3,148,545	-	3,148,545
State revenue sharing					1,679,572	-	1,679,572
Other intergovernmental revenues					451,007	-	451,007
Investment earnings					287,710	80,826	368,536
Miscellaneous revenues					311,446	246,353	557,799
Transfers					1,739,893	(1,739,893)	-
Total general revenues and transfers					29,727,562	(1,412,714)	28,314,848
Change in net position					4,868,380	7,899,437	12,767,817
Net position - beginning, as restated					132,753,614	201,011,803	333,765,417
Net position - ending					<u>\$ 137,621,994</u>	<u>\$ 208,911,240</u>	<u>\$ 346,533,234</u>

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

**CITY OF PORT ORANGE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

	General	Eastport Business Center CRA	Town Center CRA	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Equity in pooled cash	\$ 15,272,113	\$ 345,607	\$ 265,536	\$ 16,389,826	\$ 32,273,082
Investments	-	-	-	2,500,724	2,500,724
Receivables, net	1,363,954	-	-	21,094	1,385,048
Due from other governments	764,234	-	17,150	239,322	1,020,706
Due from other funds	244,100	-	-	873,986	1,118,086
Inventories	54,483	-	-	-	54,483
Prepaid items	315,591	4,950	4,950	-	325,491
Total assets	<u>\$ 18,014,475</u>	<u>\$ 350,557</u>	<u>\$ 287,636</u>	<u>\$ 20,024,952</u>	<u>\$ 38,677,620</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 954,225	\$ -	\$ 80	\$ 428,738	\$ 1,383,043
Customer deposits	8,305	-	740	764,081	773,126
Unearned revenue	126,019	-	-	10,000	136,019
Due to other funds	-	-	752,397	2,644,368	3,396,765
Total liabilities	<u>\$ 1,088,549</u>	<u>\$ -</u>	<u>\$ 753,217</u>	<u>\$ 3,847,187</u>	<u>\$ 5,688,953</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	<u>\$ 21,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,386</u>	<u>\$ 24,224</u>
FUND BALANCES					
Nonspendable:					
Inventories	\$ 54,483	\$ -	\$ -	\$ -	54,483
Prepaid items	315,591	4,950	4,950	-	325,491
Restricted for:					
Public safety	534,299	-	-	1,434,532	1,968,831
Inspections	-	-	-	1,787,649	1,787,649
Recreation	10,666	-	-	-	10,666
Debt service	-	-	-	2,875,575	2,875,575
Capital improvements	-	-	-	3,092,123	3,092,123
Community redevelopment	-	345,607	-	-	345,607
Transportation sales tax	-	-	-	3,251,523	3,251,523
Transportation impact	-	-	-	2,054,731	2,054,731
Repair and replacement reserve	-	-	-	102,261	102,261
Assigned to:					
Purchases on account	103,715	-	-	48,808	152,523
Capital improvements	-	-	-	1,808,814	1,808,814
Business development	-	-	-	116,793	116,793
Emergency relief	209,555	-	-	-	209,555
Police benefit	20,325	-	-	-	20,325
Fire program	68,641	-	-	-	68,641
Recreation	25,731	-	-	1,013,688	1,039,419
General government	283,601	-	-	2,098	285,699
Fiscal year 2015 budget	1,242,839	-	-	-	1,242,839
Unassigned	14,034,642	-	(470,531)	(1,413,216)	12,150,895
Total fund balances	<u>\$ 16,904,088</u>	<u>\$ 350,557</u>	<u>\$ (465,581)</u>	<u>\$ 16,175,379</u>	<u>\$ 32,964,443</u>

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

CITY OF PORT ORANGE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

Fund balances - total governmental funds		\$ 32,964,443
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Total governmental capital assets	171,107,796	
Less: accumulated depreciation	<u>(42,786,489)</u>	128,321,307
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds:		
Equity investment in Communications Interlocal Agency		9,653
Net pension asset		3,302,842
Internal service funds are used by management to charge the costs of data processing, insurance, fleet lease and maintenance, building maintenance, and internal loans to individual funds. These assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Total net position	18,891,492	
Less: amounts attributable to business-type activities	<u>(2,889,612)</u>	16,001,880
Because some property taxes and other revenues will not be collected for several months after the close of the City's fiscal year end, they are not considered as "available" revenues in the governmental funds, and therefore, reported as deferred inflows of unavailable revenues. In the statement of net position, which is presented on an accrual basis, no deferral is reported since the revenue is fully recognized in the statement of activities.		
		24,224
Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:		
Bonds and notes payable	(37,985,000)	
Accrued interest payable	(628,009)	
Unamortized bond discounts and premiums	(1,138,694)	
Unamortized deferred loss on bond refunding	243,305	
Net OPEB obligation	(1,058,669)	
Compensated absences	<u>(2,435,288)</u>	(43,002,355)
Net position of governmental activities		<u>\$ 137,621,994</u>

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General	Eastport Business Center CRA	Town Center CRA	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 18,174,715	\$ 59,619	\$ 31,290	\$ 2,197,770	\$ 20,463,394
Permits and fees	3,286,268	-	-	3,076,338	6,362,606
Intergovernmental	4,784,473	99,907	69,584	1,012,829	5,966,793
Charges for services	3,064,250	-	3,684	53,750	3,121,684
Fines and forfeitures	160,997	-	-	-	160,997
Investment income	54,435	1,207	1,114	117,504	174,260
Miscellaneous	338,025	30	26,819	400,326	765,200
Total revenues	29,863,163	160,763	132,491	6,858,517	37,014,934
Expenditures					
Current:					
General government:					
Mayor and Council	198,684	-	-	-	198,684
City Manager	476,171	-	-	-	476,171
Finance and administration	1,265,848	-	-	-	1,265,848
Legal	509,703	-	-	-	509,703
Planning and community development	1,298,458	-	-	905,871	2,204,329
Nondepartmental	1,684,815	-	-	-	1,684,815
Total general government	5,433,679	-	-	905,871	6,339,550
Public safety:					
Law enforcement	11,205,420	-	-	-	11,205,420
Fire safety	8,301,729	-	-	1,135	8,302,864
Total public safety	19,507,149	-	-	1,135	19,508,284
Transportation	1,825,925	-	-	303,936	2,129,861
Economic environment	-	41,332	26,173	33,009	100,514
Culture and recreation	2,622,842	-	-	21,101	2,643,943
Capital outlay	312,898	-	84,736	6,113,922	6,511,556
Debt service:					
Principal retirement	-	-	-	960,000	960,000
Interest and fiscal charges	-	-	17,116	1,872,957	1,890,073
Payment to refunded bond escrow agent	-	-	-	16,118,323	16,118,323
Refunding bond issuance costs	-	-	-	178,417	178,417
Total expenditures	29,702,493	41,332	128,025	26,508,671	56,380,521
Excess (deficiency) of revenues over expenditures	160,670	119,431	4,466	(19,650,154)	(19,365,587)
Other financing sources (uses):					
Transfers in	1,656,373	-	210,000	4,805,223	6,671,596
Transfers out	(585,949)	(179,813)	(319,542)	(3,010,000)	(4,095,304)
Refunding bonds issued	-	-	-	17,420,820	17,420,820
Total other financing sources (uses)	1,070,424	(179,813)	(109,542)	19,216,043	19,997,112
Net change in fund balances	1,231,094	(60,382)	(105,076)	(434,111)	631,525
Fund balances, beginning of year	15,672,994	410,939	(360,505)	16,609,490	32,332,918
Fund balances, end of year	\$ 16,904,088	\$ 350,557	\$ (465,581)	\$ 16,175,379	\$ 32,964,443

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

**CITY OF PORT ORANGE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Net change in fund balances - total governmental funds	\$ 631,525
Differences in amounts reported for governmental activities in the statement of activities are:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Capital outlay expenditures	6,511,556
Depreciation expense	(2,835,797)
Contributed capital assets	527,837
Bond and loan proceeds are reported as financing sources in the governmental funds. However, the issuance of debt is reported as long-term debt payable in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:	
Principal repayment of general long-term debt	17,078,323
Issuance of governmental long-term debt	(17,420,820)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds (reduction in delinquent taxes).	10,761
Increase (decrease) in net pension assets	573,065
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows:	
Amortization of bond discounts and premiums	(13,123)
Change in accrued interest on long-term debt	(18,647)
Change in equity investment in Communications Interlocal Agency	(808)
Change in compensated absences liability	107,862
Change in net OPEB obligation	(164,247)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The portion of net revenue/expense of internal service funds reported within governmental activities for the year.	(119,107)
Change in net position of governmental activities	<u>\$ 4,868,380</u>

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 17,414,414	\$ 17,414,414	\$ 18,174,715	\$ 760,301
Permits and fees	3,000,100	3,000,100	3,286,268	286,168
Intergovernmental	4,325,771	4,343,013	4,784,473	441,460
Charges for services	2,806,442	2,873,354	3,064,250	190,896
Fines and forfeitures	105,000	105,000	160,997	55,997
Investment income	30,300	30,422	54,435	24,013
Miscellaneous	203,030	243,077	338,025	94,948
Total revenues	27,885,057	28,009,380	29,863,163	1,853,783
EXPENDITURES				
Current:				
General government:				
Mayor and Council	199,171	203,500	198,684	4,816
City Manager	479,768	489,068	476,171	12,897
Finance and administration	1,416,786	1,459,045	1,265,848	193,197
Legal	566,866	602,973	509,703	93,270
Planning and community development	1,382,644	1,397,644	1,298,458	99,186
Nondepartmental	1,706,328	1,872,870	1,684,815	188,055
Total general government	5,751,563	6,025,100	5,433,679	591,421
Public safety:				
Law enforcement	11,192,894	11,393,550	11,205,420	188,130
Fire safety	8,425,849	8,508,538	8,301,729	206,809
Total public safety	19,618,743	19,902,088	19,507,149	394,939
Transportation	1,906,618	1,860,831	1,825,925	34,906
Economic environment	-	-	-	-
Culture and recreation	2,716,415	2,800,631	2,622,842	177,789
Capital outlay	8,500	420,959	312,898	108,061
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	30,001,839	31,009,609	29,702,493	1,307,116
Excess (deficiency) of revenues over expenditures	(2,116,782)	(3,000,229)	160,670	3,160,899
Other financing sources (uses):				
Transfers in	1,656,373	1,656,373	1,656,373	-
Transfers out	(35,849)	(585,949)	(585,949)	-
Total other financing sources (uses)	1,620,524	1,070,424	1,070,424	-
Net change in fund balances	(496,258)	(1,929,805)	1,231,094	3,160,899
Fund balances, beginning of year	15,672,994	15,672,994	15,672,994	-
Fund balances, end of year	\$ 15,176,736	\$ 13,743,189	\$ 16,904,088	\$ 3,160,899

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - EASTPORT BUSINESS CENTER CRA
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 59,635	\$ 59,635	\$ 59,619	\$ (16)
Intergovernmental	96,639	96,639	99,907	3,268
Investment income	1,500	1,500	1,207	(293)
Miscellaneous	-	-	30	30
Total revenues	157,774	157,774	160,763	2,989
EXPENDITURES				
Current:				
Economic environment	91,549	91,549	41,332	50,217
Capital outlay	-	32,116	-	32,116
Total expenditures	91,549	123,665	41,332	82,333
Excess (deficiency) of revenues over expenditures	66,225	34,109	119,431	85,322
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(179,813)	(179,813)	(179,813)	-
Total other financing sources (uses)	(179,813)	(179,813)	(179,813)	-
Net change in fund balances	(113,588)	(145,704)	(60,382)	85,322
Fund balances, beginning of year	410,939	410,939	410,939	-
Fund balances, end of year	<u>\$ 297,351</u>	<u>\$ 265,235</u>	<u>\$ 350,557</u>	<u>\$ 85,322</u>

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TOWN CENTER CRA
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 31,724	\$ 31,724	\$ 31,290	\$ (434)
Intergovernmental	51,408	91,408	69,584	(21,824)
Charges for services	-	-	3,684	3,684
Investment income	275	275	1,114	839
Miscellaneous	27,130	27,130	26,819	(311)
Total revenues	110,537	150,537	132,491	(18,046)
EXPENDITURES				
Current:				
Economic environment	52,281	52,603	26,173	26,430
Capital outlay	-	297,022	84,736	212,286
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	17,642	17,642	17,116	526
Total expenditures	69,923	367,267	128,025	239,242
Excess (deficiency) of revenues over expenditures	40,614	(216,730)	4,466	221,196
Other financing sources (uses):				
Transfers in	-	210,000	210,000	-
Transfers out	(319,542)	(319,542)	(319,542)	-
Total other financing sources (uses)	(319,542)	(109,542)	(109,542)	-
Net change in fund balances	(278,928)	(326,272)	(105,076)	221,196
Fund balances, beginning of year	(360,505)	(360,505)	(360,505)	-
Fund balances, end of year	<u>\$ (639,433)</u>	<u>\$ (686,777)</u>	<u>\$ (465,581)</u>	<u>\$ 221,196</u>

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds					Governmental
	Water and Sewer	Solid Waste	Stormwater Utility	Golf Course	Total	Activities - Internal Service Funds
ASSETS						
Equity in pooled cash	\$ 12,236,971	\$ 2,627,124	\$ 2,301,932	\$ 972	\$ 17,166,999	\$ 11,239,211
Accounts receivable, net	2,615,155	727,276	18,847	43,719	3,404,997	39,505
Due from other governments	229,984	-	500,000	-	729,984	-
Inventories	468,098	-	-	56,015	524,113	-
Prepaid items	18,720	-	-	31,556	50,276	48,659
Due from other funds	-	-	-	-	-	2,453,068
Restricted current assets						
Investments	272,373	-	-	-	272,373	-
Total current assets	15,841,301	3,354,400	2,820,779	132,262	22,148,742	13,780,443
Noncurrent assets:						
Restricted cash	13,714,132	-	1,688,347	-	15,402,479	-
Capital assets:						
Land	15,449,129	42,800	12,340,206	949,209	28,781,344	-
Building and improvements	273,837,234	159,441	-	4,193,969	278,190,644	140,245
Infrastructure	-	-	31,232,456	-	31,232,456	-
Machinery and equipment	2,805,640	2,454	120,672	125,178	3,053,944	21,260,313
Construction in progress	377,543	-	1,357,703	40,217	1,775,463	242,060
Accumulated depreciation	(100,381,503)	(137,834)	(59,526)	(2,328,091)	(102,906,954)	(15,795,832)
Total capital assets, net	192,088,043	66,861	44,991,511	2,980,482	240,126,897	5,846,786
Advances to other funds	1,559,061	-	-	-	1,559,061	-
Net pension asset	207,358	9,701	31,569	-	248,628	-
Total noncurrent assets	207,568,594	76,562	46,711,427	2,980,482	257,337,065	5,846,786
Total assets	\$ 223,409,895	\$ 3,430,962	\$ 49,532,206	\$ 3,112,744	\$ 279,485,807	\$ 19,627,229
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on bond refunding	\$ 700,810	\$ -	\$ 20,098	\$ -	\$ 720,908	\$ -
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	\$ 529,960	\$ 499,032	\$ 293,753	\$ 50,331	\$ 1,373,076	\$ 254,786
Deposits	3,365,943	-	-	-	3,365,943	-
Unearned revenue	64,091	-	-	156,716	220,807	-
Due to other funds	-	-	174,389	-	174,389	-
Estimated claims payable	-	-	-	-	-	348,000
Compensated absences	57,886	2,779	6,253	-	66,918	13,296
Payable from restricted assets:						
Accounts payable and accrued liabilities	256,742	-	-	-	256,742	-
Current maturities on long-term debt	5,387,774	-	1,323,191	-	6,710,965	-
Accrued interest payable	346,933	-	178,490	-	525,423	-
Total current liabilities	10,009,329	501,811	1,976,076	207,047	12,694,263	616,082
Noncurrent liabilities:						
Bonds and notes payable, net	46,252,748	-	12,772,743	-	59,025,491	-
Advances from other funds	-	-	-	1,559,061	1,559,061	-
Net OPEB obligation	254,574	11,396	38,039	-	304,009	-
Compensated absences	520,969	25,015	56,279	-	602,263	119,655
Total noncurrent liabilities	47,028,291	36,411	12,867,061	1,559,061	61,490,824	119,655
Total liabilities	\$ 57,037,620	\$ 538,222	\$ 14,843,137	\$ 1,766,108	\$ 74,185,087	\$ 735,737
NET POSITION						
Net investment in capital assets	\$ 140,447,521	\$ 66,861	\$ 30,895,577	\$ 2,980,482	\$ 174,390,441	\$ 5,846,786
Restricted for pensions	207,358	9,701	31,569	-	248,628	-
Restricted for debt service	5,544,907	-	1,509,857	-	7,054,764	-
Restricted for Wetland Mitigation Credits	1,279,430	-	-	-	1,279,430	-
Restricted for renewal and replacement	1,158,314	-	-	-	1,158,314	-
Restricted for utility plant expansion	5,400,179	-	-	-	5,400,179	-
Unrestricted	13,035,376	2,816,178	2,272,164	(1,633,846)	16,489,872	13,044,706
Total net position	\$ 167,073,085	\$ 2,892,740	\$ 34,709,167	\$ 1,346,636	\$ 206,021,628	\$ 18,891,492
Cumulative adjustment to reflect consolidation of internal service fund activities related to enterprise funds					2,889,612	
Net position, business-type activities					\$ 208,911,240	

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water and Sewer	Solid Waste	Stormwater Utility	Golf Course	Total	
Operating revenues						
Charges for services	\$ 24,823,445	\$ 6,984,966	\$ 3,805,631	\$ 1,493,004	\$ 37,107,046	\$ 7,022,939
Other revenues	309,840	37	127	175	310,179	253,683
Total operating revenues	<u>25,133,285</u>	<u>6,985,003</u>	<u>3,805,758</u>	<u>1,493,179</u>	<u>37,417,225</u>	<u>7,276,622</u>
Operating expenses						
Personal services	5,696,318	226,707	721,017	-	6,644,042	1,694,700
Contractual services	2,230,218	4,805,927	613,143	1,465,518	9,114,806	1,892,775
Utilities	1,349,753	1,014	-	1,486	1,352,253	366,433
Maintenance and repairs	1,933,414	6,843	93,595	12,130	2,045,982	393,069
Other supplies and expenses	2,906,828	1,414,561	65,509	40,601	4,427,499	489,791
Insurance claims and expenses	-	-	-	-	-	197,146
Depreciation	5,392,710	957	11,711	118,064	5,523,442	1,391,656
Total operating expenses	<u>19,509,241</u>	<u>6,456,009</u>	<u>1,504,975</u>	<u>1,637,799</u>	<u>29,108,024</u>	<u>6,425,570</u>
Operating income (loss)	<u>5,624,044</u>	<u>528,994</u>	<u>2,300,783</u>	<u>(144,620)</u>	<u>8,309,201</u>	<u>851,052</u>
Nonoperating revenues (expenses)						
Interest earnings	53,444	6,580	20,586	216	80,826	112,593
Interest and amortization expense	(1,361,091)	-	(460,404)	-	(1,821,495)	-
Total nonoperating revenues (expenses)	<u>(1,307,647)</u>	<u>6,580</u>	<u>(439,818)</u>	<u>216</u>	<u>(1,740,669)</u>	<u>112,593</u>
Income (loss) before contributions and transfers	<u>4,316,397</u>	<u>535,574</u>	<u>1,860,965</u>	<u>(144,404)</u>	<u>6,568,532</u>	<u>963,645</u>
Capital contributions	1,878,698	-	-	-	1,878,698	-
Capital grants	445,747	-	500,000	-	945,747	-
Transfers in	-	-	-	-	-	-
Transfers out	(1,276,118)	(193,978)	(269,797)	-	(1,739,893)	(836,399)
Change in net position	<u>5,364,724</u>	<u>341,596</u>	<u>2,091,168</u>	<u>(144,404)</u>	<u>7,653,084</u>	<u>127,246</u>
Net position, beginning of year, as restated	<u>161,708,361</u>	<u>2,551,144</u>	<u>32,617,999</u>	<u>1,491,040</u>	<u>198,368,544</u>	<u>18,764,246</u>
Net position, end of year	<u>\$ 167,073,085</u>	<u>\$ 2,892,740</u>	<u>\$ 34,709,167</u>	<u>\$ 1,346,636</u>	<u>\$ 206,021,628</u>	<u>\$ 18,891,492</u>
Change in proprietary funds net position					\$ 7,653,084	
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds					246,353	
Change in net position of business-type activities					<u>\$ 7,899,437</u>	

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

**CITY OF PORT ORANGE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Business-type Activities - Enterprise Funds				Governmental
	Water and Sewer	Solid Waste	Stormwater Utility	Golf Course	Activities - Internal Service Funds
Cash flows from operating activities					
Cash received from customers	\$ 26,960,061	\$ 6,920,773	\$ 3,308,414	\$ 1,447,099	\$ 38,636,347
Cash paid to employees	(5,648,901)	(207,110)	(707,685)	-	(6,563,696)
Cash paid to suppliers	(8,469,622)	(6,191,730)	(638,942)	(1,594,366)	(16,894,660)
Net cash provided by (used in) operating activities	12,841,538	521,933	1,961,787	(147,267)	15,177,991
Cash flows from noncapital financing activities					
Transfers to other funds	(1,276,118)	(193,978)	(269,797)	-	(1,739,893)
Interfund loans	(133,498)	-	(127,367)	133,498	(127,367)
Net cash provided by (used in) noncapital financing activities	(1,409,616)	(193,978)	(397,164)	133,498	(1,867,260)
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	(2,404,351)	-	(1,923,530)	-	(4,327,881)
Capital grants	445,747	-	500,000	-	945,747
Principal payments of long-term debt	(5,190,927)	-	(918,557)	-	(6,109,484)
Interest paid	(1,388,862)	-	(475,405)	-	(1,864,267)
Net cash provided by (used in) capital and related financing activities	(8,538,393)	-	(2,817,492)	-	(11,355,885)
Cash flows from investing activities					
Interest received	89,476	6,580	20,586	216	116,858
Net cash provided by (used in) investing activities	89,476	6,580	20,586	216	116,858
Net increase (decrease) in cash and cash equivalents	2,983,005	334,535	(1,232,283)	(13,553)	2,071,704
Cash and cash equivalents, beginning of year	22,968,098	2,292,589	5,222,562	14,525	30,497,774
Cash and cash equivalents, end of year	<u>\$ 25,951,103</u>	<u>\$ 2,627,124</u>	<u>\$ 3,990,279</u>	<u>\$ 972</u>	<u>\$ 32,569,478</u>
Cash and cash equivalents classified as:					
Unrestricted	\$ 12,236,971	\$ 2,627,124	\$ 2,301,932	\$ 972	\$ 17,166,999
Restricted	13,714,132	-	1,688,347	-	15,402,479
Total cash and cash equivalents	<u>\$ 25,951,103</u>	<u>\$ 2,627,124</u>	<u>\$ 3,990,279</u>	<u>\$ 972</u>	<u>\$ 32,569,478</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 5,624,044	\$ 528,994	\$ 2,300,783	\$ (144,620)	\$ 8,309,201
Adjustments to reconcile net operating income to net cash provided by (used in) operating activities:					
Depreciation	5,392,710	957	11,711	118,064	5,523,442
Changes in assets and liabilities:					
Accounts receivable	335,171	(64,230)	2,452	30,047	303,440
Due from other governments	1,359,034	-	(499,796)	-	859,238
Inventories	(34,404)	-	-	(11,169)	(45,573)
Prepaid items	-	-	-	(8,341)	(8,341)
Net pension asset	4,571	214	696	-	5,481
Accounts payable and accrued liabilities	(15,005)	36,615	133,305	(55,121)	99,794
Deposits	162,618	-	-	-	162,618
Unearned revenue	(30,047)	-	-	(76,127)	(106,174)
Compensated absences	(13,177)	17,554	3,380	-	7,757
Net OPEB obligation	56,023	1,829	9,256	-	67,108
Net cash provided by (used in) operating activities	<u>\$ 12,841,538</u>	<u>\$ 521,933</u>	<u>\$ 1,961,787</u>	<u>\$ (147,267)</u>	<u>\$ 15,177,991</u>
Non-cash investing, capital, and financing activities:					
Capital assets contributed from other sources	\$ 1,878,698	\$ -	\$ -	\$ -	\$ 1,878,698

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2014

	Pension Trust Funds
ASSETS	
Cash and cash equivalents with trustee	\$ 3,188,160
Receivables	
Employee contributions receivable	1,223
State premium taxes	332,625
Interest and dividends receivable	181,710
Total receivables	515,558
Investments, at fair value	
U.S. Treasury obligations	6,572,912
Government agency obligations	1,927,977
Corporate and municipal debt obligations	10,337,453
Corporate equity securities	35,095,105
Mutual funds	16,283,233
Real estate funds	4,276,882
Partnerships	1,672,729
Total investments	76,166,291
Total assets	79,870,009
LIABILITIES	
Accounts payable	83,808
Prepaid employer contributions	312,813
Total liabilities	396,621
NET POSITION	
Held in trust for pension benefits	\$ 79,473,388

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

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 6,284,059
Plan members	932,855
State - insurance premium taxes	717,597
Total contributions	<u>7,934,511</u>
Investment earnings	
Net appreciation (depreciation) in fair value of investments	5,503,951
Interest and dividends	1,384,300
Total investment earnings	<u>6,888,251</u>
Less: investment expense	(490,701)
Net investment income (loss)	<u>6,397,550</u>
Total additions	<u>14,332,061</u>
Deductions	
Benefit payments and refunds	7,147,636
Administrative expenses	239,181
Total deductions	<u>7,386,817</u>
Change in net position	<u>6,945,244</u>
Net position held in trust for pension benefits , beginning of year, as restated	72,528,144
Net position held in trust for pension benefits , end of year	<u><u>\$ 79,473,388</u></u>

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

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:**

The financial statements of the City of Port Orange, Florida, have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles. The following is a summary of the City's significant accounting policies:

(a) **Reporting entity**—The City of Port Orange, Florida (the City) is a municipal corporation created by the laws of Florida, Chapter 67-1274, located in Volusia County. The legislative branch of the City is comprised of a five member elected Council. The City Council is governed by the City Charter and by state and local laws and regulations. The City Council is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Council appointed City Manager.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), the current component units are blended as though they are part of the primary government.

(b) **Blended component units**—The City has two blended component units, as follows:

The City of Port Orange, Florida, Eastport Business Center Community Redevelopment Agency (the "Eastport Business Center CRA") was created by Ordinance No. 1995-42 to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support City redevelopment in the designated community redevelopment area. Although legally separate, pursuant to Resolution No. 95-23, the City Council declared itself to be the Eastport Business Center CRA and provided for the appointment of two additional members. Since the City is financially accountable for the activities of the Eastport Business Center CRA, its governing board is the same, and its relationship to the City is significant, its financial activities are reported on a blended basis as if it were part of the primary government as a major special revenue fund.

The City of Port Orange, Florida, Town Center Community Redevelopment Agency (the "Town Center CRA") was created by Ordinance No. 1998-79 to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support City redevelopment in the designated community redevelopment area. Although legally separate, pursuant to Resolution No. 98-20, the City Council declared itself to be the Town Center CRA and provided for the appointment of two additional members. Since the City is financially accountable for the activities of the Town Center CRA, its governing board is the same, and its relationship to the City is significant, its financial activities are reported on a blended basis as if it were part of the primary government as a major special revenue fund.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

(c) **Related organizations**—Organizations for which a primary government is accountable because the City appoints a voting majority of the board, but is not financially accountable, are considered to be related organizations. The City Council temporarily appoints a voting majority of the members of the governing board of The Port Orange Business Park Property Owners' Association, Inc. (the "Property Owners' Association"). The City is not financially accountable for the organization, nor does the City's accountability for this organization extend significantly beyond making the appointments. Accordingly, financial information for this entity is excluded from the City's financial statements.

The Property Owners' Association was incorporated as a Florida not-for-profit corporation on May 29, 2009 to administer and enforce the Port Orange Business Park (the "Business Park") covenants and restrictions affecting certain lands located within the business park. The board of directors of the Property Owners' Association will be elected exclusively by the owners of property within the Business Park. The representation and voting rights assigned to the board members of the Property Owners' Association will be based on each owner's pro-rata share of ownership of all non-Association property within the Business Park. At September 30, 2014, the City's property ownership percentage totaled 50.61%.

Cypress Head Golf Club (the "Golf Course") is an 18-hole championship course, with lighted practice facility, driving range, maintenance barn, cart barn, clubhouse, pro shop, restaurant, banquet room, and other related facilities wholly owned and operated by the City. Golf Club at Cypress Head, Inc. was incorporated on August 31, 2001, under the laws of the State of Florida and is the successor of Cypress Head Golf Course, Inc. which was incorporated on October 10, 1991. Golf Club at Cypress Head, Inc. is engaged primarily in holding the license authorizing the sale of alcoholic beverages at the Golf Course and is wholly owned by the City of Port Orange, Florida (the "City"). The Golf Course is managed by an independent sports management company, which provides separate financial statements and accounting for the revenues and expenses generated from player fees, pro-shop sales, restaurant sales, and other related financial activities of the Golf Course. The accompanying financial statements combine the financial activities of the Golf Course which is managed pursuant to the Agreement for Golf Course Management at Cypress Head and the City's Golf Course Enterprise fund. All real and other personal property associated with golf course operations are combined with the financial reporting of the operational activities of the Golf Course in the City's Golf Course Enterprise Fund.

(d) **Joint venture**—The Communications Interlocal Agency (the "CI Agency") was created on January 11, 2002, between the cities of Port Orange, New Smyrna Beach, and Edgewater, which together entered into an interlocal agreement to provide a consolidated dispatch communications and records system servicing law enforcement, fire, rescue and emergency communications for each of the participating cities. This entity was established pursuant to Section 163.01(7), Florida Statutes. The CI Agency operates as a public entity using the same fiscal year as the City.

The CI Agency is an instrumentality of the municipal parties and is entitled to sovereign immunity except where waived by general law. It operates pursuant to direction from its governing board. The governing board is comprised of three mayors from the respective cities mentioned above. Operating guidelines, procedures, designations and restrictions are determined by this governing body.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) Summary of Significant Accounting Policies: (Continued)

Substantially all costs of the CI Agency are allocated pro-rata to Port Orange, New Smyrna Beach and Edgewater at 44%, 33% and 23%, respectively. The accounting records are maintained using generally accepted accounting principles. The City, as agent for the CI Agency, performs all cash and accounting transactions. Equity in pooled cash is accounted with, but considered a separate component of, the City's equity in pooled cash. Separate financial statements are not prepared for the joint venture.

The majority of initial, first year charges to the respective cities were for the acquisition of capital purchases. These initial charges were made in accordance with the agreement. The differing proportions of existing equipment and other capital assets already owned by the three participants produces a disproportionate allocation of net position.

The following is a summary of the statement of net position and statement of revenues, expenses, and changes in fund net position of CI Agency:

Statement of Net Assets
September 30, 2014

	<u>Port Orange</u>	<u>New Smyrna</u>	<u>Edgewater</u>	<u>Total</u>
CURRENT ASSETS				
Equity in pooled cash and investments	\$ 10,313	\$ 133,510	\$ 163,133	\$ 306,956
Total current assets	<u>10,313</u>	<u>133,510</u>	<u>163,133</u>	<u>306,956</u>
LIABILITIES				
Accounts payable	660	495	345	1,500
Total liabilities	<u>660</u>	<u>495</u>	<u>345</u>	<u>1,500</u>
NET ASSETS				
Unrestricted	9,653	133,015	162,788	305,456
Total net assets	<u>\$ 9,653</u>	<u>\$ 133,015</u>	<u>\$ 162,788</u>	<u>\$ 305,456</u>

Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Year Ended September 30, 2014

	<u>Port Orange</u>	<u>New Smyrna</u>	<u>Edgewater</u>	<u>Total</u>
REVENUES				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Operating Expenses	1,100	825	575	2,500
Total expenditures	<u>1,100</u>	<u>825</u>	<u>575</u>	<u>2,500</u>
Operating (loss)	<u>(1,100)</u>	<u>(825)</u>	<u>(575)</u>	<u>(2,500)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	292	219	153	664
Total nonoperating revenues (expenses)	<u>292</u>	<u>219</u>	<u>153</u>	<u>664</u>
Net loss	(808)	(606)	(422)	(1,836)
Net assets - beginning	10,461	133,621	163,210	307,292
Net assets - ending	<u>\$ 9,653</u>	<u>\$ 133,015</u>	<u>\$ 162,788</u>	<u>\$ 305,456</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) Summary of Significant Accounting Policies: (Continued)

(e) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report aggregated information for the overall government for all of the activities of the primary government. These statements do not report fiduciary funds or fiduciary component units such as retirement trust funds. Those activities are reported only in fund financial statements. The effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange revenues, are reported separately from business-type activities, which are financed wholly or partially by fees charged to external parties for goods or services and are reported in enterprise funds.

The statement of activities demonstrates the degree to which the 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. Indirect costs are included in the program expense reported for individual functions and activities. 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 instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(f) **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, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for grant revenues which are considered earned when expenditures are incurred. 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 and claims and judgments, are recorded only when payment is due.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

Property taxes, franchise taxes, intergovernmental revenues, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the government receives cash.

Nonexchange transactions are grouped into four classes, based on their principal characteristics. The accounting treatment for each type of transaction is as follows:

- Derived Tax Revenues are defined as assessments imposed on exchange transactions. Examples include: sales taxes, franchise tax, utility taxes, etc. Assets from derived tax revenue are recognized in the period when the exchange transaction on which the tax is imposed or when resources are received, whichever occurs first. Revenues are recognized, net of estimated uncollectible amounts, in the same period that the assets are recognized. Resources received in advance are recorded as deferred revenue until the period of the exchange.
- Imposed Nonexchange Revenues result from assessments on nongovernmental entities, other than assessments on exchange transactions. Examples include: ad valorem (property) taxes, fines and penalties, and property forfeitures. Assets from imposed nonexchange revenues are recognized in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Property taxes are recognized in the period for which the taxes are levied. All other imposed nonexchange revenues are recognized in the same period that the assets are recognized.
- Government-mandated Nonexchange Transactions establish eligibility requirements before a transaction can occur. Examples include federal awards and state financial assistance. Until the requirements are met, the recipient does not have a receivable and recognition of revenue received in advance is deferred. The providers (usually federal, state, and county governments) often offer resources on a reimbursement ("expenditure-driven") basis at the time the recipient has incurred allowable costs under the applicable program.
- Voluntary Nonexchange Transactions result from legislative or contractual agreements other than exchanges, entered into willingly by two or more parties. Examples include certain grants, entitlements, and donations by nongovernmental entities. Principal characteristics of these types of transactions are (1) they are not imposed on the provider or recipient, and (2) fulfillment of eligibility requirements is essential for a transaction to occur. Assets and revenues are recognized when all applicable eligibility requirements, including time requirements, are met. Resources received in advance are reported as deferred revenue.

The City's accounts are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of the governmental and proprietary fund financial statements is on major funds.

The City reports the following major governmental funds:

General Fund—The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City other than proprietary fund activities are financed through revenues received by the General Fund.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

Eastport Business Center Community Redevelopment Area (CRA) Fund—The Eastport CRA Fund accounts for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the Eastport Business Center community redevelopment area.

Town Center Community Redevelopment Area (CRA) Fund—The Town Center CRA Fund accounts for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the Town Center community redevelopment area.

The City reports the following major proprietary funds:

Water and Sewer System Fund—The Water and Sewer System Fund accounts for the costs and recovery of costs in the form of user charges related to the production, treatment and distribution of potable water, along with the collection, treatment and disposal of sewage waste with the City. The maintenance and improvement of utility plant required to provide these goods and services are financed primarily from user charges. Physical plant expansion is financed primarily from revenue bond obligations and other long-term debt borrowings.

Solid Waste Fund—The Solid Waste Fund provides the community with refuse and recycling services provided by third-party contracted vendors, the costs of which are primarily recovered by user charges.

Stormwater Utility Fund—The Stormwater Utility Fund accounts for the collection of drainage fees utilized for the expansion and maintenance of drainage facilities.

Municipal Golf Course Fund—The Municipal Golf Course Fund accounts for the costs and recovery of costs in the form of user charges related to the use of the 18-hole golf course owned and operated by the City. The maintenance and improvement of the golf course required to provide these goods and services are financed primarily from user charges, existing cash resources, and other City funds.

Additionally, the City reports the following fund types:

Special Revenue Funds—These funds account for financial sources and uses that are legally restricted for specific purposes. The City has five non-major Special Revenue Funds which consist of: the Business Development; Recreation Facilities; Municipal Communications; Community Development-Building; and Community Development Block Grant funds. These financial activities are reported separately in the Combining and Individual Fund Statements and Schedules section of this report.

Debt Service Funds—These funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs. This fund type is used to provide for the debt service requirements of the City's governmental long-term debt.

Capital Projects Funds—These funds are used to account for financial resources to be used for equipment replacement or the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The City has the following non-major capital projects funds: General Construction, Transportation Capital Projects, Capital Improvement Bond Construction, Fire Impact, Transportation Impact, General Obligation Capital Projects, Capital Replacement Funds, Economic Development Capital, Town Center Bond Project, 2014 Capital Improvement Bond Projects, and Recreation Impact. These financial activities are reported separately in the Combining and Individual Fund Statements and Schedules section of this report.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

Internal Service Fund—The City's Internal Service Funds account for the financial activities of its internal data processing, vehicle maintenance, self-insurance, lease and replacement, building maintenance, and loan pool activities. These type funds provide services to departments of the City on a cost-reimbursement basis.

Pension Trust Funds—Accounts for the net position held in trust for defined pension benefits and the related financial activities of the employees' retirement system, which accumulates resources for defined pension benefit payments to the Municipal Police Officers' Retirement Trust Fund, the Municipal Firefighters' Pension Trust Fund, and the General Employee's Pension Trust Fund. Assets accumulated and held in trust in defined contribution pension plans (deferred compensation and money purchase retirement plans) are not included in the financial statements, since such amounts immediately vest with the employees.

The City has adopted the GASB Codification.

As a general rule, the effect of the City's interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments (when applicable). Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. The City recognizes as operating revenue the portion of impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

(g) **Budgets and budgetary accounting**—Annual budgets for all governmental and proprietary funds were adopted in compliance with Florida law. The basis on which the budgets are prepared is consistent with the basis of accounting utilized by the various fund types. The governmental funds' budgets are prepared on the modified accrual basis of accounting. The proprietary funds' budgets are prepared on a full accrual basis of accounting. The City uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- i. On or before July 1st, the City Manager submits a preliminary budget to the City Council for the ensuing fiscal year.
- ii. Budget workshop sessions are scheduled by the City Council, as needed.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

- iii. A general summary of the budget and notice of public hearing is published in a local newspaper.
- iv. Prior to October 1st, the budget is legally enacted through passage of an ordinance.
- v. The City Council, by resolution, may make supplemental appropriations in excess of those estimated for the year up to the amount of available revenue in accordance with Section 3.08 of the City Charter. Prior to the end of the fiscal year, supplemental appropriations are made for unanticipated spending requirements by the Council.
- vi. The City Council must approve all inter-departmental budget amendments and/or appropriations transfers. Budgetary control is exercised at the department level.
- vii. Every appropriation lapses at the close of the fiscal year.

The budgets for governmental funds that were either adopted or amended during the year by the City Council were prepared using the modified accrual basis of accounting in accordance with generally accepted accounting principles. The general, special revenue and capital project funds have legally adopted budgets. The debt service fund did have a legally adopted budget on the issuance of debt obligations. Debt service budgetary comparisons are not displayed because this budget is not annually adopted.

The individual accounts that comprise the water and sewer fund, consisting of the water and sewer revenue account, water and sewer renewal and replacement account, and water and sewer impact fee account, have legally adopted annual budgets. The solid waste, golf course, and stormwater funds also have legally adopted annual budgets. Presentation of budget/actual comparisons have not been presented in these financial statements as this disclosure would be misleading and is not required by generally accepted accounting principles.

(h) **Deposits and investments**—The City's cash and cash equivalents include cash on hand, demand deposits and short-term investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

The City's investment policies are governed by state statutes and local resolution. These policies authorize the City to invest in bonds, notes, and certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America, interest bearing savings accounts, interest bearing certificates of deposit and interest bearing time deposits.

All of the City's investments and all fiduciary (pension) fund investments are reported at fair value.

(i) **Receivables and payables**—Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends. Utility operating sales are generally recognized on the basis of cycle billings rendered quarterly. Unbilled accounts receivable are accrued by the City at September 30th, to recognize the sales revenues earned between the last meter reading dates made in mid-September through the end of the fiscal year.

(j) **Inventories and prepaid items**—The cost of inventory is accounted for on the consumption basis wherein inventories are charged as expenditures when used, rather than when purchased. All inventories are valued at cost, which approximates market, by using the weighted average valuation method. The effect of this method is to flow the costs of the materials and supplies in the order in which they are purchased and to assign a balance sheet inventory valuation more nearly at current replacement value. No required minimum levels of inventory are maintained.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(k) **Restricted assets**—Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayments, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Restricted funds are comprised of the following:

Sinking funds - segregated resources generated from operations that are accumulated for making debt service payments over the next twelve months.

Construction funds - segregated resources consisting of net bond proceeds from the issuance of revenue bonds and other long-term debt obligations that are restricted to use in construction.

Renewal and replacement funds - segregated resources that are set aside to meet unexpected repairs or to fund asset renewal and replacement.

Impact fee funds - segregated resources, contributions and development fees paid on new constructions that are restricted for utility system expansion.

(l) **Capital assets**—Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, drainage improvements, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Infrastructure assets are being accounted for using different methods. For governmental activities, the cost or estimated cost of roads and sidewalks are presented. The City has compiled this information and has recorded all roads and sidewalks acquired after June 30, 1980. For business-type activities, infrastructure assets have been capitalized at cost. Water and sewer utility improvements are being depreciated over their useful lives. Stormwater improvements are accounted for using the modified approach as well as roads and sidewalks. The City has recorded all drainage infrastructure acquired including pre-GASB 34 assets. The City has elected the use of the modified approach in its accounting for infrastructure assets. This is an election not to depreciate infrastructure assets that are part of a network or subsystem of a network that meets two specific requirements. First, the City manages eligible infrastructure assets using an asset management system that has certain specific characteristics; second, the City documents the eligible assets are being preserved at approximately (or above) the level established and disclosed by City Council.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

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, but charged to operating expense as incurred.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Proprietary fund capital assets that are constructed include construction period interest that is capitalized net of interest earned on unexpended construction funds and, therefore, depreciated over the remaining useful life of the related asset. Proprietary fund interest incurred by the City during the current fiscal year was \$1,652,590. Of this amount, \$30,150 was included as part of the cost of capital assets under construction in connection with the City's water and sewer and stormwater utility construction projects.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20 – 50 years
Improvements other than buildings	20 – 50 years
Machinery and equipment	5 – 35 years

The City has historically recorded all easements and rights of way that are determined to have limited useful lives at estimated fair market value on the date received. The City has elected to not retroactively report intangible assets that are determined to have indefinite useful lives. The City does not have any intangible assets previously subjected to amortization that have now been determined to have indefinite useful lives.

(m) **Compensated absences**—The City reports compensated absences in the applicable governmental or business-type activity columns in the governmental-wide financial statements. The portion of employee payroll costs paid subsequent to year-end attributable to services performed prior to year-end and accumulated unpaid vacation, sick-leave, and personal leave is recorded and recognized as a current liability. The remainder of the liability for compensated absences payable beyond the current period is recorded as a long-term liability.

It is the City's policy to grant employees vacation leave (annual leave) and sick leave based upon the number of years of employment with the City. Annual leave accrues at a maximum of 22 days per year with a cumulative maximum of 40 days that can be accrued in total as of the beginning of the fiscal year. Upon termination, without cause, all accrued annual leave is paid. Sick leave accrues at 12 days per year.

Employees can receive payment for unused sick time in from their fiscal year-end balance, less amount equivalent to 40 hours leave.

(n) **Long-term obligations**—In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Original issue bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Fund equity**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation (i.e. when the government assesses, levies, charges, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Council are reported as committed fund balance. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – Fund balance amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balance, except for stabilization arrangements. The City Council expressly delegates to the City Manager authority under this policy to assign funds for particular purposes. Such balances must be assigned (encumbered) through a contract or purchase order as provided under Chapter 2, Section 2-294 of the Port Orange Code of Ordinances and Generally Accepted Accounting Principles.

Unassigned – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The desired net equity reserve maintained by specified funds shall be held at a particular level. This optimal level has been determined to be 15% of the respective operating budgets at the beginning of the fiscal year or a net equity reserve equal to at least 54 consecutive days. This net equity retention policy applies to the four main operating funds of the City, specifically the general, water and sewer, solid waste, and stormwater utility funds. The other funds of the City should retain cash and equity reserves equal to their current obligations or projected needs. For example, construction funds net equity reserves should be equal to projected cash requirements within the parameters of the Five Year Capital Improvement Program. If current anticipated revenue sources, including bond proceeds, do not meet anticipated cash needs within capital funds the net equity reserves must supplement the funding shortfall.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(1) **Summary of Significant Accounting Policies:** (Continued)

(p) **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 applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one item, deferred loss on bond refunding in the proprietary funds and government-wide statement of net position, which qualifies for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has only one item, unavailable property tax revenues in the governmental fund balance sheets, which qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

(q) **Net position flow assumption**—Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the City's policy to consider restricted net position to have been used before unrestricted net position is applied.

(r) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

(s) **Implementation of new accounting standards**—At September 30, 2014 and for the year then ended, the City has implemented Governmental Accounting Standards Board (GASB) *Statement No. 67, Financial Reporting for Pension Plans*. See Note 17 for the effect of GASB 67 on financial statement disclosures.

(2) **Reconciliation of Government-Wide and Fund Financial Statement:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(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**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(3) Property Tax Calendar:

Under Florida law, the assessment of all properties and the collection of all county, municipal and school district property taxes are consolidated in the offices of the County Property Appraiser and County Finance Director. 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 10 mills. The operating and combined debt service millage rates (2013 levy) assessed by the City were 4.6991 and 0.4910 mills, respectively, for the year ended September 30, 2014.

The property tax calendar is as follows:

Valuation Date	January 1, 2013												
Property Appraiser prepares the assessment roll with values as of January 1, 2013, submits this preliminary roll for approval by the State and notifies each taxing authority of their respective valuations.	July 1, 2013												
City Council holds two required public hearings and adopts a budget and ad valorem tax millage rate for the coming fiscal year.	September 2013												
Property Appraiser certifies the assessment roll and all real and tangible personal property taxes are due and payable (Levy date).	November 1, 2013												
A Notice of Taxes is mailed to each property owner on the assessment roll. Taxes may be paid November 2013 through March 2014, with the following applicable discounts:	November 1, 2013												
<table> <tr> <th><u>Month Paid</u></th><th><u>Discount Percent</u></th></tr> <tr> <td>November</td><td>4 %</td></tr> <tr> <td>December</td><td>3</td></tr> <tr> <td>January</td><td>2</td></tr> <tr> <td>February</td><td>1</td></tr> <tr> <td>March</td><td>0</td></tr> </table>	<u>Month Paid</u>	<u>Discount Percent</u>	November	4 %	December	3	January	2	February	1	March	0	through March 31, 2014
<u>Month Paid</u>	<u>Discount Percent</u>												
November	4 %												
December	3												
January	2												
February	1												
March	0												
All unpaid taxes on real and tangible personal property become delinquent.	April 1, 2014												
A list of unpaid tangible personal property taxes and a list of unpaid real property taxes are advertised.	April and May 2014												
Tax certificates are sold on all real estate parcels with unpaid real property taxes (Lien date).	June 1, 2014												
A court order is obtained authorizing the seizure and sale of personal property if the taxpayer fails to pay the delinquent personal property taxes.	June 1, 2014												

At September 30, 2014, the City has recorded property taxes receivable of \$24,224.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(4) Cash Deposits and Investments:

(a) City of Port Orange, Florida:

The City's investment policies are governed by Chapter 280 and 218, Florida Statutes, City Code of Ordinances, and the adopted investment policy. For all investments authorized by statute or policy, the City applies the "Prudent Person" standard when developing investment strategies. The basic allowable investment instruments are as follows:

The Florida PRIME – includes the Florida PRIME and shall be rated "AAAm" by Standard & Poor's or the equivalent by another NRSRO.

United States Government Securities – includes direct negotiable obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government.

United States Government Agencies (full faith and credit of the United States Government) – includes bonds, debentures or notes issued or guaranteed by the United States Government agencies, provided such obligations are back by the full faith and credit of the United States Government.

Federal Instrumentalities (United States Government Sponsored Enterprises ("GSE") which are non-full faith and credit) – includes bonds, debentures or notes issued or guaranteed by the United States Government Sponsored Enterprises which are non-full faith and credit.

Non-Negotiable Interest Bearing Time Certificates of Deposit – includes non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of Florida and/or in national banks organized under the laws of the United States and doing business and situated in Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Section 280, Florida Statutes.

Repurchase Agreements – includes repurchase agreements composed of only those investments based on the requirements set by the City's Master Repurchase Agreement.

Commercial Paper – includes commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper).

Corporate Notes – includes corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long term debt rating of "AA" by Standard & Poor's.

Bankers' Acceptances – includes bankers' acceptances which are issued by a domestic bank or a federally chartered domestic office of a foreign bank, which is eligible for purchase by the Federal Reserve System, at the time of purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's or "A-1" by Standard & Poor's.

State and/or Local Government Taxable and/or Tax-Exempt Debt – includes state and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt, or rate at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.

Registered Investment Companies (Money Market Mutual Funds) – includes shares in open-end and no-load fixed-income securities mutual funds provided such funds are registered under the Federal Investment Company Act of 1940 and invest in securities permitted by this policy.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(4) Cash Deposits and Investments: (Continued)

Intergovernmental Investment Pool – includes intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Corporation Act, as provided in Section 163.01, Florida Statutes, and provided that said funds contain no derivatives.

Deposits include cash on hand and amounts held in the City's demand accounts. At September 30, 2014, the carrying amount of the City's deposits was \$36,210,423 and the bank balance was \$37,920,406. Each demand account is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Any balance in excess of FDIC insurance is covered by collateral held by the City's custodial bank, which is pledged to a state trust fund that provides security in accordance with Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.

The Florida Security for Public Deposits Act (the Act) established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act.

Obligations pledged to secure deposits must be delivered to the State Treasurer or, with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Treasurer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The City has funds invested in a money market mutual fund. The fund's portfolio is structured within the confines of Rule 2a-7 under the Investment Company Act of 1940, as amended. SEC Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant NAV (net asset value) of \$1.00 per share, provided that such funds meet certain criteria. Therefore, the fair value of the City's position in the fund is the same as the value of the fund's shares. The fund invests primarily in short-term, high-quality, fixed-income securities issued by banks, corporations and the U.S. government, rated in the highest short-term category or of comparable quality. As of September 30, 2014, the totaled invested in the fund was \$11,110,323.

As of September 30, 2014, the City's governmental and business-type investment portfolio was composed of the following investments:

Investment Type	Credit Quality Rating (S&P)	Fair Value	Weighted Average Investment Maturities (in Years)	
			Less Than 1	1 – 5
Cash	NR	\$ 36,210,423	\$36,210,423	\$ -
Money Market – PFM Funds	NR	11,110,323	11,110,323	-
Commercial Paper	A-1	2,070,000	2,070,000	-
Municipal Bonds	AA	775,000	-	775,000
Corporate Bonds	AAA to AA-	3,380,000	800,000	2,580,000
US Government Treasury Notes	AA+	17,785,000	-	17,785,000
Federal Instrumentalities	AA+	7,380,000	1,285,000	6,095,000
Other	NR	450,160	450,160	-
Total Portfolio		<u>\$ 79,160,906</u>	<u>\$ 51,925,906</u>	<u>\$27,235,000</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(4) Cash Deposits and Investments: (Continued)

Interest Rate Risk: The City's investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. The investment of current operating funds will have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds ("core funds") shall have a term appropriate to the need for funds and in accordance with debt covenants, but should not exceed ten years. From time to time the above parameters may require modification in order to meet specific construction draw schedules or other predetermined operating, capital needs or to satisfy debt obligations but in no event shall exceed thirty (30) years.

Credit Risk: Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The City's investment policy utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The ratings of the investments held at year end are shown above. All are rated within the investment policy guidelines at September 30, 2014.

Concentration of Credit Risk: The City's investment policy has established asset allocation and issuer limits on its investments which are designed to reduce concentration of credit risk of the City's investment portfolio. A maximum of 25% of available funds may be invested in the Florida PRIME, 100% of available funds may be invested in the United States Government Securities, 75% of available funds may be invested in United States Government agencies with a 50% limit on individual issuers, 80% of available funds may be invested in Federal Instrumentalities with a 40% limit on individual issuers, 25% of available funds may be invested in non-negotiable interest bearing time certificates of deposit with a 15% limit on individual issuers, 50% of available funds may be invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements with a 25% limit on individual issuers, 30% of available funds may be directly invested in prime commercial paper with a 10% limit on individual issuers, 15% of available funds may be directly invested in corporate notes with a 5% limit on individual issuers, 30% of available funds may be directly invested in Bankers' acceptances with a 10% limit on individual issuers, 20% of available funds may be invested in taxable and tax-exempt debts, 50% of available funds may be invested in mutual funds excluding one (1) business day overnight sweep agreements with a 25% limit on individual issuers, 25% of available funds may be invested in intergovernmental investment pools.

Custodial Credit Risk—Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Pursuant to the applicable provisions of Chapter 280, Florida Statutes, *The Florida Security for Public Deposits Act*, the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management have established specific requirements relative to the security and collateralization for public deposits. Accordingly, banks qualifying as a public depository in the State of Florida must adopt the necessary procedures outlined in these statutes and meet all of the requirements of this chapter to be designated by the State Chief Financial Officer (CFO) as eligible to receive deposits from municipal depositors. Collateral having a market value equal to 50% of the average daily balance for each month of all public deposits in excess of any applicable depository insurance is required to be pledged or deposited with the State CFO to secure such deposits. Additional collateral, up to a maximum of 125% may be required if deemed necessary under the conditions set forth in the Act. Securities eligible to be pledged as collateral are generally limited to obligations of the United States government and any state thereof and are held in the name of the State CFO's office. Compliance with the provisions of Chapter 280, Florida Statutes, is monitored by a Qualified Public Depository Oversight Board with members appointed by the State CFO.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(4) Cash Deposits and Investments: (Continued)

Custodial Credit Risk—Investments: In the case of investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2014, the City's investments in U.S. Treasury obligations and federal instrumentalities/agency obligations are backed by the full faith and credit of the United States, or explicitly guaranteed by the United States. The City's investment in corporate debt obligations are held in the form of corporate bonds through a financial brokerage firm. The corporate debt obligations are uninsured, unregistered and held by the City's brokerage firm which is also the counterparty for these particular securities.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy does not permit general obligations issued by a foreign government and is, therefore, not exposed to foreign currency risk.

(b) Pensions Plans:

The City's Pension Plans are authorized to invest in the following investments:

Investment products and funds provided through insurance companies, including, but not limited to, annuity and life insurance contracts of life insurance companies in amounts sufficient to provide, in whole or in part, the benefits to which all of the members in the fund shall be entitled under the provisions of this system and pay the initial and subsequent premium thereon.

Time or savings accounts of a national bank, a state bank or a savings/building and loan association insured by the Federal Deposit Insurance Corporation.

Obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States.

Open-end non-commission bank or insurance company real estate funds with ability to liquidate every three (3) months.

Foreign securities.

Bonds, stocks, commingled or mutual funds.

State Board of Administration and the investment vehicles it utilizes.

Any other investment which the pension board deems to be prudent.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(4) Cash Deposits and Investments: (Continued)

The following chart shows the General Employees' Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating Range (S&P)</u>
Money Market Funds	\$ 799,289	N/A	NR
U.S. Treasury Obligations	132,848	29.5	AAA
U.S. Agency Obligations	1,358,008	2.9	AAA
Corporate & Municipal Bonds	2,593,890	8.5	AA to B-
Common Stock	14,129,621	N/A	NR
Mutual Funds	8,553,302	N/A	NR
Real Estate Pooled Separate Account	1,366,395	N/A	NR
Total Portfolio	<u>\$ 28,933,353</u>		

The following chart shows the Fire Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating Range (Moody's)</u>
Money Market Funds	\$ 1,802,552	N/A	NR
U.S. General & Agency Obligations	3,127,298	4.91	Baa3 to AAA
Corporate Bonds	4,691,958	10.28	AAA
Common Stock	5,903,187	N/A	NR
Mutual Funds	6,465,118	N/A	NR
Real Estate Partnership	154,608	N/A	NR
Total Portfolio	<u>\$ 22,144,721</u>		

The following chart shows the Police Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating Range (S&P)</u>
Money Market Funds	\$ 586,319	N/A	NR
U.S. Treasury Obligations	3,882,735	2.9	AA+ to AAA
Corporate & Municipal Debt	3,051,605	2.7	BBB+ to AA+
Common Stock	15,062,297	N/A	NR
Mutual Funds	1,264,813	N/A	NR
Partnerships	2,755,879	N/A	NR
Real Estate Partnership	1,672,729	N/A	NR
Total Portfolio	<u>\$ 28,276,377</u>		

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(4) Cash Deposits and Investments: (Continued)

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The established performance objectives of the Pension Plans require investment maturities to provide sufficient liquidity to pay obligations as they become due. At September 30, 2014, the weighted average maturity in years for each investment type is included in the preceding table.

Credit Risk: Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The Pension Plans utilize portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The ratings of the investments held at year end are shown above. All are rated within the investment policy guidelines at September 30, 2014.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Fire Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed five (5) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy (70) percent of the fund's total assets. The Police Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed twelve and one-half (12.5) percent of the outstanding stock of that company. The General Employee Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed fifteen (15) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy-five (75) percent of the fund's total assets. At September 30, 2014, the investment portfolios met the single issuer limitations.

Custodial Credit Risk: Custodial credit risk is the risk that the City may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or mutual funds.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Pension trust funds policies allow for up to twenty-five (25) percent of its investments in common stock, capital stock and convertible securities at market value in foreign securities. At September 30, 2014, the investment portfolios met the foreign securities limitations.

A reconciliation of cash and investments as shown in the accompanying financial statements follows:

Fair Value/Carrying Value	
Governmental and Business-type Investment Portfolio	\$ 79,160,906
Pension Investment Portfolio	<u>79,354,451</u>
Total	<u>\$158,515,357</u>
Government-Wide Statement of Net Position:	
Equity in pooled cash	\$ 53,716,912
Investments	-
Restricted equity in pooled cash	22,364,859
Restricted investments	2,773,097
Statement of Fiduciary Net Position:	
Cash and cash equivalents with trustee	3,188,160
Investments	76,166,291
Equity in pooled cash – agency funds	306,038
Total	<u>\$158,515,357</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(5) Accounts Receivable:

The City's receivables consisted of the following at September 30, 2014:

	<u>Gross Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>
Governmental Activities:			
General Fund			
Delinquent taxes receivable	\$ 21,838	\$ -	\$ 21,838
Accounts receivable	1,675,561	(333,445)	1,342,116
Nonmajor Governmental Funds			
Delinquent taxes receivable	2,386	-	2,386
Accounts receivable	18,708	-	18,708
	<u>1,718,493</u>	<u>(333,445)</u>	<u>1,385,048</u>
Internal Service:			
Internal Service Funds			
Accounts receivable	39,505	-	39,505
Total – Governmental Activities	<u>1,757,998</u>	<u>(333,445)</u>	<u>1,424,553</u>
Business-Type Activities			
Water and Sewer Fund			
Accounts receivable	3,046,280	(431,125)	2,615,155
Solid Waste Fund			
Accounts receivable	837,552	(110,276)	727,276
Stormwater Utility Fund			
Accounts receivable	21,141	(2,294)	18,847
Golf Course Fund			
Accounts receivable	43,719	-	43,719
Totals – Business-Type Activities	<u>3,948,692</u>	<u>(543,695)</u>	<u>3,404,997</u>
Totals	<u>\$ 5,706,690</u>	<u>\$ (877,140)</u>	<u>\$ 4,829,550</u>

(6) Interfund Loans, Advances, Fees, and Transfers:

At September 30, 2014, individual fund advances to and from other funds for the primary government were comprised of the following:

	<u>Advance To</u>	<u>Advance From</u>
Business-Type Activities:		
Water and Sewer Fund:		
Golf Course Fund	\$ 1,559,061	\$ -
Golf Course Fund:		
Water and Sewer Fund	-	1,559,061
Totals – All Funds	<u>\$ 1,559,061</u>	<u>\$ 1,559,061</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(6) Interfund Loans, Advances, Fees, and Transfers: (Continued)

The outstanding balances between funds result mainly from the time lag between the dates reimbursable expenditures occur, when transactions are recorded in the accounting system, and when payments between funds are made. Individual fund interfund receivables and payables for the primary government at September 30, 2014, were comprised of the following:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
Governmental Activities:		
General Fund:		
Transportation Capital Projects Fund	\$ 200,100	\$ -
Town Center CRA Fund	44,000	-
Town Center CRA Fund:		
General Fund	-	44,000
Loan Pool Internal Service Fund	-	708,397
Transportation Capital Projects Fund:		
General Fund	-	200,100
Capital Replacement Capital Projects Fund	-	423,986
Transportation Impact Capital Projects Fund	-	450,000
Loan Pool Internal Service Fund	-	421,090
Capital Replacement Capital Projects Fund:		
Transportation Capital Projects Fund	423,986	-
Community Dev. Block Grant Special Revenue Fund:		
Loan Pool Internal Service Fund	-	207,238
Transportation Impact Fee Fund:		
Transportation Capital Projects Fund	450,000	-
Recreation Impact Capital Projects Fund:		
Loan Pool Internal Service Fund	-	941,954
	<u>1,118,086</u>	<u>3,396,765</u>
Business-Type Activities:		
Stormwater Utility Fund:		
Loan Pool Internal Service Fund	-	174,389
	<u>-</u>	<u>174,389</u>
Internal Service:		
Loan Pool		
Recreation Impact Projects Fund	941,954	-
Town Center CRA Fund	708,397	-
Community Dev. Block Grant Special Revenue Fund	207,238	-
Transportation Capital Projects Fund	421,090	-
Stormwater Utility Fund	174,389	-
	<u>2,453,068</u>	<u>-</u>
Total – All Funds	<u><u>\$ 3,571,154</u></u>	<u><u>\$ 3,571,154</u></u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(6) Interfund Loans, Advances, Fees, and Transfers: (Continued)

For the year ended September 30, 2014, individual fund transfers to and from other funds for the primary government were comprised of the following:

	<u>Transfer From</u>	<u>Transfer To</u>
Governmental Activities		
General Fund:		
Debt Service Fund	\$ -	\$ 1,125
Capital Replacement Fund	-	550,000
Business Development Fund	-	34,824
Water and Sewer Fund	1,276,118	-
Solid Waste Fund	193,978	-
Stormwater Utility Fund	186,277	-
Eastport Business Center CRA Fund:		
Debt Service Fund	-	179,813
Town Center CRA Fund:		
Debt Service Fund	-	319,542
Internal Service Funds	210,000	-
Nonmajor Governmental Funds:		
Debt Service Fund:		
General Fund	1,125	-
Eastport Business Center CRA Fund	179,813	-
Town Center CRA Fund	319,542	-
Capital Improvement Fund	-	3,010,000
Stormwater Utility Fund	83,520	-
Internal Service Funds	626,399	-
Capital Replacement Fund:		
General Fund	550,000	-
Capital Improvement Fund:		
Debt Service Fund	3,010,000	-
Business Development Special Revenue Fund:		
General Fund	34,824	-
	<u>6,671,596</u>	<u>4,095,304</u>
Business-type Activities		
Water and Sewer Fund:		
General Fund	-	1,276,118
Solid Waste Fund:		
General Fund	-	193,978
Stormwater Utility Fund:		
General Fund	-	186,277
Debt Service Fund	-	83,520
	<u>-</u>	<u>1,739,893</u>
Internal Service Funds:		
Town Center CRA Fund	-	210,000
Debt Service Fund	-	626,399
	<u>-</u>	<u>836,399</u>
Totals – All Funds	<u>\$ 6,671,596</u>	<u>\$ 6,671,596</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(6) Interfund Loans, Advances, Fees, and Transfers: (Continued)

Transfers are used to (1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service funds to establish and maintain mandatory reserve and sinking fund accounts, (3) move revenues from proprietary fund operations to the general fund for payments in lieu of taxes, and (4) move unrestricted revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs.

(7) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated –				
Land	\$ 17,300,629	\$ 212,934	\$ -	\$ 17,513,563
Easements	2,448,188	335,037	-	2,783,225
Infrastructure	73,881,490	2,836,243	-	76,717,733
Construction in progress	883,013	596,269	(627,531)	851,751
Total capital assets, not being depreciated	94,513,320	3,980,483	(627,531)	97,866,272
Capital assets, being depreciated –				
Buildings and improvements	64,768,592	2,892,349	-	67,660,941
Equipment	25,520,240	3,182,612	(1,479,651)	27,223,201
Total capital assets, being depreciated	90,288,832	6,074,961	(1,479,651)	94,884,142
Less accumulated depreciation for–				
Buildings and improvements	(35,478,625)	(2,495,262)	-	(37,973,887)
Equipment	(20,327,241)	(1,732,191)	1,450,998	(20,608,434)
Total accumulated depreciation	(55,805,866)	(4,227,453)	1,450,998	(58,582,321)
Total capital assets, being depreciated, net	34,482,966	1,847,508	(28,653)	36,301,821
Governmental activities capital assets, net	<u>\$ 128,996,286</u>	<u>\$ 5,827,991</u>	<u>\$ (656,184)</u>	<u>\$ 134,168,093</u>
Business-type activities:				
Capital assets, not being depreciated –				
Land	\$ 28,730,031	\$ 51,313	\$ -	\$ 28,781,344
Infrastructure	30,684,813	547,643	-	31,232,456
Construction in progress	3,327,765	2,142,915	(3,695,217)	1,775,463
Total capital assets, not being depreciated	62,742,609	2,741,871	(3,695,217)	61,789,263
Capital assets, being depreciated –				
Buildings and improvements	271,274,837	6,915,807	-	278,190,644
Equipment	2,726,295	334,449	(6,800)	3,053,944
Total capital assets, being depreciated	274,001,132	7,250,256	(6,800)	281,244,588
Less accumulated depreciation for –				
Buildings and improvements	(95,007,963)	(5,334,168)	6,800	(100,342,131)
Equipment	(2,382,349)	(189,274)	-	(2,564,823)
Total accumulated depreciation	(97,390,312)	(5,523,442)	6,800	(102,906,954)
Total capital assets, being depreciated, net	176,610,820	1,726,814	-	178,337,634
Business-type activities capital assets, net	<u>\$ 239,353,429</u>	<u>\$ 4,468,685</u>	<u>\$ (3,695,217)</u>	<u>\$ 240,126,897</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(7) **Capital Assets:** (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General governmental	\$ 1,639,464
Public safety	1,091,973
Public works	214,454
Culture and recreation	1,281,562
Total depreciation expense - governmental activities	<u>\$ 4,227,453</u>
Business-type activities:	
Water and sewer	\$ 5,392,710
Solid Waste	957
Stormwater Utility	11,711
Golf Course	118,064
Total depreciation expense - business-type activities	<u>\$ 5,523,442</u>

(8) **Commitments:**

The City had active construction projects as of September 30, 2014. The projects included construction of utility improvements, road and right-of-way improvements, recreational facilities, and drainage improvements. At September 30, 2014, the City's commitments with contractors were as follows:

Project	Total Adjusted Contract Amounts	Remaining Commitment
Water and Sewer Utility Improvements	\$ 1,909,725	\$ 772,062
Transportation Infrastructure Improvements	1,385,639	185,755
Facility Improvements	330,880	190,667
Recreational Improvements	97,200	48,818
Stormwater Improvements	1,271,468	42,783
	<u>\$ 4,994,912</u>	<u>\$ 1,240,085</u>

The commitment for utility improvements is being funded from water and sewer equity, State Revolving Loan proceeds, and water and sewer revenues and impact fees. Construction of transportation infrastructure improvements is being funded from gas tax revenues, transportation impact fee funds, grant proceeds, and fair share funds. The facility improvements are funded from recreation facilities funds and bond proceeds. Recreational improvements are funded from capital project funds, bond proceeds, tax increment funds, and impact fee funds. The commitment for stormwater improvements is being funded from grant proceeds and drainage revenues.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(9) Operating Leases:

The City has entered into leases with various tenants for the rental of real property and buildings contiguous to City hall which houses the Palmer Chiropractic campus, land and buildings which house the Port Orange branch of the Volusia/Flagler Young Men's Christian Association, Inc., a funeral home on City property, and certain real property used for outdoor activities.

At September 30, 2014, future minimum lease payments to be received under these operating leases are as follows:

<u>Year Ending September 30,</u>	<u>Total</u>
2015	\$ 825,869
2016	619,274
2017	525,629
2018	533,462
2019	533,462
2020-2021	388,230
Total	<u>\$ 3,425,926</u>

(10) Long-Term Debt:

Long-term liability activity for the year ended September 30, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds and notes	\$ 14,810,000	\$ -	\$ (370,000)	\$ 14,440,000	\$ 385,000
Revenue bonds and notes	23,605,000	16,350,000	(16,410,000)	23,545,000	385,000
Less deferred amount:					
Original issue premium	187,540	1,070,820	(13,675)	1,244,685	-
Original issue (discount)	(384,703)	-	278,712	(105,991)	-
Total bonds payable	38,217,837	17,420,820	(16,514,963)	39,123,694	770,000
Other post-employment benefits	894,422	164,247	-	1,058,669	-
Compensated absences	2,684,536	1,373,337	(1,489,634)	2,568,239	256,825
Governmental activities – Total long-term liabilities	<u>\$ 41,796,795</u>	<u>\$ 18,958,404</u>	<u>\$(18,004,597)</u>	<u>\$ 42,750,602</u>	<u>\$ 1,026,825</u>
Business-type activities:					
Bonds payable:					
Revenue bonds and notes	\$ 46,030,000	\$ -	\$ (4,935,000)	\$ 41,095,000	\$ 5,010,000
Loans from other governments	26,011,049	-	(1,322,568)	24,688,481	1,700,965
Less deferred amount:					
Original issue premium	34,910	-	(22,788)	12,122	-
Original issue (discount)	(64,458)	-	5,311	(59,147)	-
Total bonds payable	72,011,501	-	(6,275,045)	65,736,456	6,710,965
Other post-employment benefits	236,901	67,108	-	304,009	-
Compensated absences	661,424	515,215	(507,458)	669,181	66,918
Business-type activities – Total long-term liabilities	<u>\$ 72,909,826</u>	<u>\$ 582,323</u>	<u>\$ (6,782,503)</u>	<u>\$ 66,709,646</u>	<u>\$ 6,777,883</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(10) **Long-Term Debt:** (Continued)

Bonds and notes payable in the City's governmental activities at September 30, 2014, were comprised of the following obligations:

Series 2006 Eastport Community Redevelopment Agency Tax Increment Note, was issued to fund the construction of infrastructure improvements in the Eastport Community Redevelopment Area, due in payments of principal plus interest at 3.922% semi-annually on April 1 and October 1 of each year until final maturity on October 1, 2024. Pledged by Eastport CRA tax increment revenues.	\$ 1,855,000
Series 2007 Town Center Community Redevelopment Agency Tax Increment Note, was issued to fund the construction of infrastructure improvements in the Eastport Community Redevelopment Area, due in payments of principal plus interest ranging from 4.00% to 4.625% semi-annually on April 1 and October 1 of each year until final maturity on April 1, 2036. Pledged by Town Center tax increment revenues.	5,340,000
Series 2014 Capital Improvement Refunding Revenue Bonds were issued in the amount of \$16,350,000 to refund the City's Capital Improvement Revenue Bonds, Series 2004, and to construct certain capital improvements in the Town Center area of the City. Bond is due in payments of principal plus interest ranging from 2.00% to 5.00% in semi-annual installments due on April 1 and October 1 through October 1, 2035. Secured by a lien upon and pledge of public service taxes imposed on certain purchases of electricity and metered or bottled gas, and communication service taxes originating within the corporate limits of the City.	16,350,000
Total revenue bonds	<u>23,545,000</u>
Series 2006 General Obligation Bonds were issued to pay the cost of acquiring, constructing and equipping fire and police facilities and other capital improvements in the amount of \$17,000,000; payments are due serially with interest rates ranging from 3.60% to 5.00%, payable in semi-annual installments due on April 1 and October 1 through April 1, 2036.	14,440,000
Total revenue and general obligation bonds	<u>37,985,000</u>
Plus: Net unamortized premiums/(discounts)	1,138,694
Total bonds and notes payable	<u><u>\$ 39,123,694</u></u>

Annual debt service requirements to maturity for the City's governmental activities bonds and notes payable are as follows:

Year Ending September 30,	General Obligation Bonds		Revenue Bonds		Total
	Principal	Interest	Principal	Interest	
2015	\$ 385,000	\$ 694,598	\$ 385,000	\$ 754,686	\$ 2,219,284
2016	400,000	679,775	805,000	936,050	2,820,825
2017	420,000	659,775	820,000	914,389	2,814,164
2018	440,000	638,775	845,000	886,363	2,810,138
2019	460,000	616,775	885,000	851,701	2,813,476
2020-2024	2,665,000	2,726,313	5,290,000	3,650,421	14,331,734
2025-2029	3,365,000	2,023,250	5,405,000	2,446,243	13,239,493
2030-2034	4,290,000	1,094,500	6,265,000	1,329,038	12,978,538
2035-2036	2,015,000	137,025	2,845,000	184,188	5,181,213
Total	<u>\$ 14,440,000</u>	<u>\$ 9,270,786</u>	<u>\$ 23,545,000</u>	<u>\$ 11,953,079</u>	<u>\$ 59,208,865</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(10) **Long-Term Debt:** (Continued)

Bonds and notes payable in the City's business-type activities at September 30, 2014, were comprised of the following obligations:

Series 2003B Capital Improvement Note fully and partially advance-refunded (defeased) a certain revenue bond debt obligation. The Series 2003B Note bears interest at 3.646% and is payable on April 1 and October 1 with principal maturing in October 1 of each year. Funds pledged to service interest and principal of this issue is payable from non-ad valorem revenues of the City.	\$ 475,000
Series 2006 Water and Sewer Refunding Revenue Bonds were issued in the amount of \$7,275,000 to provide for the advance refunding of the Series 1997 water and sewer revenue bond obligations and to finance the expansion of the City's water and sewer utility system. Due serially with interest rates ranging from 3.15% to 4.50%, payable in semi-annual installments due on April 1 and October 1 through October 1, 2014. Pledged by water and sewer fund revenues.	700,000
Series 2011 Water and Sewer Refunding Revenue Bonds were issued in the amount of \$6,150,000 in to provide for the partial and full advance refunding of certain existing water and sewer revenue bond obligations. Due serially with an interest rate of 1.32%, payable in semi-annual installments due on February 1 and August 1 through February 1, 2016. Pledged by water and sewer fund revenues.	2,530,000
Series 2009 Water and Sewer Refunding Revenue Bonds were issued in the amount of \$9,655,000 to provide for the advance refunding of a portion of the Series 1999 Bonds. Due serially with interest rates ranging from 2.00% to 4.00%, payable in semi-annual installments due on April 1 and October 1 through October 1, 2016. Pledged by water and sewer fund revenues.	3,105,000
Series 2012 Water and Sewer Refunding Revenue Bonds were issued in the amount of \$26,390,000 in July 2012 to provide for the advance refunding of the Series 2003 Bonds, which were refunded in full on October 1, 2012, and to finance the expansion of the City's water and sewer utility system. Due serially with interest rates ranging from 3.00% to 5.00%, payable in semi-annual installments due on April 1 and October 1 through October 1, 2021. Pledged by water and sewer fund revenues.	26,390,000
Series 2005 Stormwater Utility Revenue Bonds were issued in the amount of \$7,470,000 to provide for the expansion of the City's stormwater drainage system and infrastructure. Due serially with interest rates ranging from 3.00% to 4.30%, payable in semi-annual installments due on April 1 and October 1 through October 1, 2035. Pledged by non-ad valorem stormwater drainage assessments.	5,270,000
Series 2008 Stormwater Utility Refunding Revenue Note was issued in the amount of \$4,610,000 at parity and consistent with other stormwater debt of the system, with proceeds used to partially refund the Stormwater Utility Revenue Bonds, Series 1998. The note bears interest at 3.69%, payable in semi-annual installments due on April 1 and October 1 through October 1, 2018, and is pledged by non-ad valorem stormwater drainage assessments.	2,625,000
Total revenue bonds and notes payable	<u>\$ 41,095,000</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(10) **Long-Term Debt:** (Continued)

The following is a summary of the City's State Revolving Fund (SRF) loans granted by the State to fund various water, sewer, and drainage projects:

Project Loan Number	Original Amounts	Interest Rate	Payment Dates	Final Maturity	Balance 9/30/14
Water and Sewer Fund:					
WWW72514S	\$ 7,230,813	1.425%	2/15; 8/15	2026	\$ 4,944,082
CS12072513P	13,727,360	1.525-1.635%	3/15; 9/15	2023	7,185,714
CS120725080	8,996,824	1.495-1.560%	2/15; 8/15	2021	2,568,451
CS120725090	4,272,000	1.535%	2/15; 8/15	2020	959,902
DW6413030	4,365,810	2.580%	3/15; 9/15	2027	3,245,813
Stormwater Utility Fund:					
SW725150	5,116,928	1.195%	1/15; 7/15	2027	5,109,983
SW120725100	1,556,976	1.515%	2/15; 8/15	2021	674,536
Total					<u><u>\$ 24,688,481</u></u>

Total business-type bonds, notes, and loans payable are as follows:

Revenue bonds and notes	\$ 41,095,000
SRF loans from other governments	24,688,481
Less: Net unamortized premiums (discounts)	(47,025)
	<u><u>\$ 65,736,456</u></u>

Annual debt service requirements to maturity for the City's business-type activities bonds, notes, and SRF loans payable are as follows:

Year Ending September 30,	Revenue Bonds & Notes		SRF Loans		Total
	Principal	Interest	Principal	Interest	
2015	\$ 4,995,000	\$ 867,757	\$ 1,715,964	\$ 672,269	\$ 8,250,990
2016	5,505,000	744,339	1,763,706	624,528	8,637,573
2017	4,335,000	644,336	2,618,179	569,419	8,166,934
2018	4,505,000	562,128	2,693,111	494,485	8,254,724
2019	4,600,000	479,297	2,770,206	417,390	8,266,893
2020-2024	12,190,000	1,439,043	10,187,874	1,051,916	24,868,833
2025-2029	750,000	1,087,511	2,939,441	114,024	4,890,976
2030-2034	2,875,000	636,189	-	-	3,511,189
2035-2036	1,340,000	60,976	-	-	1,400,976
Total	<u><u>\$ 41,095,000</u></u>	<u><u>\$ 6,521,576</u></u>	<u><u>\$ 24,688,481</u></u>	<u><u>\$ 3,944,031</u></u>	<u><u>\$ 76,249,088</u></u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(10) **Long-Term Debt:** (Continued)

Advance Refunding

Over time, the City has defeased certain revenue bond obligations by placing existing cash and/or proceeds of new bonds in irrevocable trusts sufficient to provide for all future debt service payments and redemption premiums, if any, on the refunded bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds (prior to their complete redemption) are not included in the City's financial statements. As of September 30, 2014, the City had one defeased obligation outstanding. The principal balance due on the Capital Improvement Revenue Bonds, Series 1997 originally defeased on May 14, 2004 totaled \$2,125,000 at September 30, 2014.

Conduit Debt Obligation

Pursuant to the provisions of Ordinance No. 2010-31, the City authorized issuance of conduit debt in the total amount not to exceed \$28,300,000 for Palmer Chiropractic University Foundation, an Iowa not-for-profit corporation, doing business as Palmer College of Chiropractic Florida (the Borrower).

On December 1, 2010, the Borrower issued a \$27,750,000 Palmer Chiropractic Florida Project, Series 2010 Tax Exempt Revenue Note. The proceeds of the note were utilized for acquisition, construction and equipping of certain additional improvements to the Borrower's Florida campus and to provide for the early redemption and refunding of \$14,640,000 outstanding principal amount of the Issuer's Variable Rate Demand Revenue Bonds (Palmer College of Chiropractic Florida Project), Series 2002. The Series 2010 Note is secured with a mortgage, assignment of rents and security agreement signed by the borrower granting a first mortgage lien on the mortgaged campus property. Principal payments are due in quarterly installments including interest at the effective rate of 1.58% per annum through 2030. At September 30, 2014, the balance of this conduit debt outstanding is \$23,695,000.

Under the financing agreements, the City is not obligated to pay the Series 2010 Note except from the proceeds derived from the repayment of the loan to the Palmer College Foundation, or from the other security pledged thereof by Palmer College Foundation, and neither the faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal or, premium, if any, or the interest on the obligation.

Bond Issuance

During the year ended September 30, 2014, the City issued the 2014 Capital Improvement Bonds in the amount of \$16,350,000 to refund the 2014 Capital Improvement Bonds. The refunding was done to take advantage of lower interest rates. The refunding enabled the City to reduce its debt service payments over the same time frame by approximately \$1.3 million while increasing gross principal due and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$900,000.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(11) 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, all of which is satisfactorily insured by limited risk, high deductible commercial general liability insurance. Commercial insurance policies are also obtained for other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The City's risk management program is achieved through the optimal combination of the purchase of commercial insurance, loss control and safety programs. The City transfers catastrophic risks of property and casualty losses through insurance policies with deductibles. The limits of these policies are \$100.0 million for property and \$2.0 million combined single limit for general and automobile liability. The City also established a limited risk management program for workers' compensation in 1999. Premiums are paid in the Self-Insurance Internal Service Fund by all other funds and are available to pay claims, claim reserves, and the administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditures reported in the various funds. As of September 30, 2014, such interfund premiums did not exceed reimbursable expenditures.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR) based upon a valuation performed by an independent actuary. The result of the process to estimate claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other social and economic factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries from salvage or subrogation are another component of the claims liability estimate. Excess coverage insurance policies cover individual claims in excess of \$-0- for general liability, and \$25,000 for workers' compensation and property, respectively. Settlements have not exceeded coverage limits (e.g. there have been no significant insurance proceeds received) for each of the past three years.

Changes in the balances of general liability and workers' compensation claims liabilities during the past two years are as follows:

	<u>Year ended</u> <u>9/30/2014</u>	<u>Year ended</u> <u>9/30/2013</u>
Unpaid claims, beginning of fiscal year	\$ 303,401	\$ 220,527
Incurred (closed) claims (including IBNRs)	197,146	190,341
Claim payments	(152,547)	(107,467)
Unpaid claims, end of fiscal year	<u>\$ 348,000</u>	<u>\$ 303,401</u>

(12) Commitments and Contingencies:

The City is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2014. The outcomes of established claims are included in these financial statements. In the opinion of the City's legal counsel, no legal proceedings are pending or threatened against the City which are not covered by applicable insurance which would inhibit its ability to perform its operations or materially affect its financial condition.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(13) Jointly Owned Property:

County of Volusia, Florida. The City and County of Volusia, Florida, jointly purchased additional wellfield and water recharge property during 1995. This jointly owned land, which is approximately 3,709 acres, is contiguous to the City limits.

In September, 2006, the City and County of Volusia, Florida, subsequently purchased additional real property, which is approximately 17 acres of environmentally sensitive, water resource protection, and outdoor recreation lands. Interest in the property has been divided on the pro-rata basis of 75% ownership to the City and 25% ownership to the County.

No joint operating expenses were incurred during fiscal year 2014 on the above properties. These type expenses, if incurred, would have been allocated pro-rata to each joint venture party based on their respective ownership percentages.

(14) Deficit Fund Balances:

Major Fund. The Town Center Community Redevelopment Agency Special Revenue Fund reported a fund balance deficit of \$465,581 at September 30, 2014. This cumulative deficit was the result of making excess capital expenditures that are expected to be recovered from subsequent periods' tax increment revenues.

Nonmajor Funds. The Transportation Capital Projects Fund reported a fund balance deficit of \$841,852 at September 30, 2014. This continuing deficit was created through the transferring of funds to other governmental activities for projects that were expected to be financed with the proceeds of concurrency agreements with external parties. These deficits are expected to be recovered through proceeds generated from future concurrency agreements. The Recreation Impact Capital Projects Fund reported a fund balance deficit of \$571,364 at September 30, 2014. This deficit has been financed through interfund borrowings and is expected to be repaid from future impact fee collections.

(15) Other Postemployment Benefits (OPEB):

Plan Description. City of Port Orange, Florida, Post Retirement Benefits Plan (the "Plan") is a single-employer healthcare plan administered by the City. Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the Plan to retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Eligible individuals include all regular employees of the City who retire from active service under one of the pension plans sponsored by the City. Under certain conditions, eligible individuals also include spouses and dependent children. The Plan does not issue a publicly available financial report.

Funding Policy. The contribution requirements of plan members and the City are established by state statutes and may be amended by the state legislature. The required contribution is based on projected pay-as-you-go financing requirements and is subject to constant revision. The City has opted to not fund the net OPEB obligation or the resulting unfunded actuarial accrued liability on an annual basis.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an actuarially-determined amount. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(15) Other Postemployment Benefits (OPEB): (Continued)

The following table shows the components of the City's annual OPEB for the year, the amount actually contributed to the plan, and approximate changes in the City's net OPEB obligation to the Plan based on the most recent actuarial valuation dated October 1, 2013:

	<u>9/30/2014</u>	<u>9/30/2013</u>	<u>9/30/2012</u>
Annual required contribution (ARC)	\$ 457,270	\$ 403,000	\$ 386,000
Interest on prior Net OPEB obligation.....	45,253	37,000	27,000
Prior Net OPEB obligation adjustment.....	(48,035)	(39,000)	(29,000)
Annual OPEB cost (expense).....	454,488	401,000	384,000
Estimated net contributions made.....	(223,133)	(189,677)	(151,000)
Increase in net OPEB obligation.....	231,355	211,323	233,000
Net OPEB obligation-beginning of year.....	1,131,323	920,000	687,000
Net OPEB obligation-end of year.....	<u>\$ 1,362,678</u>	<u>\$ 1,131,323</u>	<u>\$ 920,000</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percent of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
9/30/2012	\$384,000	\$151,000	39.4%	\$ 920,000
9/30/2013	\$401,000	\$189,677	47.3%	\$1,131,323
9/30/2014	\$454,488	\$223,133	49.1%	\$1,362,678

Funded Status and Funding Progress. As of October 1, 2013, the most recent actuarial valuation date, the plan was not funded. The projected actuarial accrued liability for benefits was approximately \$4,669,865, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,669,865. The covered payroll (annual payroll of active employees covered under the plan) was \$17,960,464, and the ratio of the UAAL to the covered payroll was 26%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(15) Other Postemployment Benefits (OPEB): (Continued)

In the October 1, 2013 actuarial valuation, the Individual Entry Age Actuarial Cost Method was used. The actuarial assumptions included a 3.5% inflation rate, a 4.0% percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8% percent initially, reduced by 1% annual decreases to an ultimate rate of 5%. If, and when, funded, the actuarial value of assets will be determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll (closed amortization over 30 years). The mortality table has changed from the 2007 Current Liability Mortality Table to the 2013 Current Liability Mortality Table.

(16) Employee Retirement Systems and Pension Funds:

A. Defined Benefit Plans

The government maintains three separate single-employer, defined benefit pension plans. The City of Port Orange Fire and Rescue Pension Fund (the "Fire Plan") covers all of the City's fire and rescue personnel; the City of Port Orange Police Pension Fund (the "Police Plan") covers all of the City's police officers; the City of Port Orange General Employees' Defined Benefit Pension Fund (the "General Employee Plan") covers all other general employees of the City. These plans contain the assets, liabilities and net position of each respective plan.

Eligible employees of the Fire Plan, Police Plan and General Employee Plan consist of full-time state certified firefighters and/or paramedics, full-time sworn police officers, and other general employees, respectively, of the City. Funding methods and the determination of benefits payable are provided in the various acts of the Florida Legislature, which created the funds, including subsequent amendments thereto.

The General Employee Plan originated as a defined contribution plan on April 1, 1979. However, on October 1, 2003, pursuant to Ordinance No. 2003-27, the defined contribution plan was terminated and converted into a defined benefit plan. On September 28, 2010, continued access to this plan by new employees was limited. Under the provisions of Ordinance No. 2010-29, the General Employee Plan was closed to new members effective September 30, 2010. General employees hired on or after October 1, 2010 may participate in the ICMA-RC Money Purchase Plan and Trust for general employees (401A Defined Contribution Plan). Members participating in a bargaining unit will continue to have access to the General Employee Plan unless this option is removed through future collective bargaining processes.

All specifics of various funding methods and determination of benefits are outlined in Chapters 175, 185 and 112 of the Florida Statutes. These statutes provide, in general, that funds are to be accumulated from employee contributions, City contributions, State appropriations (Police Plan and Fire Plan only), and investment earnings from accumulated funds. The acts also provide that should the accumulated funds at any time be insufficient to meet and pay the benefits due, the City shall supplement the funds by an appropriation from current funds or from any revenues which may be lawfully used for said purposes in an amount sufficient to make up the deficiency. All benefits and refunds of the Police Plan, Fire Plan and General Employee Plan are recognized when due and payable in accordance with the terms of the plans. Local Ordinance No. 1999-40, No. 2002-59 and No. 2003-27 for the Municipal Firemen's, Municipal Police Officers' and General Employees' Pension Plans, respectively provide the authority under which the City establishes or amends pension policies, procedures and/or benefits. The investments of the three funds are administered, managed and operated by their respective board of trustees using the services of the City staff, consultants, and financial institutions. All investment management expenses and other administrative costs are financed by each plan.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

Stand-alone financial reports exist for the General Employees and Police Officers pension plans. All financial activity is reported within the accompanying financial statements. Investments are reported at fair value and are managed by third party money managers. The City's independent custodian and the individual money managers price each instrument (using various third party pricing sources) and reconcile material differences. Investments that do not have an established market are reported at estimated fair value. Performance reporting, manager fees, and the City's asset valuation are based on the custodian's determination of value.

Full-time police officers are eligible to participate in the Police Plan immediately upon employment by the City. Police officers have the option to resign from the plan after the first year of employment. All firefighters must participate in the Fire Plan immediately upon employment by the City. Police Plan participants were required to contribute 0.5% of their base salary to the plan through January 31, 2011. Police Plan participants who were employed on or before January 31, 2011, are required to contribute 7.5% of their base salary to the plan after January 31, 2011. Police Plan participants who were hired after January 31, 2011 are required to contribute 8.0% of their base salary to the plan. Fire Plan participants were required to contribute 0.5% of their base salary to the plan through December 4, 2012. Fire Plan participants who were employed on or before December 4, 2012 are required to contribute 7.5% of their base salary to the plan after December 4, 2012. Fire Plan participants employed after December 4, 2012 are required to contribute 8.0%, of their base salary to the plan.

Employees have a stepped vesting program; however, achieve full benefits after twenty years of service. The Bureau of Police and Fire Pension, State of Florida, actuarially determines benefits to be paid to retirees. Upon retirement, Police Plan participants are entitled to an annual pension benefit equal to 3.0% of their average final compensation (equivalent to the average of the three highest years of service for participants hired prior to January 31, 2011, and five highest years of service for participants hired after January 31, 2011) for each year of credited service at their normal retirement date. Fire Plan participants are entitled to an annual pension benefit equal to 3.0% of their average final compensation (equivalent to the average of the three highest years of the last ten years of credited service) for each year of credited service at their normal retirement date. Early retirement benefits are available, but are actuarially reduced to reflect early payment when the commencement of benefits precedes the normal retirement date. Both plans provide supplemental health subsidy benefits that range from \$200 to \$600 per month, based on credited service.

All general employees of the City hired prior to October 1, 2010 must participate in the General Employee Plan unless they are included in the following group of exceptions; 1) general employees that previously opted out of the plan prior to October 1, 2003; 2) police officers in the Police Plan; 3) fire and rescue personnel in the Fire Plan; 4) members of City Council; 5) temporary employees; or 6) contract employees who have opted for the defined contribution plans mentioned later in this note. New non-union (civil service) employees hired on or after October 1, 2010, are not eligible for participation in the plan.

General Employee Plan participants are required to contribute 7.5% of their base salary to the Plan. The Aggregate Funding method is utilized to calculate employer contribution requirements. The initial minimum employer contribution rate for 2014 was 8.4% of base salary for a total employee/employer funding amount of 15.9%. At the end of the year, the employer contributed an additional \$344,600 to the Plan in an effort to reduce the unfunded actuarial accrued liability. Employees have a stepped vesting program that requires a minimum of 5 years of service to earn a 25% vested benefit. Vesting percentages are increased at a rate of 15% per year for each successive year and are not achieved in full (100%) until after ten years of credited service. Upon retirement, participants are entitled to a Normal Retirement Benefit equal to 2.00% (2.12% for years up to 9/30/09) of their average monthly compensation for each year of credited service at their normal retirement date. The normal form of benefit is Life Only. Upon retirement at Normal Retirement date or later, or Early Retirement with 25 years of service, participants will be eligible for a supplemental benefit equal to \$16 per year of service completed prior to September 30, 2009. Early Retirement benefits are available, but are reduced $\frac{1}{4}$ of 1% for each month by which their commencement of benefits precedes the normal retirement date. However, participants with 25 or 30 years of service at their early retirement are guaranteed a monthly benefit equal to at least 50% or 60%, respectively, of their final average compensation.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

Pursuant to Section 54-148, the General Employee Plan also contains a voluntary defined contribution component. Under this plan, employees may contribute up to 10% of their base salary. Accumulated contributions plus related earnings under this plan may be accessed by employees one time per fiscal year, or as needed under certain emergency situations. Accumulated benefits under this plan at September 30, 2014, are \$96,038 for retirees, payable over the time period selected by them, not to exceed 20 years. The voluntary account balances of current employees total \$1,412,633, all payable over the same time period. The total voluntary account balance asset, at market value, is \$1,508,671 and is contained in the assets as presented in the General Employee Plan.

Actuarial Present Value. These Statements specify the use of the actuarial cost method used to determine the Plans' annual requirements for purposes of calculating pension expense ("annual pension cost"). These statements require disclosure of the actuarial present values and funding periods associated with the cost method used to determine funding requirements. Additional disclosure requirements include a comparison of the Plans' actuarial present values with asset balances as a demonstration of funded status.

Actuarial Value of Plan Assets. For the Fire Plan, the actuarial value of plan assets is determined by increasing the actuarial assets used in the most recent actuarial valuation of the Plan by the average annual market value rate of return (net of investment related expenses) for the past four years, but are limited to 120% of market value, if less. For the Police and General Employees Plans, the actuarial value of plan assets is determined by increasing the actuarial assets used in the most recent actuarial valuation of the Plan by the average annual market value of return (net of investment related expenses) for the past five years, but are limited to no more than 120% or less than 80% of the market value of assets.

GASB Statement No. 25 Disclosure Requirements. A comparison of the actuarial present value (APV) of future benefits with the assets of the trusts are used in preparation of the City's financial statements, in accordance with GASB Statement No. 25. The APV of future benefits is the value of benefits projected to expected retirement assuming future salary increases and future service credits discounted back to the valuation dates, as defined by the actuarial cost methods as described herein. The purpose of this comparison according to the statement is to assist in assessing funded status of the plans on a going-concern basis as well as to assess funding progress made over time. The APV of future benefits was calculated as of October 1, 2014, based on the actuarial assumptions and cost method described herein. The plan provisions affecting valuation are summarized in these notes to financial statements.

GASB Statement No. 27 Expense Requirements. Pursuant to state statutes, employer contributions to the Police Plan and Fire Plan for the year ended September 30, 2014, are required to be based exclusively on actuarially computed percentage-of-covered-payroll rates of 76.1% for Police Plan participants and 136.1% for Fire Plan participants, rather than as fixed minimum contribution amounts. For the fiscal year ended September 30, 2014, actual amounts contributed to the Police Plan, Fire Plan and General Employee Plan were greater than the actuarially computed minimum required (percentage) payments for each plan. The employer portion of (accrual basis) amounts required and contributed to the plans for the year ended September 30, 2014 are outlined on a following page.

Annual required contributions to the Police Plan and Fire Plan have been adjusted to reflect the actual state contributions earned during the year. This amount does not take in to account any plan changes that may occur after October 1, 2014. Pursuant to GASB 24, the City recognized on-behalf payments of \$331,402 (police) and \$386,195 (fire), from the State as intergovernmental revenue and public safety personal services (retirement) expenditures in the governmental fund financial statements.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

Annual requirements are determined in accordance with the entry age actuarial cost method for the Police Plan and Fire Plan. Certain adjustments are made to the annual required contribution if the plan carries a net pension obligation. The net pension obligation (asset) is defined as the cumulative difference at date of adoption (or transition) between annual requirements and actual contributions plus the cumulative difference between the requirements and contributions after that date. Note that the net pension asset is not the same as "past excess contributions," which is the difference, including interest between the City's contributions for a plan year and that year's funding requirement determined as though the fund's assets did not include any contributions made in a prior year in excess of that year's requirement.

Actuarial Cost Methods. The entry age normal actuarial cost method was used to determine plan-funding requirements for the Police Plan and Fire Plan. Under this method, the cost of each participant's projected retirement benefit is funded through a series of annual payments, determined as a level percentage of each year's earnings from age at hire to assumed age at retirement. This level percentage is known as normal cost. It is computed through these plans and has always been in effect. The accrued value of normal cost payments due prior to the evaluation date is termed the actuarial accrued liability (AAL). This amount, minus the actuarial value of assets, is known as the unfunded actuarial accrued liability (UAAL). The annual costs of these plans are comprised of two components: 1) normal cost, and 2) amortization payment. The amortization payment may vary between prescribed limits in order to arrive at the UAAL. An actuarial gain or loss is a measurement of the difference between the actual experience that is expected based upon the actuarial assumptions used during the period between the two actuarial valuation dates. This gain or loss either reduces or increases the UAAL. It is intended that the initial UAAL be amortized over a closed period of 30 years from October 1, 1999. The UAAL bases established subsequent to October 1, 1999, due to an increase or decrease in liability attributable to change in plan provisions and/or actuarial assumptions will be amortized over a 30-year period from the date of inception. The amortization of projected retirement benefits is calculated by using a level percentage of projected payroll (salary). The actuarial assumptions include investment returns (net of investment expenses) of 7.8% and 7.9% for the Police Plan and Fire Plan, respectively. Projected salary increases and an annual inflation rate are assumed to be 7.5% and 3.5%, respectively, for the Police Plan. Projected salary increases and an annual inflation rate are assumed to be 4.0 through 7.0% and 3.5%, respectively, for the Fire Plan.

The aggregate actuarial cost method was used to determine plan-funding requirements for the General Employees Plan. This method of costing pension benefits does not identify or separately amortize unfunded actuarial accrued liabilities. A schedule of funding progress is presented as Required Supplementary Information using the entry age actuarial cost method. The purpose of preparing this schedule is to provide information that serves as a surrogate for the funded status and funding progress of the plan. The actuarial assumptions include a 7.5% percent investment rate of return, projected salary increases of 4% for merit/seniority and inflation rate of 2%.

**CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

(16) Employee Retirement Systems and Pension Funds: (Continued)

Fire Pension Plan Changes Effective December 20, 2012:

City Ordinance 2012-36 was adopted which made the following changes effective December 20, 2012:

- A. Firefighters who are vested as of January 1, 2013 will have an alternative Normal Retirement Date of Age 48 with 25 years of Credit Service.
- B. Provide that the maximum benefit (including any supplemental benefits) will be the lesser of 90% of the Average Final Compensation or \$95,000 per year.
- C. Change the supplemental benefit to include three categories of service:
 - a. If a Firefighter retires with at least 25 years of Credited Service, the supplemental benefit will be \$500 per month.
 - b. If a Firefighter who is first eligible for Normal Retirement at age 55 and 10 years of service retires with between 22 and 25 years of Credited Service, the supplemental benefit will be \$15 per month for each year of Credit Service.
 - c. If a Firefighter who is first eligible for Normal Retirement at age 55 and 10 years of service retires with between 20 and 22 years of Credited Service, the supplemental benefit will be \$10 per month for each year of Credit Service.
- D. Amend the Cost of Living Adjustments (COLA's) on the benefits accrued after January 1, 2013. Benefits accrued prior to that date will still receive the same COLA's as under the previous plan provisions. The eligibility requirement to receive the COLA on future service benefits will be the completion of 25 years of Credited Service (or 20 years of Credited Service if first eligible for Normal Retirement at age 55 and 10 years of service). The COLA for future accruals would begin the later of 8 years after retirement and age 59.5. The amount of the COLA would be the lesser of 3.0% or the amount granted for Social Security benefits. The COLA would only be given in years that the Plan met or exceeded actuarial assumptions and also only when the GASB 25 Funded Ratio is above 80.0%. Since the current funded ratio is well below 80%, but in consideration of the fact that the Funded Ratio will eventually be 100%, for purposes of this study the assumption was made that 2.5% COLA's would be granted beginning in 2016 to those that qualify (to allow time for the funded ratio to reach 80% and to account for the fact that some years will be less than 3.0%).
- E. Increase the Member Contribution Rate for Members hired prior to December 4, 2012 from 0.5% to 7.5% of Salary. (For Members hired after that date the Member Contribution Rate will be 8.0%)
- F. Provide that once the Retirement System has a Funded Ratio of 100% or greater, then the City will have a minimum contribution rate of 13.0% of payroll.
- G. Members hired on or after December 4, 2012:
 - a. Early Retirement Date of Age 50 with 10 years of Credited Service
 - b. Will not be able to participate in DROP
 - c. Will not receive the supplemental benefits or the COLA's
 - d. The multiplier is 2.5% for each year of service
 - e. The benefit is capped at the lesser of 80% of Average Final Compensation and \$95,000 but not less than the benefit under a 2.0% accrual rate for all years of service.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) **Employee Retirement Systems and Pension Funds:** (Continued)

The funded status of the plans at October 1, 2014, (October 1, 2013 for the Police plan) was as follows:

	<u>Fire</u>	<u>Police</u>	<u>General Employee</u>
Actuarial accrued liability (AAL)	\$38,463,878	40,728,361	32,251,167
Actuarial value of plan assets	<u>21,559,328</u>	<u>24,274,537</u>	<u>26,826,123</u>
Unfunded actuarial accrued liability (UAAL)	<u>16,904,550</u>	<u>16,453,824</u>	<u>5,425,044</u>
Funded ratio	56.1%	59.6%	83.2%
Covered payroll (active plan members)	\$ 2,247,991	3,988,241	5,170,450
UAAL as a percentage of covered payroll	752.0%	412.6%	104.9%

Based on the most recent actuarial valuations, the City's Annual Pension Cost (APC) and Net Pension Obligation (NPO) are as follows:

Fire Plan (Valuation dated 10/01/14)

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)⁽¹⁾</u>	<u>Percent of APC Contributed</u>	<u>Net Pension Obligation</u>
9/30/12	\$ 1,858,828	124%	\$ (987,161)
9/30/13	2,352,658	107%	(1,144,322)
9/30/14	2,953,212	112%	(1,488,363)

⁽¹⁾ APC from City and State sources beginning fiscal year ended September 30, 2014.

Police Plan (Valuation dated 10/01/13)

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percent of APC Contributed</u>	<u>Net Pension Obligation</u>
9/30/11	\$ 2,084,331	100%	\$ (1,188,601)
9/30/12	2,347,175	100%	(1,234,548)
9/30/13	2,586,938	100%	(1,471,140)

General Employees' Plan (Valuation dated 10/01/14)

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percent of APC Contributed</u>	<u>Net Pension Obligation</u>
09/30/12	\$ 789,077	115.6%	\$ (437,012)
09/30/13	768,373	121.9%	(605,016)
09/30/14	715,790	98.2%	(591,967)

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

The development of the Net Pension Obligation to date for each plan is as follows:

Fire Plan (Valuation dated 10/01/14)

	<u>9/30/14</u>	<u>9/30/13</u>	<u>9/30/12</u>
Annual required contribution (ARC) ⁽¹⁾	\$2,888,498	2,303,458	1,840,857
Interest on prior NPO	(91,546)	(78,973)	(43,373)
Prior obligation adjustment	<u>156,260</u>	<u>128,174</u>	<u>61,344</u>
Annual Pension Cost (expense)	2,953,212	2,352,659	1,858,828
Contributions made ⁽¹⁾	<u>(3,297,253)</u>	<u>(2,509,820)</u>	<u>(2,303,821)</u>
Increase (decrease) in NPO	(344,041)	(157,161)	(444,993)
NPO-beginning of year	<u>(1,144,322)</u>	<u>(987,161)</u>	<u>(542,168)</u>
NPO-end of year	<u>\$ (1,488,363)</u>	<u>(1,144,322)</u>	<u>(987,161)</u>

⁽¹⁾ ARC and Contributions made include state contributions

Police Plan (Valuation dated 10/01/13)

	<u>9/30/13</u>	<u>9/30/12</u>	<u>9/30/11</u>
Annual required contribution (ARC)	\$ 2,515,286	2,304,028	2,071,957
Interest on prior NPO	(95,677)	(95,088)	(34,475)
Prior obligation adjustment	<u>158,395</u>	<u>138,235</u>	<u>46,849</u>
Annual Pension Cost (expense)	2,578,004	2,347,175	2,084,331
Contributions made	<u>(2,814,596)</u>	<u>(2,393,122)</u>	<u>(2,841,994)</u>
Increase (decrease) in NPO	(236,592)	(45,947)	(757,663)
NPO-beginning of year	<u>(1,234,548)</u>	<u>(1,188,601)</u>	<u>(430,938)</u>
NPO-end of year	<u>\$(1,471,140)</u>	<u>(1,234,548)</u>	<u>(1,188,601)</u>

General Employees' Plan (Valuation dated 10/01/14)

	<u>9/30/14</u>	<u>9/30/13</u>	<u>9/30/12</u>
Annual required contribution (ARC)	\$ 695,221	753,666	779,345
Interest on prior NPO	(45,376)	(23,502)	(23,545)
Prior obligation adjustment	<u>65,945</u>	<u>38,210</u>	<u>33,277</u>
Annual Pension Cost (expense)	715,790	768,374	789,077
Contributions made	<u>(702,741)</u>	<u>(936,378)</u>	<u>(912,160)</u>
Increase (decrease) in NPO	13,049	(168,004)	(123,083)
NPO-beginning of year	<u>(605,016)</u>	<u>(437,012)</u>	<u>(313,929)</u>
NPO-end of year	<u>\$ (591,967)</u>	<u>(605,016)</u>	<u>(437,012)</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) **Employee Retirement Systems and Pension Funds:** (Continued)

B. Defined Contribution Plans

1. The City Council has adopted the International City Management Association Retirement Corporation Deferred Compensation (ICMA-RC457) Plan. This plan is available to the mayor, City Council members, city manager, assistant city manager, city attorney, assistant city attorney, department heads, assistant department heads, division heads, and supervisors designated by the city manager and approved by the City Council, who waive participation in the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, hereinafter the "Plan" and other existing city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC457 Plan. The ICMA-RC457 Plan shall also be available to general employees who on or before September 30, 2003 waive participation in the City of Port Orange General Employees Defined Benefit Plan as amended and restated effective October 1, 2003, and other existing city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC457 Plan. If the city is not making a contribution to another retirement plan on behalf of an individual, then contributions by the city to the ICMA-RC457 plan shall be the same percentage or amount as established for the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, or such higher percentage or amount as authorized by the City Council, which is ½ of employee contribution up to a maximum of 3%. Contributions by the city shall commence immediately upon the person waiving participation in the plan or other existing retirement plan, if any, and enrolling in the ICMA-RC457 Plan. All city employees shall be eligible to enroll in the ICMA-RC457 Plan for the purpose of making voluntary employee contributions to such plan. For the year ended September 30, 2014, actual employer and employee contributions to this plan totaled \$145,265 and \$546,985, respectively.
2. The City Council has adopted the International City Management Association Retirement Corporation (ICMA-RC) Money Purchase Plan and Trust for management employees. The plan is available to the management employees as follows: city manager, assistant city manager, city attorney, assistant city attorney, and department heads, who waive participation in the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003 and other existing city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC Money Purchase Plan and Trust. Contributions by the city to the ICMA-RC Money Purchase Plan and Trust for management employees shall be the same percentage or amount as established for the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003 or such higher percentage or amount as authorized by the City Council which currently ranges from 10% to 12½%. Contributions by the city shall commence immediately upon the person waiving participation in the plan or other existing retirement plan and enroll in the ICMA-RC Money Purchase Plan and Trust for management employees. For the year ended September 30, 2014, actual employer and employee contributions to this plan totaled \$53,791 and \$93,310, respectively.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

3. The City Council has adopted the International City Management Association Retirement Corporation (ICMA-RC) Money Purchase Plan and Trust effective October 1, 2003 for contract employees. The plan is available to contract employees of the city, including the assistant department heads, division heads, and supervisors designated by the city manager and approved by the City Council, who waive participation in the City of Port Orange General Employees' Defined Benefit Retirement Plan as amended and restated effective October 1, 2003 and other city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC Money Purchase Plan and Trust for contract employees. For purposes of this paragraph contract employees shall exclude the mayor, City Council members, city manager, assistant city manager, city attorney, assistant city attorney, and department heads. City contributions to the ICMARC Money Purchase Plan and Trust for contract employees shall be in such percentages or amounts as are specified in the adoption agreement for such plan, or as otherwise authorized by the City Council which is currently 10%. For the year ended September 30, 2014, actual employer contributions to this plan totaled \$37,616.
4. The City Council has adopted the International City Management Association Retirement Corporation (ICMA-RC) Money Purchase Plan and Trust effective October 1, 2003 for general employees as defined in this article. The plan is available to the general employees of the city who on or before September 30, 2003 waive participation in the City of Port Orange General Employees' Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, and other city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC Money Purchase Plan and Trust for general employees. The ICMA-RC Money Purchase Plan for general employees shall also be available to general employees who are not eligible to participate in the City of Port Orange General Employees' Defined Benefit Retirement Plan (effective October 1, 2010) as amended and restated effective October 1, 2003, or any other city or state retirement plans to which the city makes contributions. City contributions to the ICMARC Money Purchase Plan and Trust for general employees shall be in such percentages or amounts as are specified in the adoption agreement for such plan, or as otherwise authorized by the City Council (currently 10%). General employees who are eligible to participate in the City of Port Orange General Employees' Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, and do not waive participation in such plan on or before September 30, 2003 shall not be entitled to waive participation at any time in the future. For the year ended September 30, 2014, actual employer contributions to this plan totaled \$223,695.

Members of the pension plan who have achieved ten years of service with the city shall have the option to continue city contributions on their behalf contributed to the General Employee Retirement System, or waive participation in the General Employee Retirement System and enroll in the ICMA-RC Deferred Compensation Plan and have city contributions made on their behalf contributed to the ICMA-RC Deferred Compensation Plan. Such decisions are irrevocable and employees may not switch back to the General Employee Retirement System if the employee elects to waive participation.

These defined contribution plans were established and authorized by the City however they are monitored and maintained by employees. Benefits are paid directly to employees from ICMA-RC with no contingent liability belonging to the City. As such these assets are not presented in these financial statements.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

C. Pension Fund Financial Statements

The City does not issue separate financial statements for the Fire Plan; separate audits and financial statements have been issued for the Police Plan and the General Employee Plan. The basic financial statements of the City include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position that presents a single column presented by fund type for all pension trust funds. Presented below are the financial statements for each pension trust fund as of and for the year ended September 30, 2014:

	<u>Fire Plan</u>	<u>Police Plan</u>	<u>General Plan</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	1,802,552	586,319	799,289	\$ 3,188,160
Receivables:				
Employee contributions receivable	-	1,223	-	1,223
State contributions receivable	-	332,625	-	332,625
Interest and dividends receivable	67,148	64,701	49,861	181,710
Total accounts receivable	67,148	398,549	49,861	515,558
Investments, at fair value				
U.S. Treasury	2,557,329	3,882,735	132,848	6,572,912
Government Agency obligations	569,969	-	1,358,008	1,927,977
Corporate and municipal debt obligations	4,691,958	3,051,605	2,593,890	10,337,453
Corporate equity securities	5,903,187	15,062,297	14,129,621	35,095,105
Mutual funds	6,465,118	1,264,813	8,553,302	16,283,233
Real estate funds	154,608	2,755,879	1,366,395	4,276,882
Partnerships	-	1,672,729	-	1,672,729
Total investments	20,342,169	27,690,058	28,134,064	76,166,291
Total assets	22,211,869	28,674,926	28,983,214	79,870,009
Liabilities:				
Accounts payable	-	83,808	-	83,808
Prepaid employer contributions	16,595	296,218	-	312,813
Total liabilities	16,595	380,026	-	396,621
Net position:				
Held in trust for pension benefits	\$ 22,195,274	\$ 28,294,900	\$ 28,983,214	\$ 79,473,388

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

	<u>Fire Plan</u>	<u>Police Plan</u>	<u>General Plan</u>	<u>Total</u>
Additions:				
Contributions from:				
Employer	\$ 2,911,058	\$ 2,670,260	\$ 702,741	\$ 6,284,059
State-insurance premium taxes	386,195	331,402	-	717,597
Plan members	176,907	301,375	454,573	932,855
Total contributions	<u>3,474,160</u>	<u>3,303,037</u>	<u>1,157,314</u>	<u>7,934,511</u>
Investment income:				
Net realized and unrealized appreciation (depreciation) in fair value of investments	1,431,853	1,563,177	2,508,921	5,503,951
Interest and dividend earnings	458,240	463,533	462,527	1,384,300
	<u>1,890,093</u>	<u>2,026,710</u>	<u>2,971,448</u>	<u>6,888,251</u>
Less: investment management fees	139,483	213,951	137,267	490,701
Total investment income	<u>1,750,610</u>	<u>1,812,759</u>	<u>2,834,181</u>	<u>6,397,550</u>
Total additions	<u>5,224,770</u>	<u>5,115,796</u>	<u>3,991,495</u>	<u>14,332,061</u>
Deductions:				
Benefit payments and refunds	3,195,972	2,165,565	1,786,099	7,147,636
Administrative expenses	53,503	103,311	82,367	239,181
Total deductions	<u>3,249,475</u>	<u>2,268,876</u>	<u>1,868,466</u>	<u>7,386,817</u>
Net increase	<u>1,975,295</u>	<u>2,846,920</u>	<u>2,123,029</u>	<u>6,945,244</u>
Net position held in trust for pension benefits				
Beginning of year, as restated	20,219,979	25,447,980	26,860,185	72,528,144
End of year	<u>\$ 22,195,274</u>	<u>\$ 28,294,900</u>	<u>\$ 28,983,214</u>	<u>\$ 79,473,388</u>

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) **Employee Retirement Systems and Pension Funds:** (Continued)

D. Net Pension Liability

The components of the net pension liability of the pension plans at September 30, 2014, were as follows:

	Fire	Police	General Employee
Total pension liability	\$ 38,483,027	\$ XX,XXX	\$ 31,707,207
Plan fiduciary net position	(22,195,275)	(XX,XX0)	(27,474,543)
Net pension liability	<u>\$ 16,287,752</u>	<u>\$ XX,XXX</u>	<u>\$ 4,232,664</u>
Plan fiduciary net position as percentage of total pension liability	57.68%	XX.XX%	86.65%

The total pension liability was determined by an actuarial valuation as of October 1, 2014, using the following actuarial assumptions to all measurement periods.

	Fire	Police	General Employee
Inflation	3.50%	X.XX%	2.25%
Salary increases	4.00-7.00%	X.XX%	2.00-4.00%
Investment rate of return	7.90%	X.XX%	7.50%

Mortality rates for the Firefighters' Retirement Trust Fund were based on the RP-2000 Combined Healthy – Sex Distinct Table. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. Disability mortality is set forward five years.

Mortality rates for the Police Officers' Retirement Trust Fund were based on XXX.

Mortality rates for the General Employees plan were based on the RP-2000 Disabled Mortality (sex distinct) Table, projected to valuation date using scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Discount rate:

The discount rate used to measure the total pension liability for each pension plan varied as noted below. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(16) Employee Retirement Systems and Pension Funds: (Continued)

Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return		
	Fire	Police	General Employee
Domestic equity	7.80%	X.X%	4.25%
International equity	2.20%	X.X%	4.50%
Bonds	3.70%	X.X%	n/a
Convertibles	5.30%	X.X%	n/a
Private Real Estate	4.90%	X.X%	n/a
REITS	8.20%	X.X%	n/a
U.S. Direct Real Estate	n/a	X.X%	3.75%
Domestic Fixed Income	n/a	X.X%	1.75%

Note: While the weighted composite average for the General Employee Plan return does not add up to the 7.50% return used as the discount rate, the recent history of the trust in exceeding the assumed rate, along with prevailing practice among similar public pension systems, has lead management to continue to assume the current rate. The long-term expected rates shown above were provided by Southeastern Advisory Services using JP Morgan's 2015 capital markets assumptions. They are presented net of expected inflation (2.25%).

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability of the City calculated using the selected discount rates, as well as what the City's net pension liability (NPL) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
Fire	7.90%	\$ 20,835,865	\$ 16,287,752	\$ 12,503,244
Police	X.X%	XX,XXX	XX,XXX	XX,XXX
General Employee	7.50%	7,614,682	4,232,664	1,194,852

For the year ended September 30, 2014, the annual-money weighted rate of return on each pension plan investments, net of pension plan investment expense was as follows:

	Fire	Police	General Employee
Annual money-weighted rate of return	8.54%	X.XX%	10.87%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(17) Recent Accounting Pronouncements:

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for fiscal years subsequent to September 30, 2014, that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the City's financial statements:

- (a) GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, in June 2012, which replaces the requirements of GASB Statement No. 27, *Accounting for Pensions* by State and Local Governmental Employers, and GASB 50, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. GASB 68 also enhances accountability and transparency through revised and new note disclosures and required supplementary information. The provisions in GASB 68 are effective for fiscal years beginning after June 15, 2014.
- (b) GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*, in January 2013. GASB 69 is intended to improve accounting and financial reporting for U.S state and local governments combinations and disposals of government operations. Government combinations include mergers, acquisitions, and transfers of operations. A disposal of government operations can occur through a transfer to another government or sale. The requirements of GASB 69 are effective for periods beginning after December 15, 2013, and should be applied on a prospective basis.
- (c) GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, in November 2013. GASB 71 seeks to improve accounting and financial reporting by addressing an issue in GASB 68 concerning transaction provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of GASB 68 by employers and nonemployer contributing entities. The provisions in GASB 68 are effective for fiscal years beginning after June 15, 2014.
- (d) GASB issued Statement No. 72, *Fair Value Measurement and Application*, in February 2015. GASB 72 seeks to improve accounting and financial reporting by clarifying and enhancing the guidance for determining a fair value measurement for financial reporting purposes. The provisions in GASB 68 are effective for fiscal years beginning after June 15, 2015.

(18) Restatements of Net Position:

As a result of management's analysis of prior year activity and audit adjustments, the City has restated beginning net position in four funds as follows.

Certain capitalizable expenditures made in the water/sewer and lease and replacement funds, totaling \$90,333 and \$183,996, respectively, were improperly expensed in the year ended September 30, 2013. Also, accounts receivable recorded in the golf course fund in the prior year were determined to be overstated by \$51,601 due to an improper close-out of intra-entity accounts. The result on all impacted reporting units by these prior period adjustments are summarized on the following page.

CITY OF PORT ORANGE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

(18) **Restatements of Net Position:** (Continued)

Net Position	Water and Sewer	Golf Course	Business-type Activities	Lease and Replacement	Governmental Activities
Balance, 9/30/2013	\$ 161,618,028	\$ 1,542,641	\$ 200,973,071	\$ 7,983,708	\$ 132,566,618
Plus: additional capitalized assets	90,333	-	90,333	183,996	183,996
Less: correction to 9/30/2013 accounts receivable balance	-	(51,601)	(51,601)	-	-
Restated balance, 9/30/2013	<u>\$ 161,708,361</u>	<u>\$ 1,491,040</u>	<u>\$ 201,011,803</u>	<u>\$ 8,167,704</u>	<u>\$ 132,753,614</u>

Additionally, it was discovered that October 2013 benefit payments for the Police Pension Plan were improperly accrued as of September 30, 2013. As a result, the City's beginning fiduciary net position has been restated as follows:

	Fiduciary Statement of Net Position
Balance, 9/30/2013	\$ 72,402,889
Add: Benefit payments improperly accrued at 9/30/2013	125,255
Restated balance, 9/30/2013	<u>\$ 72,528,144</u>

**CITY OF PORT ORANGE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
MODIFIED APPROACH FOR REPORTING INFRASTRUCTURE ASSETS**

City infrastructure consists of arterial and secondary roads and drainage improvements. A complete inventory of all roads is maintained by the City. This inventory includes: description, year built or last major resurfacing/reconstruction, length, width and other attributes. A complete mapping and geographical information system is maintained for the entire City. Drainage improvement inventory is maintained and a complete City-wide drainage assessment has been completed. Drainage maintenance programs are performed to retention ponds, pretreatment facilities, constructed drainage outfalls, concrete piping, etc. A drainage utility fee was established by the City in 1988 to fund proper maintenance and all City-wide drainage utility improvements. It is the position of the City that drainage infrastructure monitoring and proper maintenance will insure the continued functionality of the City-wide system.

Condition Assessment Rating for City Roads:

Road Type	As of 9/30/2014		As of 9/30/2013		As of 9/30/2012	
	% of lane-miles in good or better condition	% of lane-miles in substandard condition	% of lane-miles in good or better condition	% of lane-miles in substandard condition	% of lane-miles in good or better condition	% of lane-miles in substandard condition
Arterial	90.0%	10.0%	96.0%	4.0%	96.0%	4.0%
Secondary	90.0%	10.0%	96.0%	4.0%	96.0%	4.0%
Overall System	90.0%	10.0%	96.0%	4.0%	96.0%	4.0%

Cost of needed/actual Maintenance/Preservation:

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Overall Road System					
Actual	\$ 2,456,252	\$ 254,844	\$ 1,589,669	\$ 1,255,806	\$ 1,107,178
Needed	3,241,567	1,580,835	2,541,676	1,823,563	2,245,491
Overall Drainage System					
Actual	\$ 1,504,975	\$ 1,474,503	\$ 1,512,571	\$ 1,904,312	\$ 1,980,924
Needed	1,601,153	1,476,018	1,797,661	1,943,865	2,171,554

Note: The annual road reconstruction program was delayed in 2013 resulting in lower actual costs.

The conditions of the road and drainage systems are monitored at least annually by management. Roadway conditions are assessed annually. Roads are visually inspected and evaluated for rutting, block cracking, stress levels, ride and condition of repairs that occurred when open road cuts were mandated by utility failures. The condition of road pavement is measured using the Port Orange Pavement Management System, which brings together the weighted average of these evaluation criteria.

The results of the Pavement Management System are documented and are used to compile a list of roads for the current year repaving program and priority of future repaving based on road degradation.

Criteria for Rating of Pavement Condition Defined

5. **Excellent** – New condition built or resurfaced.
4. **Above Standard** – Some signs of wear with alligator cracking and transverse cracking.
3. **Meets Standard** – Alligator cracking is evident, block cracking and some minor patch deterioration.
2. **Below Standard** – Extensive block cracking, wheel rutting, raveling of pavement with extensive patch deterioration.
1. **Poor** – Road is in major distress, base failure is apparent, road has begun to lift and shear apart.

**CITY OF PORT ORANGE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
MODIFIED APPROACH FOR REPORTING INFRASTRUCTURE ASSETS (Continued)**

The “lane miles” that are considered substandard (2 or below) are also scheduled and prioritized in the City’s five year paving plan. Priority is accorded to the roads with the most severe deficiencies. The City’s goal for the resurfacing program is to maintain, at a minimum, 90% of lane miles meeting or exceeding standard condition (rated 3 or above in pavement condition).

Drainage Repair and Maintenance

Drainage repairs consist of major and minor maintenance and preventative maintenance activities to structures. All drainage facilities, which the City has maintenance responsibilities are inspected on a regular basis. During this inspection, the condition of the drainage system is inspected and rated as appropriate. This inspection reviews the following:

1. Retention ponds, culverts, and ditches are free of obstruction, debris and vegetation.
2. Cracking and settling of concrete drainage pipe and other structures has not occurred.
3. Concrete settling basis and weirs are functioning and able to handle a 25 year storm event.

In addition, the ratings of the drainage facilities are accessed. Determination is made if there needs to be additional stormwater retention because of new upstream structures or construction of impervious surfaces. The drainage facilities that are considered substandard (not adequately able to handle a 25 year storm event) are scheduled for maintenance that includes mowing, clearing, patching, replacement and debris removal, within the annual operating budget of the drainage fund.

Scheduling priority is by drainage facilities with the most severe deficiencies. The City’s overall goal in the drainage program is to maintain 90% or more of all drainage structures in good condition, while ensuring that those under this rating are still in functioning order. We have met this goal as of 9/30/2014 and have done so consistently over the last several years.

Classifying Asset Values and Annual Work-in-Progress

The following criteria would assist in tracking infrastructure assets:

- Projects that “preserve” existing assets, renewal and replacement projects, such as resurfacing and renovation, and routine maintenance will be expensed in the operating statement as costs to preserve the existing transportation infrastructure assets. The routine maintenance costs will be charged to maintenance expense as has been done in the past.

Other Related Accounting Classifications

- A project is considered a “work-in-progress” from conception to the finalization of construction. All right-of-way land costs would be added to the land account when purchased during the year. All other costs would be maintained in a work-in-progress account identified to the project level detail.
- The total costs for drainage structure that are new or that are additions to existing structure are to be identified by each project and added to the fixed asset account. Costs added to this account will include all costs associated with completion.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS
SEPTEMBER 30, 2014**

Other Post Employment Benefit Plan						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)--Entry Age (b)	Unfunded or (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2013	\$-	\$4,669,865	\$4,669,865	0.00%	\$17,960,464	26.0%
10/1/2011	-	4,199,026	4,199,026	0.00%	16,705,003	25.1%
10/2/2009	-	2,870,000	2,870,000	0.00%	16,970,000	16.9%
10/1/2007	-	2,937,000	2,937,000	0.00%	18,227,000	16.1%
General Employee's Plan						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)--Entry Age (b)	Unfunded or (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2014	\$26,826,123	\$31,707,207	\$4,881,084	84.61%	\$5,170,450	94.40%
10/1/2013	25,413,508	30,108,131	4,694,623	84.41%	5,495,483	85.43%
10/1/2012	23,661,071	28,519,144	4,858,073	82.97%	6,507,751	74.65%
10/1/2011	22,135,254	27,530,406	5,395,152	80.40%	6,768,699	79.71%
10/1/2010	21,604,688	26,605,398	5,000,710	81.20%	7,320,768	68.31%
10/1/2009	19,930,138	26,546,623	6,616,485	75.08%	7,599,335	87.07%
10/1/2008	15,617,889	24,383,150	8,765,261	64.05%	7,275,289	120.48%
10/1/2007	16,989,913	21,538,649	4,548,736	78.88%	7,417,659	61.32%
10/1/2006	14,074,164	16,215,982	2,141,818	86.79%	7,151,729	29.95%
Police Plan						
Actuarial Valuation Payroll	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)--Frozen Entry Age (b)	Unfunded or (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2014	XXXX,XXX	XXXX,XXX	XXXX,XXX	X.XX%	XXXX,XXX	XXX.XX%
10/1/2013	24,274,537	40,728,361	16,453,824	59.60%	3,988,241	412.56%
10/1/2012	20,855,034	38,472,849	17,617,815	54.21%	3,711,797	474.64%
10/1/2011	19,360,785	34,970,088	15,609,303	55.36%	3,377,643	462.14%
10/1/2010	17,153,390	33,208,647	16,055,257	51.65%	3,464,035	463.48%
10/1/2009	15,417,286	33,642,169	18,224,883	45.83%	4,259,960	427.82%
10/1/2008	13,800,758	30,869,906	17,069,148	44.71%	3,957,342	431.33%
10/1/2007	12,231,990	28,648,073	16,416,083	42.70%	3,952,195	415.37%
10/1/2006	10,496,916	24,622,118	14,125,202	42.63%	3,894,827	362.67%
Fire Plan						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)--Entry Age (b)	Unfunded or (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded or (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2014	\$21,559,328	\$38,463,878	\$16,904,550	56.05%	\$2,247,991	751.98%
10/1/2013	19,746,295	38,083,452	18,337,157	51.85%	2,332,375	786.20%
10/1/2012	18,365,537	37,718,984	19,353,447	48.69%	1,964,837	984.99%
10/1/2011	15,481,257	36,517,993	21,036,736	42.39%	2,389,427	880.41%
10/1/2010	15,335,636	36,424,516	21,088,880	42.10%	2,704,229	779.85%
10/1/2009	15,241,804	33,088,627	17,846,823	46.06%	2,496,817	714.78%
10/1/2008	15,497,682	31,376,100	15,878,418	49.39%	3,436,913	462.00%
10/1/2007	14,165,819	28,542,922	14,377,103	49.63%	3,540,551	406.07%
10/1/2006	12,194,397	27,037,579	14,843,182	45.10%	3,481,329	426.37%

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CONTRIBUTIONS FROM THE EMPLOYER
AND OTHER CONTRIBUTING ENTITIES
SEPTEMBER 30, 2014**

Other Post Employment Benefit Plan

Year Ended Sept 30,	Annual Required		Percentage Contribution
	City Contribution	City Contribution	
2014	\$ 457,270	\$ 223,133	48.80%
2013	403,000	189,000	46.90%
2012	386,000	151,000	39.12%
2011	277,000	137,000	49.46%
2010	264,000	94,000	35.61%
2009	304,000	116,000	38.16%
2008	287,000	98,000	34.15%

General Employee's Plan

Year Ended Sept 30,	Annual Required		Percentage Contribution
	City Contribution	City Contribution	
2014	\$ 695,221	\$ 702,741	101.08%
2013	753,666	936,378	124.24%
2012	779,345	912,160	117.04%
2011	782,046	992,875	126.96%
2010	1,021,870	1,005,433	98.39%
2009	1,291,191	1,199,567	92.90%
2008	929,916	1,009,205	108.53%
2007	944,216	1,023,333	108.38%
2006	871,798	932,513	106.96%

Police Plan

Year Ended Sept 30,	Annual Required		State Contribution	Percentage Contribution
	City Contribution	City Contribution		
2014	\$ XXX,XXX	\$ XXX,XXX	\$ XXX,XX	XXX.XX%
2013	2,515,286	2,498,522	316,074	111.90%
2012	2,304,028	2,079,082	314,094	103.87%
2011	2,071,957	2,538,638	303,356	137.16%
2010	2,597,318	2,298,329	302,888	100.15%
2009	2,413,516	2,283,157	314,162	107.62%
2008	2,057,164	1,763,602	293,562	100.00%
2007	1,432,336	1,135,578	296,758	100.00%
2006	1,336,437	1,087,278	279,159	102.24%

Fire Plan

Year Ended Sept 30,	Annual Required		State Contribution	Percentage Contribution
	City Contribution	City Contribution		
2014	\$ 2,888,498	\$ 2,821,054	\$ 386,195	111.04%
2013	2,303,458	2,147,607	362,213	108.96%
2012	1,840,857	2,004,409	299,412	125.15%
2011	1,936,401	2,144,819	290,460	125.76%
2010	1,646,390	1,285,809	360,581	100.00%
2009	1,616,537	1,230,766	385,771	100.00%
2008	1,586,444	1,266,932	319,512	100.00%
2007	1,442,907	1,207,215	238,955	100.23%
2006	1,343,096	1,113,143	229,953	100.00%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2014

	General Employee's Plan	Police Plan	Fire Plan
Total Pension Liability			
Service cost	\$ 632,402	\$ XXX,XXX	\$ 379,866
Interest	2,258,110	XXX,XXX	2,934,569
Benefit changes	-	-	-
Difference between actual and expected experience	(20,332)	(XX,XXX)	-
Assumption Changes	390,940	-	-
Benefit payments including refunds of contributions	(1,662,044)	(XX,XXX)	(3,195,972)
Change in excess state money	-	-	-
Net change in total pension liability	1,599,076	XX,XXX	118,463
Total pension liability – beginning	30,108,131	XXX,XXX	38,364,564
Total pension liability – ending (a)	<u>\$ 31,707,207</u>	<u>\$ XXX,XXX</u>	<u>\$ 38,483,027</u>
Total Fiduciary Net Position			
Contributions – employer	\$ 702,741	\$ XX,XXX	\$ 2,911,058
Contributions – state	-	XX,XXX	386,195
Contributions – employee	405,427	XX,XXX	176,907
Net investment income	2,694,117	XX,XXX	1,715,914
Benefit payments, including refunds of contributions	(1,662,044)	(XX,XXX)	(3,195,972)
Administrative expense	(78,229)	(XX,XXX)	(53,503)
Net change in plan fiduciary net position	2,062,012	XXX,XXX	1,940,599
Plan fiduciary net position – beginning	25,412,531	XXX,XXX	20,254,676
Plan fiduciary net position – ending (b)	<u>\$ 27,474,543</u>	<u>\$ XXX,XXX</u>	<u>\$ 22,195,275</u>
Net pension liability – ending (a) - (b)	<u>\$ 4,232,664</u>	<u>\$ XXX,XXX</u>	<u>\$ 16,287,752</u>
Plan fiduciary net position as a percentage of the total pension liability	86.65%	XX.XX%	57.68%
Covered employee payroll	\$ 5,170,450	\$ XXX,XXX	\$ 2,247,991
Net pension liability as a percentage of covered employee payroll	81.86%	XX.XX%	724.55%

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEE'S PLAN
SEPTEMBER 30, 2014**

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution (ADC)</u>	<u>Contributions in Relation to ADC</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as Percentage of Employee Payroll</u>
2014	\$ 702,741	\$ 702,741	\$ -	\$ 5,170,450	13.59%

Notes to Schedule:

Valuation Date: 10/01/2014

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Contribution Requirements:	Level Dollar

Actuarial Assumptions

Inflation:	2.25%
Salary Increases:	4.00% average, including inflation
Investment Rate of Return:	7.50%, net of pension plan investment expense including inflation
Mortality:	Based on the RP-2000 post retirement pension mortality, projected generationally using Scale AA (previously 13-M/F Pos.)

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE PLAN
SEPTEMBER 30, 2014**

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution (ADC)</u>	<u>Contributions in Relation to ADC</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as Percentage of Employee Payroll</u>
2014	\$ X,XXX	\$ X,XXX	\$ (XX)	\$ X,XXX	XX.XX%

Notes to Schedule:

- Pending Actuary Report

DRAFT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIRE PLAN
SEPTEMBER 30, 2014**

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution (ADC)</u>	<u>Contributions in Relation to ADC</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as Percentage of Employee Payroll</u>
2014	\$ 2,888,498	\$ 3,190,654	\$ (302,156)	\$ 2,247,991	141.93%

Notes to Schedule:

Valuation Date: 10/01/2012

Actuarially determined contribution rates are calculated as of October 1, two years year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Normal
Amortization Method: Level Percentage of Pay, Closed.
Remaining Amortization Period: 30 Years (as of 10/01/2012).
Asset Valuation Method: Each year, the Actuarial Value of Assets is brought forward using the historical 4-year geometric average market value return. Over time, this may produce an insignificant bias above or below Market Value of Assets.

Inflation: 3.5% per year.
Salary Increases: 4.0% to 7.0% based on years of service
Interest Rate: 8.0% per year, compounded annually, net of investment-related expenses.
Payroll Growth: 5.0% per year (0.27% for 10/1/2012)
Cost-of-Living Adjustment: 5.0% per year (0.27% for 10/1/2012)
“Frozen Benefit” At least 20 years at retirement: 3% per year beginning 5 years after retirement.
Otherwise, 1% per year beginning 1 year after retirement.
“Future Service Piece” At least 25 years at retirement: 2.5% per year beginning in 2026 and the later of 8 years after retirement and age 59.5.

Retirement Rates:
“Frozen Benefit” Old Normal Retirement Date (30%); Old Normal Retirement Date + 1 (15%); Old Normal Retirement Date + 2 (15%); Old Normal Retirement Date + 3 (15%); Old Normal Retirement Date + 4 (15%); Old Normal Retirement Date + 5 (100%)
“Future Service Piece” New Normal Retirement Date (100%)

Termination Rates: See table below.
Disability Rates: See table below. 75% of disability occurrences are assumed to be service-connected.

Mortality: RP-2000 Table with no projection – based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. Disability mortality is set forward five years.

Other Information: Termination and Disability Rate Table:

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
20	9.30%	0.07%
30	7.88%	0.11%
40	4.28%	0.19%
50	1.13%	0.51%

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENT RETURNS
SEPTEMBER 30, 2014**

	<u>General Employee's Plan</u>	<u>Police Plan</u>	<u>Fire Plan</u>
Annual Money-Weighted Rate of Return Net of Investment Expense	10.87%	X.XX%	8.54%

DRAFT

SUPPORTING SCHEDULES

Financial schedules are presented to provide greater detailed information than reported in the preceding financial statements. This information, in many cases, has been spread throughout the report and is brought together here for greater clarity. Financial schedules are not necessary for fair presentation in conformity with generally accepted accounting principles.

DRAFT

**CITY OF PORT ORANGE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

	Special Revenue Funds						
	Business Development	Recreation Facilities	Community Development Building	Community Development Block Grant	Total	Debt Service	General Construction
ASSETS							
Equity in pooled cash	\$ 116,793	\$ 1,178,180	\$ 1,807,941	\$ 170,919	\$ 3,273,833	\$ 1,448,130	\$ 3,151,538
Investments	-	-	-	-	-	1,427,445	-
Receivables, net	-	8,708	-	-	8,708	2,386	-
Due from other governments	-	-	-	39,321	39,321	-	187,501
Due from other funds	-	-	-	-	-	-	-
Total assets	<u>\$ 116,793</u>	<u>\$ 1,186,888</u>	<u>\$ 1,807,941</u>	<u>\$ 210,240</u>	<u>\$ 3,321,862</u>	<u>\$ 2,877,961</u>	<u>\$ 3,339,039</u>
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ 40,401	\$ 20,232	\$ 904	\$ 61,537	\$ -	\$ 19,516
Customer deposits	-	-	60	-	60	-	68,000
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	207,238	207,238	-	-
Total liabilities	<u>\$ -</u>	<u>\$ 40,401</u>	<u>\$ 20,292</u>	<u>\$ 208,142</u>	<u>\$ 268,835</u>	<u>\$ -</u>	<u>\$ 87,516</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,386</u>	<u>\$ -</u>
FUND BALANCES							
Restricted for:							
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inspections	-	-	1,787,649	-	1,787,649	-	-
Debt service	-	-	-	-	-	2,875,575	-
Capital improvements	-	-	-	-	-	-	-
Transportation sales tax	-	-	-	-	-	-	3,251,523
Transportation impact	-	-	-	-	-	-	-
Repair and replacement reserve	-	102,261	-	-	102,261	-	-
Assigned to:							
Purchases on account	-	30,538	-	-	30,538	-	-
Capital improvements	-	-	-	-	-	-	-
Business development	116,793	-	-	-	116,793	-	-
Recreation	-	1,013,688	-	-	1,013,688	-	-
General government	-	-	-	2,098	2,098	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>\$ 116,793</u>	<u>\$ 1,146,487</u>	<u>\$ 1,787,649</u>	<u>\$ 2,098</u>	<u>\$ 3,053,027</u>	<u>\$ 2,875,575</u>	<u>\$ 3,251,523</u>

**CITY OF PORT ORANGE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

Capital Project Funds											Total Nonmajor Governmental Funds
Transportation Capital Projects	Capital Improvement Bond Construction	Fire Impact	Transportation Impact	General Obligation Capital Projects	Capital Replacement	Economic Development Capital	Town Center Bond Project	2014 Capital Improvement Bond Project	Recreation Impact	Total	
\$ 1,689,498	\$ 73,627	\$ 329,157	\$ 1,604,731	\$ 32,096	\$ 1,394,430	\$ 19,788	\$ 333	\$ 3,002,075	\$ 370,590	\$ 11,667,863	\$ 16,389,826
-	-	-	-	1,073,279	-	-	-	-	-	1,073,279	2,500,724
-	-	-	-	-	10,000	-	-	-	-	10,000	21,094
-	-	-	-	-	12,500	-	-	-	-	200,001	239,322
-	-	-	450,000	-	423,986	-	-	-	-	873,986	873,986
<u>\$ 1,689,498</u>	<u>\$ 73,627</u>	<u>\$ 329,157</u>	<u>\$ 2,054,731</u>	<u>\$ 1,105,375</u>	<u>\$ 1,840,916</u>	<u>\$ 19,788</u>	<u>\$ 333</u>	<u>\$ 3,002,075</u>	<u>\$ 370,590</u>	<u>\$ 13,825,129</u>	<u>\$ 20,024,952</u>
\$ 340,153	\$ 3,700	\$ -	\$ -	\$ -	\$ 3,832	\$ -	\$ -	\$ -	\$ -	\$ 367,201	\$ 428,738
696,021	-	-	-	-	-	-	-	-	-	764,021	764,081
-	-	-	-	-	10,000	-	-	-	-	10,000	10,000
1,495,176	-	-	-	-	-	-	-	-	941,954	2,437,130	2,644,368
<u>\$ 2,531,350</u>	<u>\$ 3,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,832</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 941,954</u>	<u>\$ 3,578,352</u>	<u>\$ 3,847,187</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,386</u>
\$ -	\$ -	\$ 329,157	\$ -	\$ 1,105,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,434,532	\$ 1,434,532
-	-	-	-	-	-	-	-	-	-	-	1,787,649
-	69,927	-	-	-	-	19,788	333	3,002,075	-	3,092,123	3,092,123
-	-	-	-	-	-	-	-	-	-	3,251,523	3,251,523
-	-	-	2,054,731	-	-	-	-	-	-	2,054,731	2,054,731
-	-	-	-	-	-	-	-	-	-	-	102,261
-	-	-	-	-	18,270	-	-	-	-	18,270	48,808
-	-	-	-	-	1,808,814	-	-	-	-	1,808,814	1,808,814
-	-	-	-	-	-	-	-	-	-	116,793	116,793
-	-	-	-	-	-	-	-	-	-	-	1,013,688
-	-	-	-	-	-	-	-	-	-	-	2,098
(841,852)	-	-	-	-	-	-	-	-	(571,364)	(1,413,216)	(1,413,216)
<u>\$ (841,852)</u>	<u>\$ 69,927</u>	<u>\$ 329,157</u>	<u>\$ 2,054,731</u>	<u>\$ 1,105,375</u>	<u>\$ 1,827,084</u>	<u>\$ 19,788</u>	<u>\$ 333</u>	<u>\$ 3,002,075</u>	<u>\$ (571,364)</u>	<u>\$ 10,246,777</u>	<u>\$ 16,175,379</u>

**CITY OF PORT ORANGE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Special Revenue Funds						
	Business Development	Recreation Facilities	Community Development Building	Community Development Block Grant	Total	Debt Service	General Construction
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,091,258	\$ 1,106,512
Permits and fees	-	-	1,176,045	-	1,176,045	-	-
Intergovernmental	-	-	-	577,697	577,697	-	283,192
Charges for services	-	33,750	-	-	33,750	-	-
Investment income	21,306	2,538	3,180	35	27,059	69,243	12,607
Miscellaneous	-	70,843	83	-	70,926	230,900	-
Total revenues	21,306	107,131	1,179,308	577,732	1,885,477	1,391,401	1,402,311
EXPENDITURES							
Current:							
General government:							
Planning and community development	42,802	-	863,069	-	905,871	-	-
Public safety:							
Fire safety	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	296,432
Economic environment	-	-	-	33,009	33,009	-	-
Culture and recreation	-	16,536	-	-	16,536	-	-
Capital outlay	-	597,885	-	549,933	1,147,818	-	2,341,944
Debt service:							
Principal retirement	-	-	-	-	-	960,000	-
Interest and fiscal charges	-	-	-	-	-	1,811,397	-
Payment to refunded bond escrow agent	-	-	-	-	-	16,118,323	-
Refunding bond issuance costs	-	-	-	-	-	178,417	-
Total expenditures	42,802	614,421	863,069	582,942	2,103,234	19,068,137	2,638,376
Excess (deficiency) of revenues over expenditures	(21,496)	(507,290)	316,239	(5,210)	(217,757)	(17,676,736)	(1,236,065)
Other financing sources (uses):							
Transfers in	34,824	-	-	-	34,824	1,210,399	-
Transfers out	-	-	-	-	-	(3,010,000)	-
Refunding bonds issued	-	-	-	-	-	17,420,820	-
Total other financing sources (uses)	34,824	-	-	-	34,824	15,621,219	-
Net change in fund balances	13,328	(507,290)	316,239	(5,210)	(182,933)	(2,055,517)	(1,236,065)
Fund balances, beginning of year	103,465	1,653,777	1,471,410	7,308	3,235,960	4,931,092	4,487,588
Fund balances, end of year	\$ 116,793	\$ 1,146,487	\$ 1,787,649	\$ 2,098	\$ 3,053,027	\$ 2,875,575	\$ 3,251,523

**CITY OF PORT ORANGE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Capital Project Funds											Total Nonmajor Governmental Funds
Transportation Capital Projects	Capital Improvement Bond Construction	Fire Impact	Transportation Impact	General Obligation Capital Projects	Capital Replacement	Economic Development Capital	Town Center Bond Project	2014 Capital Improvement Bond Project	Recreation Impact	Total	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,106,512	\$ 2,197,770
1,240,128	-	56,737	375,202	-	-	-	-	-	228,226	1,900,293	3,076,338
-	-	-	26,940	-	125,000	-	-	-	-	435,132	1,012,829
-	-	-	-	-	20,000	-	-	-	-	20,000	53,750
7,547	-	623	2,754	774	3,099	199	2	(7,925)	1,522	21,202	117,504
-	-	-	-	-	98,500	-	-	-	-	98,500	400,326
1,247,675	-	57,360	404,896	774	246,599	199	2	(7,925)	229,748	3,581,639	6,858,517
-	-	-	-	-	-	-	-	-	-	-	905,871
-	-	1,135	-	-	-	-	-	-	-	1,135	1,135
-	-	-	7,504	-	-	-	-	-	-	303,936	303,936
-	-	-	-	-	-	-	-	-	-	-	33,009
-	-	-	-	-	-	-	-	-	4,565	4,565	21,101
1,277,817	38,300	7,223	134,041	-	867,618	33,846	-	-	265,315	4,966,104	6,113,922
-	-	-	-	-	-	-	-	-	-	-	960,000
6,346	-	-	-	-	-	-	-	-	55,214	61,560	1,872,957
-	-	-	-	-	-	-	-	-	-	-	16,118,323
-	-	-	-	-	-	-	-	-	-	-	178,417
1,284,163	38,300	8,358	141,545	-	867,618	33,846	-	-	325,094	5,337,300	26,508,671
(36,488)	(38,300)	49,002	263,351	774	(621,019)	(33,647)	2	(7,925)	(95,346)	(1,755,661)	(19,650,154)
-	-	-	-	-	550,000	-	-	3,010,000	-	3,560,000	4,805,223
-	-	-	-	-	-	-	-	-	-	-	(3,010,000)
-	-	-	-	-	-	-	-	-	-	-	17,420,820
-	-	-	-	-	550,000	-	-	3,010,000	-	3,560,000	19,216,043
(36,488)	(38,300)	49,002	263,351	774	(71,019)	(33,647)	2	3,002,075	(95,346)	1,804,339	(434,111)
(805,364)	108,227	280,155	1,791,380	1,104,601	1,898,103	53,435	331	-	(476,018)	8,442,438	16,609,490
<u>\$ (841,852)</u>	<u>\$ 69,927</u>	<u>\$ 329,157</u>	<u>\$ 2,054,731</u>	<u>\$ 1,105,375</u>	<u>\$ 1,827,084</u>	<u>\$ 19,788</u>	<u>\$ 333</u>	<u>\$ 3,002,075</u>	<u>\$ (571,364)</u>	<u>\$ 10,246,777</u>	<u>\$ 16,175,379</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUSINESS DEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Investment income	8,000	8,000	21,306	13,306
Total revenues	8,000	8,000	21,306	13,306
EXPENDITURES				
Current:				
General government:				
Planning and community development	42,824	42,824	42,802	22
Total expenditures	42,824	42,824	42,802	22
Excess (deficiency) of revenues over expenditures	(34,824)	(34,824)	(21,496)	13,328
Other financing sources (uses):				
Transfers in	34,824	34,824	34,824	-
Transfers out	-	-	-	-
Total other financing sources (uses)	34,824	34,824	34,824	-
Net change in fund balances	-	-	13,328	13,328
Fund balances, beginning of year	103,465	103,465	103,465	-
Fund balances, end of year	<u>\$ 103,465</u>	<u>\$ 103,465</u>	<u>\$ 116,793</u>	<u>\$ 13,328</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - RECREATION FACILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	33,750	33,750	33,750	-
Investment income	200	200	2,538	2,338
Miscellaneous	70,740	70,740	70,843	103
Total revenues	104,690	104,690	107,131	2,441
EXPENDITURES				
Current:				
Culture and recreation	30,000	35,031	16,536	18,495
Capital outlay	-	1,021,921	597,885	424,036
Total expenditures	30,000	1,056,952	614,421	442,531
Excess (deficiency) of revenues over expenditures	74,690	(952,262)	(507,290)	444,972
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	74,690	(952,262)	(507,290)	444,972
Fund balances, beginning of year	1,653,777	1,653,777	1,653,777	-
Fund balances, end of year	<u>\$ 1,728,467</u>	<u>\$ 701,515</u>	<u>\$ 1,146,487</u>	<u>\$ 444,972</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BUILDING
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	936,200	936,200	1,176,045	239,845
Investment income	1,000	1,000	3,180	2,180
Miscellaneous	-	-	83	83
Total revenues	937,200	937,200	1,179,308	242,108
EXPENDITURES				
Current:				
General government:				
Planning and community development	908,928	908,928	863,069	45,859
Total expenditures	908,928	908,928	863,069	45,859
Excess (deficiency) of revenues over expenditures	28,272	28,272	316,239	287,967
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	28,272	28,272	316,239	287,967
Fund balances, beginning of year	1,471,410	1,471,410	1,471,410	-
Fund balances, end of year	<u>\$ 1,499,682</u>	<u>\$ 1,499,682</u>	<u>\$ 1,787,649</u>	<u>\$ 287,967</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	49,345	630,180	577,697	(52,483)
Investment income	-	586	35	(551)
Total revenues	<u>49,345</u>	<u>630,766</u>	<u>577,732</u>	<u>(53,034)</u>
EXPENDITURES				
Current:				
Economic environment	49,345	58,262	33,009	25,253
Capital outlay	-	572,504	549,933	22,571
Total expenditures	<u>49,345</u>	<u>630,766</u>	<u>582,942</u>	<u>47,824</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(5,210)</u>	<u>(5,210)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(5,210)</u>	<u>(5,210)</u>
Fund balances, beginning of year	7,308	7,308	7,308	-
Fund balances, end of year	<u><u>\$ 7,308</u></u>	<u><u>\$ 7,308</u></u>	<u><u>\$ 2,098</u></u>	<u><u>\$ (5,210)</u></u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,077,181	\$ 1,077,181	\$ 1,091,258	\$ 14,077
Investment income	6,450	69,283	69,243	(40)
Miscellaneous	-	(1,890,471)	230,900	2,121,371
Total revenues	<u>1,083,631</u>	<u>(744,007)</u>	<u>1,391,401</u>	<u>2,135,408</u>
EXPENDITURES				
Debt service:				
Principal retirement	960,000	960,000	960,000	-
Interest and fiscal charges	1,815,026	1,813,151	1,811,397	1,754
Payment to refunded bond escrow agent	-	16,118,323	16,118,323	-
Refunding bond issuance costs		178,417	178,417	-
Total expenditures	<u>2,775,026</u>	<u>19,069,891</u>	<u>19,068,137</u>	<u>1,754</u>
Excess (deficiency) of revenues over expenditures	<u>(1,691,395)</u>	<u>(19,813,898)</u>	<u>(17,676,736)</u>	<u>2,137,162</u>
Other financing sources (uses):				
Transfers in	1,210,299	1,210,399	1,210,399	-
Transfers out	-	(3,010,000)	(3,010,000)	-
Refunding bonds issued	-	17,420,820	17,420,820	-
Total other financing sources (uses)	<u>1,210,299</u>	<u>15,621,219</u>	<u>15,621,219</u>	<u>-</u>
Net change in fund balances	<u>(481,096)</u>	<u>(4,192,679)</u>	<u>(2,055,517)</u>	<u>2,137,162</u>
Fund balances, beginning of year	4,931,092	4,931,092	4,931,092	-
Fund balances, end of year	<u>\$ 4,449,996</u>	<u>\$ 738,413</u>	<u>\$ 2,875,575</u>	<u>\$ 2,137,162</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL CONSTRUCTION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,077,287	\$ 1,077,287	\$ 1,106,512	\$ 29,225
Intergovernmental	-	389,617	283,192	(106,425)
Investment income	2,500	2,500	12,607	10,107
Total revenues	<u>1,079,787</u>	<u>1,469,404</u>	<u>1,402,311</u>	<u>(67,093)</u>
EXPENDITURES				
Current:				
Transportation	683,057	1,227,150	296,432	930,718
Capital outlay	514,330	3,721,078	2,341,944	1,379,134
Total expenditures	<u>1,197,387</u>	<u>4,948,228</u>	<u>2,638,376</u>	<u>2,309,852</u>
Excess (deficiency) of revenues over expenditures	<u>(117,600)</u>	<u>(3,478,824)</u>	<u>(1,236,065)</u>	<u>2,242,759</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(117,600)</u>	<u>(3,478,824)</u>	<u>(1,236,065)</u>	<u>2,242,759</u>
Fund balances, beginning of year	4,487,588	4,487,588	4,487,588	-
Fund balances, end of year	<u>\$ 4,369,988</u>	<u>\$ 1,008,764</u>	<u>\$ 3,251,523</u>	<u>\$ 2,242,759</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TRANSPORTATION CAPITAL PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	1,240,128	1,240,128
Investment income	-	-	7,547	7,547
Total revenues	-	-	1,247,675	1,247,675
EXPENDITURES				
Capital outlay	-	1,836,287	1,277,817	558,470
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	6,345	6,346	(1)
Total expenditures	-	1,842,632	1,284,163	558,469
Excess (deficiency) of revenues over expenditures	-	(1,842,632)	(36,488)	1,806,144
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(1,842,632)	(36,488)	1,806,144
Fund balances, beginning of year	(805,364)	(805,364)	(805,364)	-
Fund balances, end of year	<u>\$ (805,364)</u>	<u>\$ (2,647,996)</u>	<u>\$ (841,852)</u>	<u>\$ 1,806,144</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL IMPROVEMENT BOND CONSTRUCTION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Capital outlay	20,000	40,000	38,300	1,700
Total expenditures	20,000	40,000	38,300	1,700
Excess (deficiency) of revenues over expenditures	(20,000)	(40,000)	(38,300)	1,700
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(20,000)	(40,000)	(38,300)	1,700
Fund balances, beginning of year	108,227	108,227	108,227	-
Fund balances, end of year	<u>\$ 88,227</u>	<u>\$ 68,227</u>	<u>\$ 69,927</u>	<u>\$ 1,700</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FIRE IMPACT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	50,000	50,000	56,737	6,737
Investment income	500	500	623	123
Total revenues	50,500	50,500	57,360	6,860
EXPENDITURES				
Current:				
Public safety:				
Fire safety	43,100	43,100	1,135	41,965
Capital outlay	7,400	7,400	7,223	177
Total expenditures	50,500	50,500	8,358	42,142
Excess (deficiency) of revenues over expenditures	-	-	49,002	49,002
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	49,002	49,002
Fund balances, beginning of year	280,155	280,155	280,155	-
Fund balances, end of year	<u>\$ 280,155</u>	<u>\$ 280,155</u>	<u>\$ 329,157</u>	<u>\$ 49,002</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TRANSPORTATION IMPACT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	140,000	144,705	375,202	230,497
Intergovernmental	-	27,265	26,940	(325)
Investment income	5,000	5,000	2,754	(2,246)
Total revenues	145,000	176,970	404,896	227,926
EXPENDITURES				
Current:				
Transportation	107,004	24,859	7,504	17,355
Capital outlay	37,996	821,088	134,041	687,047
Total expenditures	145,000	845,947	141,545	704,402
Excess (deficiency) of revenues over expenditures	-	(668,977)	263,351	932,328
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(668,977)	263,351	932,328
Fund balances, beginning of year	1,791,380	1,791,380	1,791,380	-
Fund balances, end of year	<u>\$ 1,791,380</u>	<u>\$ 1,122,403</u>	<u>\$ 2,054,731</u>	<u>\$ 932,328</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL OBLIGATION CAPITAL PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	774	774
Total revenues	-	-	774	774
EXPENDITURES				
Capital outlay	-	1,095,950	-	1,095,950
Total expenditures	-	1,095,950	-	1,095,950
Excess (deficiency) of revenues over expenditures	-	(1,095,950)	774	1,096,724
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(1,095,950)	774	1,096,724
Fund balances, beginning of year	1,104,601	1,104,601	1,104,601	-
Fund balances, end of year	<u>\$ 1,104,601</u>	<u>\$ 8,651</u>	<u>\$ 1,105,375</u>	<u>\$ 1,096,724</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL REPLACEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	125,000	125,000	-
Charges for services	-	30,000	20,000	(10,000)
Investment income	-	-	3,099	3,099
Miscellaneous	-	400,000	98,500	(301,500)
Total revenues	-	555,000	246,599	(308,401)
EXPENDITURES				
Capital outlay	416,705	2,470,183	867,618	1,602,565
Total expenditures	416,705	2,470,183	867,618	1,602,565
Excess (deficiency) of revenues over expenditures	(416,705)	(1,915,183)	(621,019)	1,294,164
Other financing sources (uses):				
Transfers in	-	550,000	550,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	550,000	550,000	-
Net change in fund balances	(416,705)	(1,365,183)	(71,019)	1,294,164
Fund balances, beginning of year	1,898,103	1,898,103	1,898,103	-
Fund balances, end of year	<u>\$ 1,481,398</u>	<u>\$ 532,920</u>	<u>\$ 1,827,084</u>	<u>\$ 1,294,164</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ECONOMIC DEVELOPMENT CAPITAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	199	199
Total revenues	-	-	199	199
EXPENDITURES				
Capital outlay	-	52,884	33,846	19,038
Total expenditures	-	52,884	33,846	19,038
Excess (deficiency) of revenues over expenditures	-	(52,884)	(33,647)	19,237
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(52,884)	(33,647)	19,237
Fund balances, beginning of year	53,435	53,435	53,435	-
Fund balances, end of year	<u>\$ 53,435</u>	<u>\$ 551</u>	<u>\$ 19,788</u>	<u>\$ 19,237</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TOWN CENTER BOND PROJECT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	2	2
Total revenues	-	-	2	2
EXPENDITURES				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	2	2
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	2	2
Fund balances, beginning of year	331	331	331	-
Fund balances, end of year	<u>\$ 331</u>	<u>\$ 331</u>	<u>\$ 333</u>	<u>\$ 2</u>

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2014 CAPITAL IMPROVEMENT BOND PROJECT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	(7,925)	(7,925)
Total revenues	-	-	(7,925)	(7,925)
EXPENDITURES				
Capital outlay	-	3,010,000	-	3,010,000
Total expenditures	-	3,010,000	-	3,010,000
Excess (deficiency) of revenues over expenditures	-	(3,010,000)	(7,925)	3,002,075
Other financing sources (uses):				
Transfers in	-	3,010,000	3,010,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	3,010,000	3,010,000	-
Net change in fund balances	-	-	3,002,075	3,002,075
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 3,002,075	\$ 3,002,075

CITY OF PORT ORANGE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - RECREATION IMPACT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	125,000	126,678	228,226	101,548
Investment income	-	-	1,522	1,522
Total revenues	125,000	126,678	229,748	103,070
EXPENDITURES				
Current:				
Culture and recreation	2,500	6,391	4,565	1,826
Capital outlay	-	316,407	265,315	51,092
Debt service:				
Principal retirement	162,353	162,353	-	162,353
Interest and fiscal charges	55,216	55,216	55,214	2
Total expenditures	220,069	540,367	325,094	215,273
Excess (deficiency) of revenues over expenditures	(95,069)	(413,689)	(95,346)	318,343
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(95,069)	(413,689)	(95,346)	318,343
Fund balances, beginning of year	(476,018)	(476,018)	(476,018)	-
Fund balances, end of year	<u>\$ (571,087)</u>	<u>\$ (889,707)</u>	<u>\$ (571,364)</u>	<u>\$ 318,343</u>

CITY OF PORT ORANGE, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2014

	Data Processing	Vehicle Maintenance	Self- Insurance	Lease & Replacement	Building Maintenance	Loan Pool	Total
ASSETS							
Equity in pooled cash	\$ 539,264	\$ 327,832	\$ 1,655,675	\$ 3,330,330	\$ 679,578	\$ 4,706,532	\$ 11,239,211
Accounts receivable, net	1,394	-	38,111	-	-	-	39,505
Prepaid items	-	-	48,659	-	-	-	48,659
Due from other funds	-	-	-	-	-	2,453,068	2,453,068
Total current assets	<u>540,658</u>	<u>327,832</u>	<u>1,742,445</u>	<u>3,330,330</u>	<u>679,578</u>	<u>7,159,600</u>	<u>13,780,443</u>
Noncurrent assets:							
Capital assets:							
Building and improvements	-	-	-	-	140,245	-	140,245
Machinery and equipment	1,432,574	108,196	136,000	19,121,799	461,744	-	21,260,313
Construction in progress	-	242,060	-	-	-	-	242,060
Accumulated depreciation	(1,408,808)	(108,094)	(136,000)	(13,820,412)	(322,518)	-	(15,795,832)
Total capital assets, net	<u>23,766</u>	<u>242,162</u>	<u>-</u>	<u>5,301,387</u>	<u>279,471</u>	<u>-</u>	<u>5,846,786</u>
Total assets	<u><u>\$ 564,424</u></u>	<u><u>\$ 569,994</u></u>	<u><u>\$ 1,742,445</u></u>	<u><u>\$ 8,631,717</u></u>	<u><u>\$ 959,049</u></u>	<u><u>\$ 7,159,600</u></u>	<u><u>\$ 19,627,229</u></u>
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	\$ 42,239	\$ 16,975	\$ 93,213	\$ 68,061	\$ 34,298	\$ -	\$ 254,786
Estimated claims payable	-	-	348,000	-	-	-	348,000
Compensated absences	7,497	2,389	80	-	3,330	-	13,296
Total current liabilities	<u>49,736</u>	<u>19,364</u>	<u>441,293</u>	<u>68,061</u>	<u>37,628</u>	<u>-</u>	<u>616,082</u>
Noncurrent liabilities:							
Compensated absences	67,468	21,502	719	-	29,966	-	119,655
Total noncurrent liabilities	<u>67,468</u>	<u>21,502</u>	<u>719</u>	<u>-</u>	<u>29,966</u>	<u>-</u>	<u>119,655</u>
Total liabilities	<u><u>\$ 117,204</u></u>	<u><u>\$ 40,866</u></u>	<u><u>\$ 442,012</u></u>	<u><u>\$ 68,061</u></u>	<u><u>\$ 67,594</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 735,737</u></u>
NET POSITION							
Net investment in capital assets	\$ 23,766	\$ 242,162	\$ -	\$ 5,301,387	\$ 279,471	\$ -	\$ 5,846,786
Unrestricted	423,454	286,966	1,300,433	3,262,269	611,984	7,159,600	13,044,706
Total net position	<u><u>\$ 447,220</u></u>	<u><u>\$ 529,128</u></u>	<u><u>\$ 1,300,433</u></u>	<u><u>\$ 8,563,656</u></u>	<u><u>\$ 891,455</u></u>	<u><u>\$ 7,159,600</u></u>	<u><u>\$ 18,891,492</u></u>

CITY OF PORT ORANGE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Data Processing	Vehicle Maintenance	Self- Insurance	Lease & Replacement	Building Maintenance	Loan Pool	Total
Operating revenues							
Charges for services	\$ 1,718,731	\$ 824,271	\$ 1,300,149	\$ 1,510,285	\$ 1,669,503	\$ -	\$ 7,022,939
Other revenues	764	2,575	67,897	180,314	2,133	-	253,683
Total operating revenues	<u>1,719,495</u>	<u>826,846</u>	<u>1,368,046</u>	<u>1,690,599</u>	<u>1,671,636</u>	<u>-</u>	<u>7,276,622</u>
Operating expenses							
Personal services	684,683	302,087	455,851	-	252,079	-	1,694,700
Contractual services	432,476	161,030	1,107,710	-	191,559	-	1,892,775
Utilities	-	-	-	-	366,433	-	366,433
Maintenance and repairs	280,251	32,767	-	-	80,051	-	393,069
Other supplies and expenses	85,423	357,754	4,721	21,658	20,235	-	489,791
Insurance claims and expenses	-	-	197,146	-	-	-	197,146
Depreciation	15,488	935	-	1,281,481	93,752	-	1,391,656
Total operating expenses	<u>1,498,321</u>	<u>854,573</u>	<u>1,765,428</u>	<u>1,303,139</u>	<u>1,004,109</u>	<u>-</u>	<u>6,425,570</u>
Operating income (loss)	<u>221,174</u>	<u>(27,727)</u>	<u>(397,382)</u>	<u>387,460</u>	<u>667,527</u>	<u>-</u>	<u>851,052</u>
Nonoperating revenues (expenses)							
Interest earnings	459	1,080	5,595	8,492	1,458	95,509	112,593
Total nonoperating revenues (expenses)	<u>459</u>	<u>1,080</u>	<u>5,595</u>	<u>8,492</u>	<u>1,458</u>	<u>95,509</u>	<u>112,593</u>
Income (loss) before contributions and transfers	<u>221,633</u>	<u>(26,647)</u>	<u>(391,787)</u>	<u>395,952</u>	<u>668,985</u>	<u>95,509</u>	<u>963,645</u>
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(626,399)	(210,000)	(836,399)
Change in net position	<u>221,633</u>	<u>(26,647)</u>	<u>(391,787)</u>	<u>395,952</u>	<u>42,586</u>	<u>(114,491)</u>	<u>127,246</u>
Net position, beginning of year, as restated	225,587	555,775	1,692,220	8,167,704	848,869	7,274,091	18,764,246
Net position, end of year	<u>\$ 447,220</u>	<u>\$ 529,128</u>	<u>\$ 1,300,433</u>	<u>\$ 8,563,656</u>	<u>\$ 891,455</u>	<u>\$ 7,159,600</u>	<u>\$ 18,891,492</u>

CITY OF PORT ORANGE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2014

	Data Processing	Vehicle Maintenance	Self- Insurance	Lease & Replacement	Building Maintenance	Loan Pool	Total
Cash flows from operating activities							
Cash received from customers	\$ 1,719,551	\$ 826,846	\$ 1,498,466	\$ 1,690,599	\$ 1,671,636	\$ -	\$ 7,407,098
Cash paid to employees	(684,252)	(302,344)	(416,040)	-	(255,900)	-	(1,658,536)
Cash paid to suppliers	(787,681)	(595,419)	(1,098,989)	167,456	(662,295)	-	(2,976,928)
Net cash provided by (used in) operating activities	<u>247,618</u>	<u>(70,917)</u>	<u>(16,563)</u>	<u>1,858,055</u>	<u>753,441</u>	<u>-</u>	<u>2,771,634</u>
Cash flows from noncapital financing activities							
Transfers to other funds	-	-	-	-	(626,399)	(210,000)	(836,399)
Interfund loans	-	-	-	-	-	289,720	289,720
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(626,399)</u>	<u>79,720</u>	<u>(546,679)</u>
Cash flows from capital and related financing activities							
Acquisition and construction of capital assets	(11,071)	(10,130)	-	(2,154,670)	-	-	(2,175,871)
Net cash provided by (used in) capital and related financing activities	<u>(11,071)</u>	<u>(10,130)</u>	<u>-</u>	<u>(2,154,670)</u>	<u>-</u>	<u>-</u>	<u>(2,175,871)</u>
Cash flows from investing activities							
Interest received	459	1,080	5,595	8,492	1,458	95,509	112,593
Net cash provided by (used in) investment activities	<u>459</u>	<u>1,080</u>	<u>5,595</u>	<u>8,492</u>	<u>1,458</u>	<u>95,509</u>	<u>112,593</u>
Net increase (decrease) in cash and cash equivalents	<u>237,006</u>	<u>(79,967)</u>	<u>(10,968)</u>	<u>(288,123)</u>	<u>128,500</u>	<u>175,229</u>	<u>161,677</u>
Cash and cash equivalents, beginning of year	302,258	407,799	1,666,643	3,618,453	551,078	4,531,303	11,077,534
Cash and cash equivalents, end of year	<u>\$ 539,264</u>	<u>\$ 327,832</u>	<u>\$ 1,655,675</u>	<u>\$ 3,330,330</u>	<u>\$ 679,578</u>	<u>\$ 4,706,532</u>	<u>\$ 11,239,211</u>
Cash and cash equivalents classified as:							
Unrestricted	539,264	327,832	1,655,675	3,330,330	679,578	4,706,532	11,239,211
Restricted	-	-	-	-	-	-	-
Total cash and cash equivalents	<u>539,264</u>	<u>327,832</u>	<u>1,655,675</u>	<u>3,330,330</u>	<u>679,578</u>	<u>4,706,532</u>	<u>11,239,211</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ 221,174	\$ (27,727)	\$ (397,382)	\$ 387,460	\$ 667,527	\$ -	\$ 851,052
Adjustments to reconcile net operating income to net cash provided by (used in) operating activities:							
Depreciation	15,488	935	-	1,281,481	93,752	-	1,391,656
Changes in assets and liabilities:							
Accounts receivable	56	-	130,420	-	-	-	130,476
Prepaid items	-	-	153,190	189,720	-	-	342,910
Accounts payable and accrued liabilities	10,469	(43,868)	57,398	(606)	(4,017)	-	19,376
Compensated absences	431	(257)	(4,788)	-	(3,821)	-	(8,435)
Net cash provided by (used in) operating activities	<u>\$ 247,618</u>	<u>\$ (70,917)</u>	<u>\$ (16,563)</u>	<u>\$ 1,858,055</u>	<u>\$ 753,441</u>	<u>\$ -</u>	<u>\$ 2,771,634</u>

Statistical Section

This part of the City of Port Orange's, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
September 30, 2014
CITY OF PORT ORANGE, FLORIDA
(Accrual basis of accounting)
(Shown in thousands)

Table I

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities:										
Net investment in capital assets.....	\$ 95,288	\$ 90,770	\$ 87,750	\$ 85,065	\$ 85,762	\$ 83,859	\$ 70,186	\$ 58,203	\$ 57,563	\$ 23,062
Restricted.....	18,164	17,480	15,730	13,831	13,491	7,014	13,267	21,237	21,546	10,327
Unrestricted.....	<u>24,170</u>	<u>24,317</u>	<u>23,972</u>	<u>22,911</u>	<u>19,901</u>	<u>26,943</u>	<u>32,505</u>	<u>30,574</u>	<u>23,942</u>	<u>15,281</u>
Total governmental activities net position.....	<u>\$ 137,622</u>	<u>\$ 132,567</u>	<u>\$ 127,452</u>	<u>\$ 121,807</u>	<u>\$ 119,154</u>	<u>\$ 117,816</u>	<u>\$ 115,958</u>	<u>\$ 110,014</u>	<u>\$ 103,051</u>	<u>\$ 48,671</u>
Business-type Activities:										
Net investment in capital assets.....	\$ 174,390	\$ 167,342	\$ 162,682	\$ 151,064	\$ 139,554	\$ 130,783	\$ 115,417	\$ 105,609	\$ 91,040	\$ 79,158
Restricted.....	15,142	14,549	14,541	20,344	22,149	16,521	30,975	30,434	26,931	32,147
Unrestricted.....	<u>19,379</u>	<u>19,082</u>	<u>16,023</u>	<u>16,311</u>	<u>17,213</u>	<u>22,862</u>	<u>15,004</u>	<u>14,716</u>	<u>12,343</u>	<u>8,473</u>
Total business-type activities net position.....	<u>\$ 208,911</u>	<u>\$ 200,973</u>	<u>\$ 193,246</u>	<u>\$ 187,719</u>	<u>\$ 178,916</u>	<u>\$ 170,166</u>	<u>\$ 161,396</u>	<u>\$ 150,759</u>	<u>\$ 130,314</u>	<u>\$ 119,778</u>
Primary Government:										
Net investment in capital assets.....	\$ 269,678	\$ 258,112	\$ 250,432	\$ 236,129	\$ 225,316	\$ 214,642	\$ 185,603	\$ 163,812	148,603	102,220
Restricted.....	33,306	32,029	30,271	34,175	35,640	23,535	44,242	51,671	48,477	42,475
Unrestricted.....	<u>43,549</u>	<u>43,399</u>	<u>39,995</u>	<u>39,222</u>	<u>37,114</u>	<u>49,805</u>	<u>47,509</u>	<u>45,290</u>	<u>36,285</u>	<u>23,754</u>
Total primary government net position.....	<u>\$ 346,533</u>	<u>\$ 333,540</u>	<u>\$ 320,698</u>	<u>\$ 309,526</u>	<u>\$ 298,070</u>	<u>\$ 287,982</u>	<u>\$ 277,354</u>	<u>\$ 260,773</u>	<u>\$ 233,365</u>	<u>\$ 168,449</u>

* In 2013, GASB #65 was implemented, resulting in the write-off of unamortized debt issuance costs

* In 2006, due to implementation of financial disclosures as promulgated by Governmental Accounting Standards Board's Statement #34, City Infrastructure (Roads, Bridges and Sidewalks) assets were included with amounts invested in capital assets.

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
September 30, 2014
CITY OF PORT ORANGE, FLORIDA
(Accrual basis of accounting)
(Shown in thousands)

Table II

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:										
Governmental Activities:										
General government.....	\$ 5,084	\$ 5,509	\$ 5,101	\$ 7,554	\$ 7,803	\$ 10,421	\$ 7,763	\$ 11,232	\$ 8,679	\$ 6,501
Public safety.....	19,807	19,193	17,735	18,229	19,344	19,893	19,117	18,348	18,018	16,129
Transportation.....	2,225	2,017	2,957	2,981	663	587	570	-	-	-
Economic environment.....	95	111	234	333	3,738	5,317	3,153	4,721	3,182	2,458
Culture/recreation.....	3,889	3,843	3,721	3,681	3,638	3,687	3,886	3,835	3,005	3,451
Interest on long-term debt.....	2,100	1,937	2,018	2,116	2,155	2,318	2,677	2,248	1,425	914
Total governmental activities expenses.....	<u>33,200</u>	<u>32,610</u>	<u>31,766</u>	<u>34,894</u>	<u>37,341</u>	<u>42,223</u>	<u>37,166</u>	<u>40,384</u>	<u>34,309</u>	<u>29,453</u>
Business-Type Activities:										
Water.....	20,870	19,795	19,341	20,875	20,544	22,004	21,466	20,322	19,020	18,216
Solid waste.....	6,456	6,213	6,218	7,764	7,648	7,926	7,881	7,699	4,842	4,851
Stormwater.....	1,966	1,901	1,944	2,521	2,625	1,974	1,976	1,919	1,932	1,735
Golf course.....	1,638	1,552	1,550	1,543	1,708	1,679	1,727	1,812	1,566	1,747
Total business-type activities expenses.....	<u>30,930</u>	<u>29,461</u>	<u>29,053</u>	<u>32,703</u>	<u>32,525</u>	<u>33,583</u>	<u>33,050</u>	<u>31,752</u>	<u>27,360</u>	<u>26,549</u>
Total primary government expenses.....	<u>\$ 64,130</u>	<u>\$ 62,071</u>	<u>\$ 60,819</u>	<u>\$ 67,597</u>	<u>\$ 69,866</u>	<u>\$ 75,806</u>	<u>\$ 70,216</u>	<u>\$ 72,136</u>	<u>\$ 61,669</u>	<u>\$ 56,002</u>
Program Revenues:										
Governmental Activities:										
Charges for services:										
General government.....	\$ 2,384	\$ 2,402	\$ 2,166	\$ 2,380	\$ 1,736	\$ 3,285	\$ 3,322	\$ 3,490	\$ 2,942	\$ 869
Public safety.....	444	416	463	1,653	521	537	472	746	399	346
Public works.....	42	104	297	273	279	82	8	5	1	-
Economic environment.....	30	30	33	-	-	41	-	-	-	-
Culture/recreation.....	687	1,006	1,180	991	801	920	1,004	660	988	1,137
Operating grants and contributions.....	1,281	1,155	1,138	181	1,305	912	703	300	625	1,750
Capital grants and contributions.....	3,473	3,716	2,674	1,006	2,005	1,823	2,909	4,624	11,123	1,877
Total governmental activities program revenues	<u>8,341</u>	<u>8,829</u>	<u>7,951</u>	<u>6,484</u>	<u>6,647</u>	<u>7,600</u>	<u>8,418</u>	<u>9,825</u>	<u>16,078</u>	<u>5,979</u>
Business-Type Activities:										
Charges for services:										
Water and sewer.....	25,133	23,807	24,858	24,416	24,591	24,837	25,229	23,595	21,725	19,523
Solid waste.....	6,984	6,724	6,792	8,033	7,953	7,847	7,986	7,874	5,518	5,070
Stormwater.....	3,808	3,802	3,716	3,738	3,659	3,510	3,480	3,499	3,326	2,366
Golf course.....	1,493	1,591	1,634	1,619	1,531	1,618	1,852	1,822	1,822	1,785
Operating grants and contributions.....	-	-	-	-	563	-	-	-	-	-
Capital grants and contributions.....	2,824	3,644	1,231	1,660	3,179	4,190	5,260	14,673	5,556	9,098
Total business-type activities program revenue..	<u>40,242</u>	<u>39,568</u>	<u>38,231</u>	<u>39,466</u>	<u>41,476</u>	<u>42,002</u>	<u>43,807</u>	<u>51,463</u>	<u>37,947</u>	<u>37,842</u>
Total primary government program revenues.....	<u>\$ 48,583</u>	<u>\$ 48,397</u>	<u>\$ 46,182</u>	<u>\$ 45,950</u>	<u>\$ 48,123</u>	<u>\$ 49,602</u>	<u>\$ 52,225</u>	<u>\$ 61,288</u>	<u>\$ 54,025</u>	<u>\$ 43,821</u>
Net (Expense)/Revenue:										
Governmental activities.....	\$ (24,859)	\$ (23,781)	\$ (23,815)	\$ (28,410)	\$ (30,694)	\$ (34,623)	\$ (28,748)	\$ (30,559)	\$ (18,231)	\$ (23,474)
Business-type activities.....	<u>9,312</u>	<u>10,107</u>	<u>9,178</u>	<u>6,763</u>	<u>8,951</u>	<u>8,419</u>	<u>10,757</u>	<u>19,711</u>	<u>10,587</u>	<u>11,293</u>
Total primary government net expense.....	<u>\$ (15,547)</u>	<u>\$ (13,674)</u>	<u>\$ (14,637)</u>	<u>\$ (21,647)</u>	<u>\$ (21,743)</u>	<u>\$ (26,204)</u>	<u>\$ (17,991)</u>	<u>\$ (10,848)</u>	<u>\$ (7,644)</u>	<u>\$ (12,181)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property taxes.....	\$ 11,553	\$ 11,646	\$ 11,985	\$ 12,215	\$ 12,569	\$ 15,056	\$ 14,023	\$ 14,886	\$ 12,272	\$ 10,525
Sales taxes.....	2,742	2,592	2,482	2,336	2,309	2,346	2,591	2,796	2,931	2,872
Local option gas taxes.....	-	-	-	1,099	1,112	1,125	1,120	1,188	1,214	1,203
Franchise and utility taxes.....	10,123	9,590	9,493	9,869	10,008	9,832	9,634	9,223	9,104	8,223
Other taxes.....	840	824	743	744	691	571	1,924	1,357	209	626
Intergovernmental revenues.....	2,131	2,001	2,170	1,950	2,101	1,788	2,231	3,039	3,896	2,689
Investment earnings.....	288	298	535	324	626	1,877	2,277	3,106	1,761	936
Miscellaneous revenue.....	311	500	246	883	839	2,859	640	756	1,055	1,005
Transfers.....	1,740	1,806	1,795	1,643	1,776	1,027	492	1,171	1,244	1,195
Total governmental activities.....	<u>29,728</u>	<u>29,257</u>	<u>29,449</u>	<u>31,063</u>	<u>32,031</u>	<u>36,481</u>	<u>34,932</u>	<u>37,522</u>	<u>33,686</u>	<u>29,274</u>
Business-Type Activities:										
Investment earnings.....	81	83	298	229	1,180	1,326	1,851	1,905	1,194	903
Miscellaneous revenue.....	246	166	846	454	394	51	-	-	-	-
Transfers.....	(1,740)	(1,806)	(1,795)	(1,643)	(1,776)	(1,027)	(508)	(1,171)	(1,244)	(1,195)
Total business-type activities.....	<u>(1,413)</u>	<u>(1,557)</u>	<u>(651)</u>	<u>(960)</u>	<u>(202)</u>	<u>350</u>	<u>1,343</u>	<u>734</u>	<u>(50)</u>	<u>(292)</u>
Total primary government.....	<u>\$ 28,315</u>	<u>\$ 27,700</u>	<u>\$ 28,798</u>	<u>\$ 30,103</u>	<u>\$ 31,829</u>	<u>\$ 36,831</u>	<u>\$ 36,275</u>	<u>\$ 38,256</u>	<u>\$ 33,636</u>	<u>\$ 28,982</u>
Changes in Net Position:										
Governmental activities.....	\$ 4,869	\$ 5,476	\$ 5,634	\$ 2,653	\$ 1,337	\$ 1,858	\$ 6,184	\$ 6,963	\$ 15,455	\$ 5,800
Business-type activities.....	<u>7,899</u>	<u>8,550</u>	<u>8,527</u>	<u>5,803</u>	<u>8,749</u>	<u>8,769</u>	<u>12,100</u>	<u>20,445</u>	<u>10,537</u>	<u>11,001</u>
Total primary government.....	<u>\$ 12,768</u>	<u>\$ 14,026</u>	<u>\$ 14,161</u>	<u>\$ 8,456</u>	<u>\$ 10,086</u>	<u>\$ 10,627</u>	<u>\$ 18,284</u>	<u>\$ 27,408</u>	<u>\$ 25,992</u>	<u>\$ 16,801</u>

*Local option gas taxes reported as transportation operating grants beginning in FY2012.

**FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

Table III

September 30, 2014
CITY OF PORT ORANGE, FLORIDA
(Accrual basis of accounting)
(Shown in thousands)

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund:										
Nonspendable.....	\$ 370	\$ 60	\$ 94	\$ 83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted.....	545	689	658	626	-	-	-	-	-	-
Committed.....	-	-	-	-	-	-	-	-	-	-
Assigned.....	1,954	1,845	1,761	1,233	-	-	-	-	-	-
Unassigned.....	14,035	13,079	11,813	11,187	-	-	-	-	-	-
Reserved.....	-	-	-	-	528	685	1,713	2,526	2,415	3,011
Unreserved.....	-	-	-	-	11,587	10,727	9,524	12,406	11,152	9,220
Total general fund.....	\$ 16,904	\$ 15,673	\$ 14,326	\$ 13,129	\$ 12,115	\$ 11,412	\$ 11,237	\$ 14,932	\$ 13,567	\$ 12,231
Other Governmental Funds:										
Nonspendable.....	\$ 10	\$ 10	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted.....	14,945	14,964	13,519	13,204	-	-	-	-	-	-
Committed.....	-	-	-	178	-	-	-	-	-	-
Assigned.....	2,989	3,333	3,594	3,409	-	-	-	-	-	-
Unassigned.....	(1,884)	(1,647)	(2,232)	(7,235)	-	-	-	-	-	-
Reserved, reported in:										
Special revenue funds.....	-	-	-	-	1,049	1,337	73	340	81	148
Capital projects funds.....	-	-	-	-	6,586	4,233	18,932	18,405	18,787	6,159
Debt service funds.....	-	-	-	-	4,369	4,169	4,609	2,845	2,637	2,020
Unreserved, reported in:										
Special revenue funds.....	-	-	-	-	1,617	1,760	2,797	1,494	(666)	(1,176)
Capital projects funds.....	-	-	-	-	844	5,775	3,804	10,167	7,688	1,964
Total all other governmental funds.....	\$ 16,060	\$ 16,660	\$ 14,891	\$ 9,556	\$ 14,465	\$ 17,274	\$ 30,215	\$ 33,251	\$ 28,527	\$ 9,115

*GASB 54 was implemented in Fiscal Year 2011.

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

September 30, 2014
CITY OF PORT ORANGE, FLORIDA
(Accrual basis of accounting)
(Shown in thousands)

Table IV

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenue:										
Taxes.....	\$ 20,463	\$ 20,241	\$ 20,457	\$ 20,765	\$ 21,193	\$ 25,658	\$ 29,017	\$ 29,243	\$ 25,521	\$ 22,823
Permits and fees.....	6,363	5,517	4,948	4,654	4,578	5,565	3,081	2,509	1,186	1,829
Intergovernmental.....	5,967	4,961	5,412	5,408	5,953	3,360	3,029	3,821	4,465	3,322
Charges for services.....	3,122	3,196	2,986	3,523	2,978	3,454	5,956	4,598	4,360	3,453
Fines and forfeitures.....	160	182	195	349	236	232	284	492	310	254
Miscellaneous.....	939	852	802	1,209	1,465	12,629	2,629	3,499	2,386	2,173
Total revenue.....	37,014	34,949	34,800	35,908	36,403	50,898	43,996	44,162	38,228	33,853
Expenditures:										
Current:										
General government.....	6,340	6,381	6,501	6,948	7,163	8,836	8,268	10,684	7,972	7,482
Public safety.....	19,508	18,530	17,259	19,038	19,373	20,309	19,056	17,622	17,179	15,840
Transportation.....	2,130	2,010	2,920	3,067	3,782	2,253	3,172	4,683	3,175	2,451
Economic environment.....	101	111	234	344	1,189	1,244	571	-	-	-
Culture/recreation.....	2,644	2,848	2,619	2,574	2,821	3,098	2,857	2,834	2,713	2,621
Capital outlay.....	6,511	1,353	1,480	2,300	3,605	16,976	19,682	10,381	7,492	3,437
Debt service:										
Principal retirement.....	960	1,000	965	925	850	11,136	2,125	1,203	467	167
Interest and fiscal charges.....	1,890	1,942	2,010	2,093	2,128	2,667	2,298	2,229	1,465	865
Payment to refunded bond escrow agent.....	16,118	-	-	-	-	-	-	-	-	-
Refunding bond issuance costs.....	178	-	-	-	-	-	-	-	-	-
Total expenditures.....	56,380	34,175	33,988	37,289	40,911	66,519	58,029	49,636	40,463	32,862
Excess (deficiency) of revenue over (under) expenditures.....	(19,366)	774	812	(1,381)	(4,508)	(15,621)	(14,033)	(5,474)	(2,235)	991
Other Financing Sources (Uses):										
Debt proceeds.....	17,421	-	-	-	-	-	6,164	9,763	21,110	-
Transfers in.....	6,672	3,007	3,657	4,631	3,841	16,842	11,857	7,774	5,161	2,933
Transfers out.....	(4,095)	(575)	(2,819)	(2,365)	(1,440)	(13,986)	(10,879)	(5,968)	(3,287)	(1,091)
Total other financing sources (uses).....	19,998	2,432	838	2,266	2,401	2,856	7,142	11,569	22,984	1,842
Net change in fund balances.....	\$ 632	\$ 3,206	\$ 1,650	\$ 885	\$ (2,107)	\$ (12,765)	\$ (6,891)	\$ 6,095	\$ 20,749	\$ 2,833
Debt service as a percentage of noncapital expenditures.....	2.2%	3.3%	3.2%	8.6%	2.3%	16.7%	5.5%	3.1%	1.4%	0.6%

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

(Accrual basis of accounting)

Table V

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Ad Valorem Property Tax:										
City operating and debt service.....	\$ 11,432,100	\$ 11,528,507	\$ 11,871,639	\$ 12,065,637	\$ 12,296,071	\$ 14,189,613	\$ 13,229,544	\$ 14,067,823	\$ 11,746,289	\$ 10,147,765
Tax increment districts ⁽¹⁾	<u>243,250</u>	<u>257,103</u>	<u>334,192</u>	<u>400,899</u>	<u>676,536</u>	<u>833,612</u>	<u>765,886</u>	<u>794,734</u>	<u>513,041</u>	<u>377,321</u>
Total property tax.....	<u>\$ 11,675,350</u>	<u>\$ 11,785,610</u>	<u>\$ 12,205,831</u>	<u>\$ 12,466,536</u>	<u>\$ 12,972,607</u>	<u>\$ 15,023,225</u>	<u>\$ 13,995,430</u>	<u>\$ 14,862,557</u>	<u>\$ 12,259,330</u>	<u>\$ 10,525,086</u>
Sales and use tax.....										
Sales and use tax.....	\$ 2,741,746	\$ 2,591,545	\$ 2,481,736	\$ 2,335,607	\$ 2,309,484	\$ 2,346,256	\$ 2,591,217	\$ 2,795,889	\$ 2,930,833	\$ 2,872,064
Franchise tax ⁽²⁾	3,148,545	2,917,256	2,891,121	3,164,839	3,157,449	3,409,468	3,205,491	3,173,417	3,189,175	2,597,328
Utility service taxes ⁽³⁾	5,002,092	4,599,252	4,302,065	4,387,939	4,404,865	4,000,057	3,868,132	3,859,983	3,802,848	3,666,946
Communications services tax.....	1,972,034	2,075,119	2,299,666	2,316,037	2,446,151	2,423,136	2,560,026	2,189,324	2,111,948	1,958,677

⁽¹⁾ Includes pro-rata share of other government tax increment reported as intergovernmental revenue in the governmental fund financial statements.

⁽²⁾ Effective in 2010, franchise taxes are reported as permits and fees in the governmental fund financial statements.

⁽³⁾ The City did not start collecting communication service taxes until fiscal year 2002.

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

(in thousands)

Table VI

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Industrial Property	Other Property	Less: Tax-Exempt Property	Total Just Value	Total Direct Tax Rate	Assessed Taxable Value	Assessed Value as a Percentage of Total Just Value
2005	2,393,472	360,906	53,192	1,296,167	971,102	3,132,635	4.865	2,161,533	69.00%
2006	2,957,834	395,040	61,312	1,592,105	1,233,856	3,772,435	4.859	2,538,579	67.29%
2007	5,035,459	827,747	137,958	896,726	1,860,452	5,037,437	5.085	3,176,985	63.07%
2008	5,167,936	1,063,668	139,557	859,756	1,899,637	5,331,279	4.418	3,431,642	64.37%
2009	4,609,670	1,144,669	150,242	832,732	1,863,168	4,874,145	5.021	3,010,977	61.77%
2010	3,470,025	1,036,297	130,846	596,656	1,343,777	3,890,047	5.100	2,546,270	65.46%
2011	3,073,396	850,955	99,580	502,426	1,118,101	3,408,255	5.101	2,290,154	67.19%
2012	2,986,815	839,544	111,851	482,771	1,083,012	3,337,969	5.515	2,254,957	67.55%
2013	2,924,136	838,015	117,418	890,200	1,054,529	3,294,276	5.372	2,239,747	67.99%
2014	3,004,310	865,859	116,620	502,363	1,094,630	3,390,754	5.190	2,296,124	67.72%

Source: Volusia County Property Tax Appraiser

Note: The total direct tax rate is the rate per thousand dollars of assessed taxable value

**PROPERTY TAX RATES AND TAX LEVIES-
ALL DIRECT AND OVERLAPPING GOVERNMENTS-
LAST TEN FISCAL YEARS**

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

Table VII

Fiscal Year	City of Port Orange			School District	Volusia County	Florida Inland Navigation District	Volusia Hospital District	Halifax Hospital District	Ponce DeLeon Inlet and Port Authority	St. Johns River Water Management District	Mosquito Control District
	Operating	Debt Service	Total								
Tax Levies											
2005	10,375,363	140,046	10,515,409	18,409,784	14,274,770	84,300	6,484,602	5,079,605	194,538	998,629	514,445
2006	12,143,895	148,004	12,291,899	20,892,939	15,922,044	98,659	7,589,153	5,944,837	227,675	1,168,730	602,073
2007	14,804,752	1,350,473	16,155,225	24,415,132	16,308,419	123,902	8,736,710	7,040,199	228,743	1,467,767	603,627
2008	13,877,561	1,282,748	15,160,309	25,624,072	16,140,180	118,392	8,579,105	7,442,477	231,636	1,426,877	612,754
2009	13,850,494	1,268,826	15,119,320	22,458,877	16,271,319	105,384	9,653,192	6,774,698	234,856	1,252,566	620,261
2010	11,712,841	1,273,644	12,986,485	19,873,636	16,230,790	87,846	9,163,261	5,729,107	238,331	1,058,739	533,851
2011	11,336,261	1,284,548	12,620,809	18,863,996	14,433,693	79,010	7,442,999	4,580,307	212,755	952,246	476,352
2012	11,162,036	1,272,923	12,434,959	18,181,718	15,286,579	77,796	7,444,741	3,946,175	209,486	747,067	469,031
2013	10,762,210	1,269,713	12,031,923	17,667,127	15,411,477	77,271	6,786,434	2,799,684	208,073	742,028	465,867
2014	10,826,389	1,131,229	11,957,618	16,952,304	16,751,632	79,486	6,771,476	2,303,928	214,034	756,380	479,217
Tax Rates per Thousand Dollars of Assessed Valuation											
2005	4.80000	0.06479	4.86479	8.517	6.604	0.039	3.000	2.350	0.090	0.462	0.238
2006	4.80000	0.05850	4.85850	8.259	6.294	0.039	3.000	2.350	0.090	0.462	0.238
2007	4.66000	0.42508	5.08508	7.685	5.1333	0.039	2.750	2.216	0.072	0.462	0.190
2008	4.04400	0.37380	4.41780	7.467	4.703	0.035	2.500	2.169	0.068	0.416	0.179
2009	4.60000	0.42140	5.02140	7.459	5.404	0.035	3.206	2.250	0.078	0.416	0.206
2010	4.60000	0.50020	5.10020	7.805	6.374	0.035	3.599	2.250	0.094	0.416	0.210
2011	4.95000	0.56090	5.51090	8.237	6.303	0.035	3.250	2.000	0.093	0.416	0.208
2012	4.95000	0.56450	5.51450	8.063	6.779	0.035	3.302	1.750	0.093	0.331	0.208
2013	4.80510	0.56690	5.37200	7.888	6.881	0.035	3.030	1.250	0.093	0.331	0.208
2014	4.69910	0.49100	5.19010	7.358	7.271	0.035	2.939	1.000	0.093	0.328	0.208

Source: Volusia County Property Tax Appraiser

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO**
September 30, 2014
CITY OF PORT ORANGE, FLORIDA

Table VIII

Taxpayer	September 30, 2014			September 30, 2005		
	Assessed Taxable Value	Rank	Percent to Total Assessed Taxable Value	Assessed Taxable Value	Rank	Percent to Total Assessed Taxable Value
Florida Power & Light Company.....	\$ 44,423,907	1	1.9%	\$ 31,986,682	1	1.5%
Port Orange Town.....	33,191,060	2	1.4%			
Hawthorne Village at Port Orange.....	19,468,917	3	0.8%			
USF Propco II LLC.....	17,182,884	4	0.7%			
Becks Farm LTD.....	15,080,899	5	0.7%	12,268,650	10	0.6%
Port Orange Apartment Assoc.....	14,755,079	6	0.6%	16,712,940	3	0.8%
Walmart Stores Inc.....	14,725,645	7	0.6%	13,283,930	9	0.6%
Raydon Corporation.....	14,026,774	8	0.6%			
Port Orange Aprt Assoc II LLC.....	13,821,816	9	0.6%			
CFLP Pierpoint LLC.....	11,549,164	10	0.5%			
Bellsouth Telecommunication Inc.....	-			19,338,330	2	0.9%
Daytona LKE, LLC.....	-			15,166,017	5	0.7%
United Dominion Realty TRS Inc.....	-			13,854,897	6	0.7%
Lowes Home Centers Inc.....	-			13,625,788	7	0.7%
Home Depot USA Inc.Centers Inc.....	-			13,557,239	8	0.6%
Target Corporation.....	-			15,862,041	4	0.8%
Total taxable assessed value of the largest taxpayers.....	<u>\$ 198,226,145</u>			<u>\$ 165,656,514</u>		
Total taxable assessed value of other taxpayers.....	<u>\$ 2,097,897,929</u>			<u>\$ 1,927,033,881</u>		
Total taxable assessed value of all taxpayers.....	<u>\$ 2,296,124,074</u>			<u>\$ 2,092,690,395</u>		

Source: Volusia County Property Tax Appraiser

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
September 30, 2014
CITY OF PORT ORANGE, FLORIDA

Table IX

Fiscal Year Ended September 30,	Taxes Levied For Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount (2)	Percent of Levy		Amount	Percent of Levy
2005	10,670,686	10,493,819	98.3%	22,833	10,516,652	98.6%
2006	12,333,689	12,217,326	99.1%	42,004	12,259,330	99.4%
2007	16,155,225	15,980,660	98.9%	28,800	16,009,460	99.1%
2008	15,160,309	15,019,218	99.1%	79,921	15,099,139	99.6%
2009	15,119,319	15,013,104	99.3%	10,121	15,023,225	99.4%
2010	12,986,485	12,916,731	99.5%	39,202	12,955,933	99.8%
2011	12,620,809	12,410,914	98.3%	51,396	12,462,311	98.7%
2012	12,434,959	12,170,236	97.9%	35,562	12,205,799	98.2%
2013	12,031,923	11,603,809	96.4%	23,641	11,627,449	96.6%
2014	11,917,114	11,397,381	95.6%	-	11,397,381	95.6%

Source: (1) Volusia County Property Tax Appraisers Office
(2) City of Port Orange Finance Department

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Table X

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

(dollars in thousands, except for per capita)

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities			Total Primary Government	Percent of Personal Income (a)	Per Capita
	General Obligation Bonds	Loans	Revenue Bonds	Revenue Bonds	Refunding N/P	SRF Loans			
2005	\$ 940	\$ 600	\$18,800	\$ 68,270	\$ 4,510	\$ 36,967	\$ 130,087	0.9755%	\$ 2,381
2006	17,835	4,183	18,505	66,680	3,140	46,243	156,586	1.0664%	2,793
2007	17,465	7,981	23,805	63,730	2,235	51,484	166,700	1.0982%	2,932
2008	17,055	12,741	23,495	56,125	6,380	49,794	165,590	*	2,894
2009	16,640	2,335	23,180	53,330	5,905	47,618	149,008	*	2,627
2010	16,205	2,245	22,855	50,235	5,210	45,260	142,010	*	2,518
2011	15,755	2,155	22,470	47,110	4,710	37,139	129,339	*	2,297
2012	15,290	2,060	22,065	15,245	35,550	27,297	117,507	*	2,084
2013	14,810	1,960	21,645	12,225	33,805	26,011	110,456	*	1,936
2014	14,440	1,855	21,690	9,075	32,020	24,689	103,769	*	1,806

Source: City of Port Orange Finance Department

(a) See Table XIV for personal income and population data.

* Information not available

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Table XI

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

Fiscal Year Ended September 30,	Assessed Taxable Value (1)	Net General Bonded Debt	Assessed Net General Bonded Debt	Estimated Population (2)	Net General Bonded Debt Per Capita
2004	\$ 1,864,087,939	\$ 1,040,000	0.06%	53,127	\$ 19.58
2005	2,161,533,900	940,000	0.04%	54,630	17.21
2006	2,538,579,683	17,835,000	0.70%	56,067	318.10
2007	3,176,985,326	17,465,000	0.55%	56,850	307.21
2008	3,431,642,146	17,055,000	0.50%	57,218	298.07
2009	3,010,976,956	16,640,000	0.55%	56,732	293.31
2010	2,546,269,833	16,205,000	0.64%	56,402	287.31
2011	2,290,153,662	15,755,000	0.69%	56,313	279.78
2012	2,254,956,801	15,290,000	0.68%	56,386	271.17
2013	2,239,747,296	14,810,000	0.66%	57,060	259.55
2014	2,296,124,074	14,440,000	0.63%	57,467	251.27

Source: (1) Volusia County Property Tax Appraiser

(2) University of Florida, Bureau of Economic and Business Research

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**Table XII**

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

Governmental Unit	Net Debt Outstanding	Estimated Percent Applicable to the City of Port Orange (1)	City's Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Volusia County:			
General Obligation Bonds.....	\$ 23,050,626	9.48%	\$ 2,185,199
Other Debt:			
District School Board of Volusia County, Florida:			
State School Bonds.....	7,275,000	9.48%	689,670
Sales Tax Revenue Bonds.....	74,905,000	9.48%	7,100,994
Certificates of participation.....	272,010,000	9.48%	25,786,548
Volusia County:			
Revenue Bonds.....	139,939,919	9.48%	13,266,304
Notes Payable.....	15,679,100	9.48%	1,486,379
Total overlapping debt.....			50,515,094
City direct debt.....			37,985,000
Total direct and overlapping debt.....			<u>\$ 88,500,094</u>

Source: Independent Taxing Districts

(1) Percentage applicable to City was determined by taking the City's assessed taxable value and dividing it by Volusia County's assessed taxable value for tax year 2013.

PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
September 30, 2014
CITY OF PORT ORANGE, FLORIDA

Table XIII

Fiscal Year Ended	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
<u>Water and Sewer Bonds</u>						
2005	\$ 20,167,475	\$ 10,647,858	\$ 9,519,617	2,085,000	\$ 1,304,977	2.81
2006	22,574,941	11,308,647	11,266,294	3,498,257	2,956,519	1.75
2007	24,910,883	12,227,150	12,683,733	3,135,000	2,437,426	2.28
2008	26,678,718	12,639,141	14,039,577	2,835,000	2,316,416	2.73
2009	25,770,420	13,026,280	12,744,140	2,935,000	2,507,446	2.34
2010	25,516,718	12,056,424	13,460,294	3,245,000	1,789,355	2.67
2011	24,577,314	12,601,401	11,975,913	2,860,000	1,795,317	2.57
2012	25,099,244	12,280,134	12,819,110	2,940,000	1,719,650	2.75
2013	23,860,970	13,054,981	10,805,989	3,940,000	661,776	2.35
2014	24,912,124	14,096,642	10,815,482	4,085,000	688,303	2.27
<u>Stormwater Utility Revenue Bonds</u>						
2005	\$ 2,366,081	\$ 1,447,852	\$ 918,229	\$ 365,000	\$ 497,417	1.06
2006	3,306,070	1,661,618	1,644,452	380,000	633,726	1.62
2007	3,499,626	1,618,496	1,881,130	720,000	587,723	1.44
2008	3,480,389	1,666,722	1,813,667	660,000	562,464	1.48
2009	3,510,077	1,629,395	1,880,682	675,000	526,102	1.57
2010	3,658,919	1,978,096	1,680,823	545,000	471,272	1.65
2011	3,738,482	1,898,995	1,839,487	765,000	448,948	1.52
2012	3,716,097	1,508,220	2,207,877	790,000	421,881	1.82
2013	3,801,857	1,467,244	2,334,613	825,000	333,897	2.01
2014	3,805,631	1,492,568	2,313,063	850,000	312,103	1.99

Note: Water and Sewer gross revenues include operating revenue of the system and interest earnings. Interest earnings from construction funds are excluded. Operating expenses do not include depreciation expense. Stormwater Utility revenue bonds are supported by drainage fees charged. Additional details regarding revenues and expenses can be found in the fund financial statements or the combining schedules of this comprehensive annual financial report.

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
September 30, 2014
CITY OF PORT ORANGE, FLORIDA

Table XIV

Fiscal Year Ended September 30,	City of Port Orange Population(a)	City of Port Orange School Enrollment (b)	City of Port Orange Unemployment Rate (c)	Volusia Personal Income (d) (in thousands)	Volusia Per Capita Personal Income (e)
2005	54,630	10,851	2.8	14,260,372	29,346
2006	56,067	10,709	2.6	15,292,033	30,937
2007	56,850	10,656	3.2	16,126,228	32,332
2008	57,218	10,445	5.3	16,307,391	32,789
2009	56,732	10,382	8.1	15,994,714	32,255
2010	56,048	10,212	9.3	15,996,620	32,339
2011	56,313	10,130	8.6	16,544,186	33,436
2012	56,529	10,090	7.2	*	*
2013	56,386	9,853	6.5	*	*
2014	57,467	9,930	5.1	17,117,508	34,305

Sources:

(a) University of Florida, Bureau of Economic and Business Research

(b) Volusia County School Board FY14 CAFR

(c) U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program,
in cooperation with the Florida Department of Economic Opportunity, Bureau of Labor Market Statistics

(d) United States Department of Commerce, Bureau of Economic and Business Research (2005-2012);

Florida Research & Economic Database (2013-2014) via Volusia County School Board FY14 CAFR

(e)Calculated by dividing Personal Income by the Population

* Information not available

PRINCIPAL EMPLOYERS
September 30, 2014
CITY OF PORT ORANGE, FLORIDA

Table XV

Employer	September 30, 2014		
	Total Employees	Rank	Percent to Total City Employment
Florida Healthcare	1,200	1	6.51%
Walmart	503	2	2.73%
Halifax Health -Hospice-Volusia	400	3	2.17%
Publix Supermarkets	380	4	2.06%
Spruce Creek High School	280	5	1.52%
Raydon	215	6	1.17%
Dollar General	206	7	1.12%
U.S. Foodservice	206	8	1.12%
Atlantic High School	200	9	1.08%
Ferran Service & Contracting	200	10	1.08%

Sources: InfoGroup Employer Database 2015 ed. 1

**FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

Table XVI

	Full-Time Equivalent Employees at September 30, 2014									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government:										
Management.....	11.20	11.20	10.20	11.20	12.10	12.80	13.80	14.10	11.10	11.40
Finance.....	9.85	7.45	7.45	7.45	8.70	8.70	8.70	9.75	9.25	8.25
Human Resources.....	3.10	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Community Development.....	23.67	22.67	22.67	24.27	25.27	29.30	34.17	39.73	34.33	28.38
Other.....	28.31	28.06	27.18	28.18	28.78	28.36	30.08	34.55	32.70	31.10
Police:										
Officers and civilians.....	104.74	105.00	100.53	104.58	104.20	107.20	106.80	108.65	108.65	104.00
Fire:										
Firefighters, officers and civilians.....	58.00	59.96	58.00	62.00	62.00	66.00	68.00	68.00	70.00	65.00
Solid Waste.....	3.35	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Stormwater.....	14.75	14.60	14.60	14.60	14.60	15.60	14.68	15.64	16.34	16.34
Public works-Transportation.....	15.50	15.50	15.50	15.50	17.50	21.50	21.88	23.50	22.50	16.50
Parks and recreation.....	30.19	28.29	28.83	30.10	33.50	34.00	34.06	39.28	34.43	33.25
Water & Sewer *.....	96.63	92.93	91.23	91.23	92.73	95.23	-	-	-	-
Water.....	-	-	-	-	-	-	71.73	75.91	74.41	77.41
Sewer.....	-	-	-	-	-	-	24.00	24.00	26.00	24.00
Total.....	<u>399.29</u>	<u>392.86</u>	<u>383.39</u>	<u>396.31</u>	<u>405.58</u>	<u>424.89</u>	<u>434.10</u>	<u>459.31</u>	<u>445.91</u>	<u>421.83</u>

Source: City Budget Office

* Reorganization in FY2009.

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

Table XVII

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Police:										
Arrests.....	2,239	2,058	1,963	1,925	1,929	2,927	2,920	2,779	2,497	2,574
Traffic violations.....	7,342	8,007	6,376	4,342	4,195	7,540	7,124	10,727	10,722	9,044
Fire:										
Emergency responses.....	7,200	7,053	7,461	7,624	7,768	7,596	7,614	7,449	7,663	7,293
Fires extinguished.....	93	93	126	100	155	146	159	189	201	141
Inspections/system tests.....	632	504	547	529	574	675	632	790	718	1,250
Solid Waste:										
Refuse collected (tons per day).....	110.8	109.6	109.1	110.8	109.5	120.5	118.7	119.2	121.4	131.5
Recyclables collected (tons per day).....	8.3	8.6	8.1	8.9	8.9	9.0	9.5	9.0	9.1	9.4
Number of Customers:										
Residential.....	23,275	23,058	22,960	22,557	22,485	22,362	22,180	22,112	22,710	22,193
Commercial.....	873	873	890	1,161	1,142	1,103	1,099	1,074	1,080	1,058
Public works-Transportation										
Street resurfacing (miles).....	7	-	10.0	9.0	9.9	9.5	11.0	15.0	12.0	2.9
Parks and recreation										
Number of athletic sign-ups.....	2,811	2,400	2,874	2,005	2,950	2,800	2,750	2,600	2,393	1,897
Water:										
Potable Water Produced (MGD AADF).....	5.847	6.135	6.135	6.031	5.523	5.990	5.905	6.080	6.470	6.230
Number of customers:										
Inside.....	24,886	24,685	24,552	24,397	24,306	24,215	24,137	23,953	24,569	24,300
Outside.....	2,262	2,252	2,256	2,251	2,250	2,246	2,244	2,241	2,234	2,234
Residential.....	25,540	25,346	25,225	25,080	25,001	24,904	24,836	24,731	25,367	25,111
Commercial.....	1,600	1,591	1,583	1,568	1,555	1,557	1,545	1,463	1,436	1,423
Sewer:										
Wastewater Treated (MGD AADF).....	6.334	6.213	5.958	5.631	5.503	5.650	5.371	5.373	5.130	5.400
Number of customers:										
Inside.....	23,969	23,745	23,637	23,490	23,402	23,232	23,090	22,897	23,449	22,891
Outside.....	781	775	777	769	768	765	760	727	669	668
Residential.....	23,548	23,335	23,231	23,097	23,020	22,885	22,757	22,568	23,095	22,592
Commercial.....	1,202	1,185	1,183	1,162	1,150	1,112	1,093	1,056	1,023	967

Source: City Budget Office and Department Activity Reports

MGD AADF = million gallons per day average annual daily flow

*Traffic violations=State citations, parking citations, written warnings & DUI citations

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

September 30, 2014

CITY OF PORT ORANGE, FLORIDA

Table XVIII

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Police:										
Stations.....	1	1	1	1	1	1	1	1	1	1
Patrol units.....	105	98	98	98	98	98	101	97	97	93
Fire stations.....	5	5	5	5	5	5	4	4	4	4
Solid waste:										
Collection trucks (contracted).....	-	-	-	-	-	-	-	-	-	-
Public works-Transportation:										
Paved roads (miles).....	317	317	316	316	315	314	314	280	270	299
Streetlights.....	3,300	3,300	3,535	3,263	3,263	4,000	4,000	3,200	3,200	3,098
Traffic control devices.....	20		13	14	12	12	12	11	11	11
Parks and recreation:										
Acreage.....	491	485	485	485	485	505	505	750	750	750
Playgrounds.....	9	10	10	10	10	10	10	10	11	11
Community centers.....	-	4	4	4	4	3	3	3	4	4
Baseball/softball diamonds.....	-	12	12	12	12	8	8	8	18	17
Soccer/football fields.....	-	3/1	3/1	3/1	6	7	7	9	7	12
*Athletic Fields.....	26	-	-	-	-	-	-	-	-	-
*Adult Activity Centers.....	2	-	-	-	-	-	-	-	-	-
*Boardwalks / Fishing Piers.....	10	-	-	-	-	-	-	-	-	-
*Boat Ramps.....	6	-	-	-	-	-	-	-	-	-
*Golf Courses.....	1	-	-	-	-	-	-	-	-	-
*Gymnasiums.....	2	-	-	-	-	-	-	-	-	-
*Tennis Courts.....	18	-	-	-	-	-	-	-	-	-
Water:										
Potable Water mains (miles).....	427	427	374	408	406	403	402	383	383	386
Fire hydrants.....	2,786	2,773	2,755	2,721	2,762	2,719	2,743	2,682	2,674	2,512
Storage capacity (MG).....	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Sewer:										
Sanitary sewer force mains (miles).....	71	71	68	71	71	71	71	64	64	72
Gravity sewer mains (miles).....	277	277	244	267	265	263	262	232	232	233
Treatment capacity (Tgal).....	1,200	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000

Source: City Budget Office and Department Reports

MG = millions of gallons

* Reorganized 2014

**CITY OF PORT ORANGE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Federal/State Agency / Pass-Through Entity / Federal/State Program	CFDA / CSFA Number	Contract / Grant Number	Expenditures
FEDERAL AWARDS			
<u>U.S. Department of Housing and Urban Development</u>			
Direct Programs:			
Community Development Block Grant	14.218	B-11-MC-12-0053	\$ 52,235
Community Development Block Grant	14.218	B-12-MC-12-0053	276,087
Community Development Block Grant	14.218	B-13-MC-12-0053	265,810
Total U.S. Department of Housing and Urban Development			<u>594,132</u>
<u>U.S. Department of Justice</u>			
Indirect Programs:			
Passed-through Florida Office of Attorney General: Crime Victim Assistance	16.575	V013002	49,786
Passed-through Florida Department of Law Enforcement: Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2014-JAGD-VOLU-6-E6-017	8,156
Total U.S. Department of Justice			<u>57,942</u>
<u>U.S. Department of Transportation</u>			
Indirect Programs:			
Passed-through Florida Department of Transportation			
Highway Planning and Construction	20.205	430228-1-68-01	17,543
Highway Planning and Construction	20.205	430079-1-58-01	26,940
Highway Planning and Construction	20.205	430228-1-58-01	170,769
			<u>215,252</u>
Passed-through University of South Florida High Visibility Enforcement Project	20.210	TWO#945-001	6,480
Total U.S. Department of Transportation			<u>221,732</u>
<u>U.S. Department of Health</u>			
Indirect Programs:			
Passed-through Florida Department of Health Health Services Block Grant - City Fluoridation Upgrade	93.991	COHC5	30,800
<u>U.S. Department of Homeland Security</u>			
Indirect Programs:			
Passed-through Florida Department of Community Affairs Hazard Mitigation Grant	97.039	FEMA 1840-7-R	116,113
Total Federal Awards			<u><u>\$ 1,020,719</u></u>
STATE FINANCIAL ASSISTANCE			
<u>State of Florida Department of Environmental Protection</u>			
Direct Programs:			
Statewide Surface Water Restoration and Wastewater Projects	37.039	S0612	\$ 358,963
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP64040	500,000
Total Florida Department of Environmental Protection			<u>858,963</u>
<u>State of Florida Department of Transportation</u>			
Direct Programs:			
Economic Development Transportation Projects	55.032	431982-1-58-01	33,265
Total State Financial Assistance			<u><u>\$ 892,228</u></u>

The accompanying notes to the schedule of expenditures of federal awards and state financial assistance are an integral part of this statement.

**CITY OF PORT ORANGE, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

1. Basis of Presentation:

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Port Orange, Florida (the City), and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 and Chapter 10.550, Rules of the Florida Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. Subrecipients:

The City provided no federal awards to subrecipients during the year ended September 30, 2014.

DRAFT

**CITY OF PORT ORANGE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

A. Summary of Auditors' Results:

Financial Statements:

- Type of audit report issued on the basic financial statements: *Unmodified*.

Internal Control over Financial Reporting:

- Two significant deficiencies related to internal control over financial report were disclosed by the audit of the basic financial statements, neither of which was considered a material weakness.
- No instances of noncompliance material to the financial statements were disclosed during the audit.

Federal Awards and State Projects:

Internal Control over Major Projects:

- There were no material weaknesses or significant deficiencies related to internal control over compliance for major projects identified by the audit.
- Type of report issued on compliance for each major federal program and state project: *Unmodified*.
- Major program identification:
 - Federal award programs:
 - CFDA Number 14.218 – Community Development Block Grant
 - State financial assistance projects:
 - CSFA Number 37.039 – Surface Water Restoration & Wastewater Projects
- Dollar threshold used to distinguish between Type A and Type B programs was \$300,000 for Federal awards and State projects.
- The City did not qualify as a low-risk auditee under OMB Circular A-133.

B. Financial Statement Findings:

2014-001 Transactions Subsequent to Year-End Posted to Cash

Criteria: All balance sheet accounts should be reconciled as part of the year-end close process to ensure proper cutoff and classification of all transactions. Reconciling items affecting the cash balance per books should only include transactions which occurred prior to year-end but have not yet been posted by the bank.

Condition: During our testing of the year-end pooled cash bank reconciliation, we noted approximately \$1.2 million of October cash receipts and \$2.0 million of October cash disbursements improperly recorded as reconciling items on the year-end bank reconciliation instead of in accounts receivable and payable balances, respectively.

Cause: The system recording of these October transactions against the September cash balance was not properly identified and corrected during the bank reconciliation process.

Effect: While there was no net effect on fund balance or net position, total cash, accounts receivable, and accounts payable would have all been materially understated had a correcting entry not been made to properly classify these items.

Recommendation: As part of the bank reconciliation preparation and review process, we recommend management perform a detailed review of all reconciling items to ensure such items are properly classified.

2014-002 Purchasing Limits and Processes

Criteria: The City has adopted certain policies and procedures related to the purchasing process, including approval thresholds, purchase order controls, and cash disbursement controls.

Condition: Certain utility supply purchases were made during the year exceeding the balance of a single purchase order by over \$400,000.

Cause: Part of the purchase order control process involves a manual tracking mechanism which failed to reject invoices and/or cease additional purchases once the purchase order amount had been exceeded.

Effect: Expenditures were made in excess of the authorized amounts without obtaining the necessary advance approval for these additional purchases.

Recommendation: We recommend all purchase orders be actively monitored to ensure no additional purchase orders are overspent. As a means of achieving a higher level of efficiency and effectiveness in purchasing controls, we also recommend the City work to develop an automated tracking mechanism whereby individual purchase order limits are actively monitored by the City's accounting and purchasing system.

C. Federal Award Findings and Questioned Costs:

None.

D. State Project Findings and Questioned Costs:

None.

E. Summary Schedule of Prior Audit Findings:

2013-001 Police Pension Plan Benefit Payments: Corrective action taken.

2013-002 General Fund Allowance for Doubtful Accounts: Corrective action taken.

2013-003 Timeliness of Bank Reconciliations: Corrective action taken.

F. Corrective Action Plan: See Management's Response to Findings starting on page 151.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

To the Honorable Mayor, City Council, and City Manager,
City of Port Orange, Florida:

Report on Compliance

We have audited the City of Port Orange, Florida's (the City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement*, and the *Florida Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs or state projects for the year ended September 30, 2014. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs and state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Florida Auditor General. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and each major state project. However, our audit does not provide a legal determination of the City's compliance.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

Opinion on Each Major Federal Program and Each Major State Project

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or major state project to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550, Rules of the Florida Auditor General. Accordingly, this report is not suitable for any other purpose.

Daytona Beach, Florida
June 11, 2015

James Moore & Co., P.L.

**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**

To the Honorable Mayor, City Council, and City Manager,
City of Port Orange, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port Orange, Florida (the City), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 11, 2015.

Internal Control over Financial Reporting

In planning and performing our audit, 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 opinions 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 entity'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 over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as findings 2014-001 and 2014-002 that we consider to be significant deficiencies.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

Compliance and Other Matters

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

We noted certain matters that we reported to the City Council and management of the City in a separate letter dated June 11, 2015.

City of Port Orange, Florida's Response to Findings

The City's responses to the findings identified in our audit are described starting on page 151. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Daytona Beach, Florida
June 11, 2015

James Moore & Co., P.L.

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable Mayor, City Council, and City Manager,
City of Port Orange, Florida:

Report on the Financial Statements

We have audited the basic financial statements of City of Port Orange, Florida (the City), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated June 11, 2015.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters; Independent Auditors' Report on Compliance for each Major Federal Program and State Project and Report on Internal Control over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountants' Examination Report. Disclosures in those reports and schedule, which are dated June 11, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. One recommendation remains uncorrected from the second preceding fiscal year as indicated below. The following is a summary of prior year recommendations:

Comments 2013-001 through 2013-003 – See Schedule of Findings and Questioned Costs.

2013-004 Time Clock System – Corrective action partially taken. The recommendation cannot be remediated with the City's current time clock and the City is in the process of soliciting new vendors who can meet this need. Comment not repeated.

2013-005 Tracking of Electronic Funds Transfers – Corrective action not taken. See second-year repeat comment 2014-003.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gmv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

2013-006 Waverly Media Bus Bench Revenue – Corrective action taken.

2013-007 Pension Actuaries and Custodians – Corrective action partially taken – one change toward consistency in process and others outside of the City's direct control. Comment not repeated.

2013-008 Consolidation and/or Elimination of Funds – Corrective action not taken. See repeat comment 2014-004.

2013-009 Modified Approach for Reporting Infrastructure Assets – Corrective action not taken. See repeat comment 2014-005.

2013-010 Information Technology – Corrective action taken.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government and component units of the reporting entity is disclosed in Note 1 of the basic financial statements.

Financial Condition

Section 10.554 (1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. 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 same.

Annual Financial Report

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined these two reports were in agreement.

Other Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted the following recommendation:

2014-003 Tracking of Electronic Funds Transfers (Second-Year Repeat Comment) – During our audit, we noted the City makes some payments via electronic funds transfer (EFT) in place of physical checks, primarily as a means of increased efficiency. Currently, all such transfers are recorded in the general ledger as journal entries, and no specific tracking mechanism is in place for EFT transactions. Due to the high-risk nature of such transactions and to establish an improved tracking mechanism and audit trail, we recommend all EFT transfers be recorded in the accounting system as an accounts payable check for which a separate numbering sequence can be established.

2014-004 Consolidation and/or Elimination of Funds (Repeat Comment) – We noted the City has a number of special revenue and capital projects funds for which the funds hold minimal balances and/or had minimal activity during the year. These include, but are not limited to fund 108 (FEMA), 307 (2004 Capital Improvement Bond Capital Projects), 314 (General Obligation Capital Projects), 316 (Economic Development Capital Projects), and 318 (Town Center Bond Projects). The City also has six (6) different internal service funds. To improve efficiency and clarity of financial reporting, we recommend the City perform an analysis of all open funds and identify any applicable instances in which it may be beneficial to close out the fund for increased efficiency and clarity in financial reporting.

2014-005 Modified Approach for Reporting Infrastructure Assets (Repeat Comment) – During our testing of capital assets, we noted the City utilizes the modified approach for reporting infrastructure assets. In lieu of depreciating infrastructure assets, ongoing repairs and maintenance, including major expenditures such as road resurfacing, are expensed as incurred and only items to expand capacity or extend the useful life of infrastructure assets are capitalized. In order to utilize the modified approach, generally accepted accounting principles require the following: a current inventory of eligible infrastructure assets be maintained; a condition assessment of all eligible assets be performed and summarized on a measurable scale no less than once every three years; and documentation be prepared showing that roads are being preserved at or above the established condition level. Upon inquiry, it was noted that such documentation is not being maintained at the level required to utilize the modified approach. As a result, we recommend the City enhance its monitoring, documentation, and reporting of infrastructure assets if the modified approach continues to be used. Otherwise, we recommend all infrastructure assets be depreciated over their respective estimated useful lives.

2014-006 Prior Period Adjustments – During our audit, we noted prior period adjustments were made in the water-sewer, golf course, lease & replacement, and police pension funds. In order to ensure the proper presentation of all yearly activity, we recommend all accounts be reviewed for proper cutoff in order to ensure no such adjustments are required in the future.

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Council, management, others within the City, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Daytona Beach, Florida
June 11, 2015

James Moore, Jr., P.L.

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Mayor, City Council, and City Manager,
City of Port Orange, Florida:

We have examined the City of Port Orange, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2014. 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 and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides 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 Port Orange, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

Daytona Beach, Florida
June 11, 2015

James Moore & Co., P.L.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

AUDITEE'S RESPONSE TO:
Findings and Questioned Costs
Independent Auditors' Report on Internal Controls
Independent Auditors' Management Letter
June 11, 2015

The Schedule of Findings and Questioned Costs, Independent Auditors' Report on Internal Controls, and Independent Auditors' Management Letter of the Comprehensive Annual Financial Report provide comments and recommendations for improved financial management accounting procedures and internal controls. The following is Management's response. The Auditors' comment numbers and descriptions are included as reference.

2014-001 Transactions Subsequent to Year-End Posted to Cash

The City will work with Sungard / HTE to resolve this issue. This is believed to have occurred as a function of the set-up for the Accounts Payable module. Once identified, a case was initiated with Sungard / HTE and a meeting is scheduled for June 9, 2015.

2014-002 Purchasing Limits and Processes

The City now has an accountant specifically assigned to monitor contracts. This is a manual procedure.

2014-003 Tracking of Electronic Funds Transfers (Second Year Repeat Comment)

The implementation of the recommended EFT payment process was delayed due to staff turnover in the Finance department. The City will implement the EFT payment feature of the City's Accounts Payable system to record EFT transactions as an accounts payable transaction with a separate numbering system. Implementation will be discussed in a training meeting with Sungard / HTE on June 9, 2015.

2014-004 Consolidation and/or Elimination of Funds (Repeat Comment)

The City agrees with the recommendation; however the consolidation and elimination of funds was delayed due to staff turnover in the Finance department. The City will work toward making progress on fund consolidation in fiscal years 2015 and 2016.

2014-005 Modified Approach for Reporting Infrastructure Assets (Repeat Comment)

The City agrees with the recommendation; however the depreciation of the City's infrastructure was delayed due to staff turnover in the Finance department. The Finance Director, Accounting Manager, and other Finance staff will meet to begin implementing this recommendation for Fiscal Year 2015.

2014-006 Prior Period Adjustments

The City agrees with this comment. Current Finance staff has worked to ensure this issue has been resolved and do not anticipate problems in the future.



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Report from Kemper Sports regarding Cypress Head Golf Course

DEPARTMENT: City Clerk

RECOMMENDED MOTION:

SUMMARY:

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Financial Reports	Financials.pdf
2.	Evaluation Reports	Evaluation Report.pdf

Fenwick, Robin

Created/Initiated - 05/28/2015

The Golf Club at Cypress Head
Course Cash Flow Report
For the Year Ended April 30, 2015

	OCT Actual	NOV Actual	DEC Actual	JAN Actual	FEB Actual	MAR Actual	APR Actual	MAY Actual	JUN Actual	JUL Actual	AUG Actual	SEP Actual	TOTAL
EBITDA	(41,222)	(5,960)	(1,149)	22,483	26,054	59,419	25,813	0	0	0	0	0	85,438
Management Fee Expense	(7,370)	(7,370)	(7,270)	(7,370)	(7,370)	(7,370)	(7,370)	0	0	0	0	0	(51,487)
Depreciation & Amortization	(535)	(535)	(535)	(535)	(535)	(535)	(535)	0	0	0	0	0	(3,745)
Net Income	(49,127)	(13,864)	(8,954)	14,578	18,149	51,514	17,909	0	0	0	0	0	30,207
Working Capital Changes													
Inventory	2,631	2,121	98	(4,802)	3,028	3,531	18,755	0	0	0	0	0	25,362
Receivables	37,285	143	2,267	1,440	(2,670)	(4,624)	3,312	0	0	0	0	0	37,155
Prepaid Expenses	11,483	(9,990)	6,931	5,457	4,336	(4,017)	3,490	0	0	0	0	0	17,561
Payables	19,290	(20,844)	8,599	5,054	(5,417)	1,129	3,494	0	0	0	0	0	11,304
Due to from the City	12,025	2,036	63,815	11,783	11,911	10,827	(123,357)	0	0	0	0	0	(10,960)
Accrued Expenses	3,433	(26,128)	5,162	8,566	450	14,233	(8,546)	0	0	0	0	0	(2,830)
Deferred Revenues	(20,388)	(15,138)	(7,601)	(15,851)	(17,064)	(15,374)	(22,291)	0	0	0	0	0	(113,706)
Depreciation & Amortization	535	535	535	535	535	535	535	0	0	0	0	0	3,745
Operating Cash Flow	17,168	(81,129)	70,853	26,761	13,258	57,754	(106,709)	0	0	0	0	0	(2,043)
Investing Activities													
Financing Activities													
Net Cash Flows	17,168	(81,129)	70,853	26,761	13,258	57,754	(106,709)	0	0	0	0	0	(2,043)
Beginning Cash	74,679	91,847	10,717	81,570	108,332	121,590	179,344	72,635	43,144	43,144	43,144	43,144	913,289
Net Cash Flows	17,168	(81,129)	70,853	26,761	13,258	57,754	(106,709)	0	0	0	0	0	(2,043)
Ending Cash	91,847	10,717	81,570	108,332	121,590	179,344	72,635	72,635	43,144	43,144	43,144	43,144	911,246

**The Golf Club at Cypress Head
Course Cash Flow Report
April 30, 2015**

	<u>April</u>	<u>YTD</u>
EBITDA	\$25,813.23	\$85,437.89
Management Fee Expense	(7,369.51)	(51,486.57)
Depreciation & Amortization	(534.97)	(3,744.79)
Net Income	17,908.75	30,206.53
Working Capital Changes		
Inventory	18,755.18	25,361.64
Receivables	3,312.32	37,155.08
Payables	3,494.13	11,304.18
Due to from the City	(123,357.00)	(10,960.07)
Prepays	3,479.76	17,680.60
Accrued Liabilities	(8,546.27)	(2,829.57)
Other Liabilities	(22,290.96)	(113,706.47)
Depreciation & Amortization	534.97	3,744.79
Operating Cash Flow	(106,709.12)	(2,043.29)
Investing Cash Flows	<u> </u>	<u> </u>
Financing Cash Flow	<u> </u>	<u> </u>
Net Cash Flows	<u>(106,709.12)</u>	<u>(2,043.29)</u>
Beginning Cash	179,344.45	74,678.62
Net Cash Flows	<u>(106,709.12)</u>	<u>(2,043.29)</u>
Ending Cash	<u>72,635.33</u>	<u>72,635.33</u>

The Golf Club at Cypress Head
Summary of All Units
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
REVENUES												
67,883	76,963	88%	68,214	100%	Green Fees	425,228	460,517	92%	396,688	107%	460,517	622,828
44,839	50,618	89%	52,491	85%	Cart Fee	288,715	321,778	90%	303,327	95%	321,778	442,159
0	0	0%	0	0%	Initiation Fees	0	0	0%	0	0%	0	250
0	0	0%	0	0%	Merchandise	0	0	0%	129	0%	0	64
(32)	121	-26%	122	-26%	Handicap Fee	4,392	4,747	93%	4,674	94%	4,747	4,452
105	160	66%	130	81%	Lessons	407	878	46%	867	47%	878	967
256	381	67%	507	51%	Rental Clubs	1,856	1,487	125%	1,543	120%	1,487	2,598
14,999	7,435	202%	8,153	184%	Retail	47,325	44,472	106%	43,719	108%	48,222	75,686
1,936	4,546	43%	4,265	45%	Range	16,885	27,365	62%	23,062	73%	38,615	29,109
12,252	15,751	78%	18,712	65%	Food & Beverage	104,050	110,318	94%	104,625	99%	110,318	164,609
7,194	7,543	95%	8,223	87%	Beer	44,557	47,048	95%	47,228	94%	47,048	72,882
2,900	3,478	83%	3,377	86%	Liquor	26,928	28,483	95%	25,525	105%	28,483	39,231
370	798	46%	773	48%	Wine	6,826	6,549	104%	6,182	110%	6,549	8,453
0	0	0%	22	0%	F&B Other	600	0	0%	883	68%	0	1,091
3,877	4,686	83%	4,284	90%	City Surcharge R & R	24,901	28,192	88%	24,584	101%	28,192	38,392
156,577	172,480	91%	169,272	92%	Total Revenues	992,669	1,081,834	92%	983,034	101%	1,096,834	1,502,772
COST OF GOODS SOLD												
14,165	5,056	280%	5,840	243%	COGS - Merchandise	35,237	31,161	113%	31,509	112%	33,711	53,002
5,356	6,301	85%	8,951	60%	COGS - Food & Beverage	46,905	44,127	106%	48,392	97%	44,127	73,663
2,611	2,791	94%	2,787	94%	COGS - Beer	16,969	17,408	97%	16,346	104%	17,408	27,959
684	765	89%	641	107%	COGS - Liquor	5,659	6,266	90%	4,037	140%	6,266	8,381
(10)	192	-5%	386	-3%	COGS - Wine	2,978	1,573	189%	2,417	123%	1,573	3,835
22,806	15,105	151%	18,605	123%	Total COGS	107,747	100,535	107%	102,700	105%	103,085	166,840
133,771	157,375	85%	150,667	89%	GROSS MARGIN	884,922	981,299	90%	880,333	101%	993,749	1,335,932
94.44%	68.00%	138.87%	71.63%	131.84%	COGS - Merchandise %	74.46%	70.07%	106.26%	71.86%	103.61%	69.91%	768.59%
43.72%	40.00%	109.29%	47.83%	91.40%	COGS - Food & Beverage %	45.08%	40.00%	112.70%	46.25%	97.46%	40.00%	550.35%
36.30%	37.00%	98.10%	33.89%	107.10%	COGS - Beer %	38.08%	37.00%	102.93%	34.61%	110.03%	37.00%	462.84%
23.58%	22.00%	107.21%	18.99%	124.19%	COGS - Liquor %	21.01%	22.00%	95.53%	15.82%	132.88%	22.00%	261.93%
-2.76%	24.06%	-11.45%	49.94%	-5.52%	COGS - Wine %	43.63%	24.02%	181.64%	39.09%	111.60%	24.02%	513.36%
38.04%	36.45%	104.37%	41.06%	92.64%	COGS - All Food & Bev	39.76%	36.06%	110.27%	38.78%	102.52%	36.06%	487.02%
PAYROLL												
18,213	17,740	103%	17,253	106%	Gross Payroll - Salaried	131,753	124,530	106%	122,178	108%	212,105	214,822
3,000	3,750	80%	3,709	81%	Gross Kitchen Payroll - Salaried	23,908	26,250	91%	25,171	95%	45,000	38,331
19,127	20,500	93%	19,350	99%	Gross Payroll - Hourly	142,067	142,892	99%	138,075	103%	202,918	238,072
5,630	6,127	92%	6,652	85%	Gross Kitchen Payroll - Hourly	52,184	44,397	118%	43,108	121%	44,397	83,594
45,970	48,117	96%	46,964	98%	S/T Wages	349,912	338,069	104%	328,532	107%	504,420	574,819
3,671	3,680	100%	3,636	101%	Payroll Tax - FICA	26,994	25,866	104%	24,775	109%	38,612	44,812
880	842	104%	1,266	69%	Payroll Tax - UC	9,564	12,584	76%	9,393	102%	13,037	13,841
962	1,035	93%	950	101%	Payroll Tax - WC	8,423	6,938	121%	6,919	122%	10,520	13,403
6,158	6,935	89%	7,110	87%	Benefits	45,646	48,550	94%	47,624	96%	81,714	77,678
11,669	12,492	93%	12,963	90%	S/T Adders	90,626	93,938	96%	88,711	102%	143,883	149,734
57,640	60,609	95%	59,927	96%	TOTAL PAYROLL	440,537	432,007	102%	417,243	106%	648,303	724,553
OPERATING EXPENSES												
387	331	117%	496	78%	Bar Supplies	2,165	2,425	89%	2,966	73%	2,425	3,810
0	32	0%	7	0%	Cart Supplies	521	431	121%	406	128%	431	584
0	71	0%	234	0%	Course Accessories	4,041	2,108	192%	3,297	123%	2,696	4,631
0	55	0%	300	0%	Dining Room Supplies	92	1,494	6%	1,440	6%	1,494	395
0	1,334	0%	74	0%	Fertilizer	3,690	5,139	72%	4,622	80%	18,956	10,179
0	1,450	0%	214	0%	Fuel	5,246	7,538	70%	6,822	77%	14,831	12,088
632	176	359%	312	202%	Fungicides	1,320	1,694	78%	1,434	92%	2,495	2,041
696	392	178%	204	341%	Herbicides	3,170	3,070	103%	4,016	79%	9,202	11,822
1,985	158	1256%	0	0%	Insecticides	6,147	3,050	202%	4,556	135%	12,006	13,908
289	849	34%	532	54%	Janitorial Supplies	4,078	5,410	75%	4,955	82%	5,660	6,544
71	605	12%	614	12%	Kitchen Supplies	3,816	2,098	182%	2,777	137%	2,098	4,618
353	295	120%	846	42%	Laundry/Linens	3,772	3,440	110%	3,987	95%	3,440	5,643
0	250	0%	156	0%	Laundry/Uniforms	2,038	2,518	81%	2,104	97%	2,868	2,351
39	521	8%	172	23%	Office Supplies	2,015	2,896	70%	2,570	78%	3,300	3,732
0	0	0%	0	0%	Range Balls	3,675	3,970	93%	2,970	124%	3,970	3,675
173	0	0%	0	0%	Range Equipment	173	0	0%	0	0%	0	173
0	0	0%	338	0%	Range Expenses	463	411	113%	749	62%	411	919
0	0	0%	0	0%	Sand/Topdress	746	1,222	61%	611	122%	3,666	2,614
0	0	0%	0	0%	Seeds/Trees	16,125	16,131	100%	16,131	100%	16,131	16,125
0	0	0%	0	0%	Small Tools	127	16	792%	16	794%	46	169
0	0	0%	0	0%	Staff/Volunteer Uniforms	283	445	64%	145	195%	445	316
59	569	10%	629	9%	Supplies	2,135	2,750	78%	2,800	76%	2,800	2,460
0	200	0%	0	0%	Tournament Expense	50	595	8%	599	8%	595	263
91	91	99%	91	100%	Alarm System	962	788	122%	1,022	94%	1,241	1,893
0	0	0%	0	0%	Carpet Cleaning	300	0	0%	0	0%	0	1,190
4,156	0	0%	116	3593%	Cart Repairs	19,376	226	8574%	509	3809%	226	21,756

The Golf Club at Cypress Head
Summary of All Units
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
254	235	108%	259	98%	Computer Service	2,229	1,645	136%	1,691	132%	2,820	3,523
549	549	100%	549	100%	Contract Cleaning	3,843	3,843	100%	3,843	100%	5,338	5,388
0	0	0%	0	0%	Handicap Expense	4,692	4,692	91%	4,404	97%	4,692	4,650
415	967	43%	134	310%	Irrigation	3,727	2,828	132%	1,734	215%	5,231	6,699
0	60	0%	79	0%	Lesson Expense	319	525	61%	543	59%	525	804
115	0	0%	115	100%	Pest Control	920	570	161%	1,015	91%	1,140	1,495
4,072	1,831	222%	2,891	141%	Repair & Maint - Equipment	18,510	14,870	124%	15,616	119%	22,282	28,031
604	770	78%	307	197%	Repair & Maint - Building	3,858	6,432	60%	5,782	67%	6,432	4,700
6,032	6,032	100%	4,503	134%	Cart Lease	42,225	42,224	100%	42,225	100%	72,384	72,386
4,620	4,620	100%	6,669	69%	Equipment Lease	32,315	32,623	99%	36,990	87%	55,098	58,736
157	157	100%	0	0%	Off-Site Storage	942	1,099	86%	972	97%	1,884	1,727
1,367	1,038	132%	1,262	108%	Utilities - Electric	9,571	7,287	131%	7,583	126%	8,940	15,104
742	569	130%	1,330	56%	Utilities - Gas	6,026	5,445	111%	6,657	91%	5,445	9,717
3,215	4,054	79%	3,284	98%	Utilities - Other	23,431	23,337	100%	22,733	103%	36,784	41,824
268	298	90%	103	261%	Utilities - Telephone/Fax	1,787	1,741	103%	1,655	108%	2,847	2,730
291	199	146%	176	165%	Utilities - Water	1,432	1,420	101%	1,343	107%	2,532	2,387
1,419	786	180%	1,701	83%	Advertising & Promotion	13,443	12,188	110%	13,015	103%	33,050	19,417
258	188	137%	129	199%	Bank Charges	601	1,468	40%	417	144%	2,440	747
794	0	0%	(34)	-2331%	Cash Short/(Over)	53	0	0%	820	7%	0	(633)
125	175	71%	150	83%	Cell Phone	1,025	1,175	87%	1,100	93%	2,050	1,850
3,877	4,686	83%	4,284	90%	City Surcharge R & R	24,901	28,192	88%	24,584	101%	28,192	38,392
0	35	0%	182	0%	Copier/Photocopies	955	151	633%	377	254%	326	1,293
2,208	2,726	81%	2,283	97%	Credit Card Discounts	13,780	16,484	84%	15,456	89%	17,410	24,893
259	0	0%	0	0%	Dues & Subscriptions	509	150	339%	150	339%	610	1,025
0	0	0%	0	0%	Education & Training	210	140	150%	0	0%	496	210
91	262	35%	195	47%	Employee Relations	1,285	2,262	57%	2,341	55%	2,262	2,049
0	0	0%	0	0%	Employee Testing	0	166	0%	194	0%	166	112
3,756	3,569	105%	3,481	108%	Insurance Expense	27,033	25,803	105%	24,364	111%	44,024	45,072
0	0	0%	0	0%	Member Relations	283	442	64%	348	81%	442	659
14	11	127%	19	75%	Messenger Service - Fedex	249	249	100%	172	145%	249	447
0	0	0%	0	0%	Miscellaneous	41	0	0%	0	0%	0	41
0	0	0%	0	0%	O/S - Accounting	12,000	13,800	87%	13,200	91%	13,800	12,000
0	0	0%	0	0%	O/S - Legal	80	150	53%	150	53%	150	160
0	0	0%	29	0%	O/S - Other	3,952	2,376	166%	2,404	164%	4,276	7,552
305	382	80%	213	144%	Payroll Processing Fee	2,697	1,958	138%	1,885	143%	2,722	4,009
49	55	89%	0	0%	Postage/Shipping	220	338	65%	293	75%	618	560
0	500	0%	0	0%	Professional Dues	0	500	0%	0	0%	700	0
1,039	0	0%	(30)	-3462%	Tax/Licenses/Fees	1,132	0	0%	713	159%	83	1,215
1,601	192	834%	358	448%	Theft Loss	3,576	2,140	167%	2,618	137%	2,140	4,762
0	0	0%	0	0%	Travel - Meals	54	0	0%	0	0%	0	54
2,681	635	422%	391	685%	Travel - Other	7,548	5,391	140%	5,115	148%	9,888	10,953
0	0	0%	0	0%	Website Expenses	0	0	0%	0	0%	2,100	2,100
209	0	0%	0	0%	Employee Meals	1,395	0	0%	0	0%	0	1,395
50,318	42,960	117%	40,345	125%	TOTAL OPERATING EXPENSES	358,947	335,989	107%	336,011	107%	514,001	575,334
25,813	53,806	48%	50,395	51%	EBITDA	85,438	213,303	40%	127,079	67%	(168,555)	36,044
7,370	7,370	100%	7,225	102%	Management Fee	51,487	51,590	100%	50,575	102%	88,440	87,612
7,370	7,370	100%	7,225	102%	Management Fees	51,487	51,590	100%	50,575	102%	88,440	87,612
154	154	100%	154	100%	Deprec - Office F,F&E	1,078	1,078	100%	1,078	100%	1,848	583
98	108	91%	98	100%	Deprec - Mach & Equip	683	753	91%	683	100%	1,291	745
283	283	100%	283	100%	Deprec - Buildings	1,984	1,984	100%	1,984	100%	3,401	1,819
535	545	98%	535	100%	S/T DEPR. & AMORT	3,745	3,815	98%	3,745	100%	6,540	3,147
17,909	45,891	39%	42,635	42%	NET INCOME	30,207	157,898	19%	72,759	42%	(263,535)	(54,714)

The Golf Club at Cypress Head
Course & Grounds
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
REVENUES												
67,883	76,963	88%	68,214	100%	Green Fees	425,228	460,517	92%	396,688	107%	460,517	622,828
3,877	4,686	83%	4,284	99%	City Surcharge R & R	24,901	28,192	88%	24,584	101%	28,192	38,392
71,759	81,649	88%	72,498	99%	Total Revenues	450,129	488,709	92%	421,271	107%	488,709	661,221
71,759	81,649	88%	72,498	99%	GROSS MARGIN	450,129	488,709	92%	421,271	107%	488,709	661,221
PAYROLL												
6,724	6,679	101%	6,406	105%	Gross Payroll - Salaried	43,907	46,753	94%	45,312	97%	80,148	73,939
13,401	12,005	112%	11,103	121%	Gross Payroll - Hourly	88,917	83,728	106%	78,226	114%	143,754	145,733
20,125	18,684	108%	17,510	115%	S/T Wages	132,824	130,481	102%	123,539	108%	223,902	219,672
1,422	1,429	100%	1,232	115%	Payroll Tax - FICA	9,537	9,982	96%	8,757	109%	17,129	15,974
336	129	260%	462	73%	Payroll Tax - UC	3,104	4,588	68%	2,889	107%	5,033	4,385
372	402	93%	326	114%	Payroll Tax - WC	3,207	2,676	120%	2,636	122%	4,685	5,039
4,697	3,191	147%	3,305	142%	Benefits	21,579	22,343	97%	21,739	99%	39,392	37,164
6,828	5,151	133%	5,324	128%	S/T Adders	37,427	39,589	95%	36,020	104%	66,239	62,562
26,953	23,835	113%	22,834	118%	TOTAL PAYROLL	170,251	170,070	100%	159,559	107%	290,141	282,234
OPERATING EXPENSES												
0	71	0%	234	0%	Course Accessories	4,041	2,108	192%	3,297	123%	2,696	4,631
0	1,334	0%	74	0%	Fertilizer	3,690	5,139	72%	4,622	80%	18,956	10,179
0	1,450	0%	214	0%	Fuel	5,246	7,538	70%	6,822	77%	14,831	12,088
632	176	359%	312	202%	Fungicides	1,320	1,694	78%	1,434	92%	2,495	2,041
696	392	178%	204	341%	Herbicides	3,170	3,070	103%	4,016	79%	9,202	11,822
1,985	158	1256%	0	0%	Insecticides	6,147	3,050	202%	4,556	135%	12,006	13,908
0	0	0%	0	0%	Sand/Topdress	746	1,222	61%	611	122%	3,666	2,614
0	0	0%	0	0%	Seeds/Trees	16,125	16,131	100%	16,131	100%	16,131	16,125
0	0	0%	0	0%	Small Tools	127	16	792%	16	794%	46	169
0	0	0%	0	0%	Staff/Volunteer Uniforms	283	445	64%	145	195%	445	316
415	967	43%	134	310%	Irrigation	3,727	2,828	132%	1,734	215%	5,231	6,699
2,625	826	318%	1,648	159%	Repair & Maint - Equipment	12,195	11,819	103%	12,161	100%	19,231	19,679
0	0	0%	0	0%	Repair & Maint - Building	516	41	1259%	41	1271%	41	857
4,495	4,495	100%	6,544	69%	Equipment Lease	31,464	31,623	99%	36,115	87%	54,098	57,261
179	151	118%	163	109%	Utilities - Electric	2,015	1,253	161%	1,267	159%	2,406	3,311
1,269	2,596	49%	1,204	105%	Utilities - Other	9,626	11,522	84%	9,130	105%	19,969	16,639
92	98	94%	86	107%	Utilities - Telephone/Fax	659	615	107%	691	95%	1,151	852
291	199	146%	176	165%	Utilities - Water	1,432	1,420	101%	1,343	107%	2,532	2,387
0	0	0%	0	0%	Education & Training	0	140	0%	0	0%	496	0
91	0	0%	0	0%	Employee Relations	91	0	0%	0	0%	0	91
0	0	0%	0	0%	Employee Testing	0	166	0%	194	0%	166	112
0	0	0%	0	0%	O/S - Other	3,875	1,820	213%	1,820	213%	3,720	7,475
0	500	0%	0	0%	Professional Dues	0	500	0%	0	0%	700	0
0	300	0%	300	0%	Travel - Other	600	2,100	29%	2,100	29%	3,600	2,100
12,770	13,713	93%	11,295	113%	TOTAL OPERATING EXPENSES	107,095	106,260	101%	108,247	99%	193,815	191,356
32,036	44,101	73%	38,369	83%	EBITDA	172,783	212,379	81%	153,466	113%	4,753	187,631
32,036	44,101	73%	38,369	83%	NET INCOME	172,783	212,379	81%	153,466	113%	4,753	187,631

The Golf Club at Cypress Head
Carts
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
44,839	50,618	89%	52,491	85%	Cart Fee	288,715	321,778	90%	303,327	95%	321,778	442,159
44,839	50,618	89%	52,491	85%	Total Revenues	288,715	321,778	90%	303,327	95%	321,778	442,159
44,839	50,618	89%	52,491	85%	GROSS MARGIN	288,715	321,778	90%	303,327	95%	321,778	442,159
					PAYROLL							
4,608	5,195	89%	4,728	97%	Gross Payroll - Hourly	34,984	35,844	98%	35,778	98%	35,844	55,997
4,608	5,195	89%	4,728	97%	S/T Wages	34,984	35,844	98%	35,778	98%	35,844	55,997
351	397	89%	341	103%	Payroll Tax - FICA	2,658	2,743	97%	2,730	97%	2,743	4,284
158	317	50%	235	68%	Payroll Tax - UC	1,478	2,189	68%	1,759	84%	2,189	2,539
95	112	85%	96	99%	Payroll Tax - WC	687	736	93%	713	96%	736	1,180
(1,378)	8	-17221%	20	-6753%	Benefits	64	52	123%	56	113%	52	104
(773)	834	-93%	692	-112%	S/T Adders	4,887	5,720	85%	5,258	93%	5,720	8,106
3,834	6,029	64%	5,421	71%	TOTAL PAYROLL	39,870	41,564	96%	41,036	97%	41,564	64,103
					OPERATING EXPENSES							
0	32	0%	7	0%	Cart Supplies	521	431	121%	406	128%	431	584
4,156	0	0%	116	3593%	Cart Repairs	19,376	226	8574%	509	3809%	226	21,756
6,032	6,032	100%	4,503	134%	Cart Lease	42,225	42,224	100%	42,225	100%	72,384	72,386
1,189	887	134%	1,098	108%	Utilities - Electric	7,555	6,034	125%	6,316	120%	6,534	11,794
11,377	6,951	164%	5,724	199%	TOTAL OPERATING EXPENSES	69,678	48,915	142%	49,456	141%	79,575	106,519
29,627	37,638	79%	41,346	72%	EBITDA	179,167	231,299	77%	212,836	84%	200,639	271,537
29,627	37,638	79%	41,346	72%	NET INCOME	179,167	231,299	77%	212,836	84%	200,639	271,537

The Golf Club at Cypress Head
Range
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
1,936	4,546	43%	4,265	45%	Range	16,885	27,365	62%	23,062	73%	38,615	29,109
1,936	4,546	43%	4,265	45%	Total Revenues	16,885	27,365	62%	23,062	73%	38,615	29,109
1,936	4,546	43%	4,265	45%	GROSS MARGIN	16,885	27,365	62%	23,062	73%	38,615	29,109
					OPERATING EXPENSES							
0	0	0%	0	0%	Range Balls	3,675	3,970	93%	2,970	124%	3,970	3,675
173	0	0%	0	0%	Range Equipment	173	0	0%	0	0%	0	173
0	0	0%	338	0%	Range Expenses	463	411	113%	749	62%	411	919
0	468	0%	665	0%	Repair & Maint - Equipment	1,103	580	190%	861	128%	580	1,275
173	468	37%	1,003	17%	TOTAL OPERATING EXPENSES	5,414	4,961	109%	4,581	118%	4,961	6,042
1,763	4,078	43%	3,262	54%	EBITDA	11,471	22,404	51%	18,482	62%	33,654	23,067
1,763	4,078	43%	3,262	54%	NET INCOME	11,471	22,404	51%	18,482	62%	33,654	23,067

The Golf Club at Cypress Head
F & B Cafe
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
REVENUES												
12,252	15,751	78%	18,712	65%	Food & Beverage	104,050	110,318	94%	104,625	99%	110,318	164,609
7,194	7,543	95%	8,223	87%	Beer	44,557	47,048	95%	47,228	94%	47,048	72,882
2,900	3,478	83%	3,377	86%	Liquor	26,928	28,483	95%	25,525	105%	28,483	39,231
370	798	46%	773	48%	Wine	6,826	6,549	104%	6,182	110%	6,549	8,453
0	0	0%	22	0%	F&B Other	600	0	0%	883	68%	0	1,091
22,714	27,570	82%	31,108	73%	Total Revenues	182,961	192,398	95%	184,442	99%	192,398	286,266
COST OF GOODS SOLD												
5,356	6,301	85%	8,951	60%	COGS - Food & Beverage	46,905	44,127	106%	48,392	97%	44,127	73,663
2,611	2,791	94%	2,787	94%	COGS - Beer	16,969	17,408	97%	16,346	104%	17,408	27,959
684	765	89%	641	107%	COGS - Liquor	5,659	6,266	90%	4,037	140%	6,266	8,381
(10)	192	-5%	386	-3%	COGS - Wine	2,978	1,573	189%	2,417	123%	1,573	3,835
8,641	10,049	86%	12,765	68%	Total COGS	72,510	69,374	105%	71,191	102%	69,374	113,838
14,074	17,521	80%	18,343	77%	GROSS MARGIN	110,451	123,024	90%	113,251	98%	123,024	172,428
43.72%	40.00%	109.29%	47.83%	91.40%	COGS - Food & Beverage %	45.08%	40.00%	112.70%	46.25%	97.46%	40.00%	550.35%
36.30%	37.00%	98.10%	33.89%	107.10%	COGS - Beer %	38.08%	37.00%	102.93%	34.61%	110.03%	37.00%	462.84%
23.58%	22.00%	107.21%	18.99%	124.19%	COGS - Liquor %	21.01%	22.00%	95.53%	15.82%	132.88%	22.00%	261.93%
-2.76%	24.06%	-11.45%	49.94%	-5.52%	COGS - Wine %	43.63%	24.02%	181.64%	39.09%	111.60%	24.02%	513.36%
38.04%	36.45%	104.37%	41.06%	92.64%	COGS - All Food & Bev	39.76%	36.06%	110.27%	38.78%	102.52%	36.06%	487.02%
PAYROLL												
3,000	3,750	80%	3,709	81%	Gross Kitchen Payroll - Salaried	23,908	26,250	91%	25,171	95%	45,000	38,331
5,630	6,127	92%	6,652	85%	Gross Kitchen Payroll - Hourly	52,184	44,397	118%	43,108	121%	44,397	83,594
8,630	9,877	87%	10,361	83%	S/T Wages	76,092	70,647	108%	68,279	111%	89,397	121,925
756	756	100%	888	85%	Payroll Tax - FICA	6,414	5,406	119%	5,758	111%	6,860	10,288
209	282	74%	399	53%	Payroll Tax - UC	3,074	3,047	101%	2,821	109%	3,047	4,379
196	212	93%	219	90%	Payroll Tax - WC	1,969	1,449	136%	1,444	136%	1,854	3,003
439	1,225	36%	1,356	32%	Benefits	6,719	8,578	78%	7,837	86%	13,163	11,347
1,600	2,475	65%	2,862	56%	S/T Adders	18,175	18,480	98%	17,860	102%	24,924	29,017
10,230	12,352	83%	13,223	77%	TOTAL PAYROLL	94,267	89,127	106%	86,139	109%	114,321	150,942
OPERATING EXPENSES												
387	331	117%	496	78%	Bar Supplies	2,165	2,425	89%	2,966	73%	2,425	3,810
0	55	0%	300	0%	Dining Room Supplies	92	1,494	6%	1,440	6%	1,494	395
71	605	12%	614	12%	Kitchen Supplies	3,816	2,098	182%	2,777	137%	2,098	4,618
353	295	120%	846	42%	Laundry/Linens	3,772	3,440	110%	3,987	95%	3,440	5,643
0	0	0%	20	0%	Office Supplies	57	0	0%	20	284%	97	57
1,114	537	207%	579	192%	Repair & Maint - Equipment	4,214	1,802	234%	2,057	205%	1,802	5,868
125	125	100%	125	100%	Equipment Lease	851	1,000	85%	875	97%	1,000	1,476
742	569	130%	1,330	56%	Utilities - Gas	6,026	5,445	111%	6,657	91%	5,445	9,717
1,420	0	0%	0	0%	Tax/Licenses/Fees	1,693	0	0%	923	183%	0	1,693
1,601	192	834%	358	448%	Theft Loss	3,576	2,140	167%	2,618	137%	2,140	4,762
5,814	2,709	215%	4,666	125%	TOTAL OPERATING EXPENSES	26,261	19,844	132%	24,321	108%	19,941	38,038
(1,971)	2,460	-80%	454	-434%	EBITDA	(10,077)	14,053	-72%	2,791	-361%	(11,238)	(16,551)
(1,971)	2,460	-80%	454	-434%	NET INCOME	(10,077)	14,053	-72%	2,791	-361%	(11,238)	(16,551)

The Golf Club at Cypress Head
Golf Shop
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
REVENUES												
0	0	0%	0	0%	Merchandise	0	0	0%	129	0%	0	64
(32)	121	-26%	122	-26%	Handicap Fee	4,392	4,747	93%	4,674	94%	4,747	4,452
105	160	66%	130	81%	Lessons	407	878	46%	867	47%	878	967
256	381	67%	507	51%	Rental Clubs	1,856	1,487	125%	1,543	120%	1,487	2,598
14,999	7,435	202%	8,153	184%	Retail	47,325	44,472	106%	43,719	108%	48,222	75,686
15,329	8,097	189%	8,912	172%	Total Revenues	53,979	51,584	105%	50,931	106%	55,334	83,766
COST OF GOODS SOLD												
14,165	5,056	280%	5,840	243%	COGS - Merchandise	35,237	31,161	113%	31,509	112%	33,711	53,002
14,165	5,056	280%	5,840	243%	Total COGS	35,237	31,161	113%	31,509	112%	33,711	53,002
1,164	3,041	38%	3,072	38%	GROSS MARGIN	18,743	20,423	92%	19,422	97%	21,623	30,764
94.44%	68.00%	138.87%	71.63%	131.84%	COGS - Merchandise %	74.46%	70.07%	106.26%	71.86%	103.61%	69.91%	768.59%
PAYROLL												
1,821	0	0%	0	0%	Gross Payroll - Salaried	12,852	0	0%	0	0%	0	12,852
2,108	3,300	64%	3,518	60%	Gross Payroll - Hourly	13,706	23,320	59%	24,071	57%	23,320	31,882
3,929	3,300	119%	3,518	112%	S/T Wages	26,558	23,320	114%	24,071	110%	23,320	44,734
289	252	115%	289	100%	Payroll Tax - FICA	1,943	1,784	109%	1,852	105%	1,784	3,428
116	99	117%	171	68%	Payroll Tax - UC	646	1,185	55%	793	81%	1,185	1,277
73	71	102%	73	100%	Payroll Tax - WC	595	479	124%	504	118%	479	1,004
452	350	129%	469	96%	Benefits	3,162	2,450	129%	3,239	98%	2,450	5,394
930	772	120%	1,003	93%	S/T Adders	6,346	5,898	108%	6,389	99%	5,898	11,104
4,859	4,072	119%	4,521	107%	TOTAL PAYROLL	32,904	29,218	113%	30,460	108%	29,218	55,837
OPERATING EXPENSES												
0	14	0%	34	0%	Office Supplies	74	128	58%	180	41%	185	74
59	569	10%	629	9%	Supplies	2,135	2,750	78%	2,800	76%	2,800	2,460
0	200	0%	0	0%	Tournament Expense	50	595	8%	599	8%	595	263
0	0	0%	0	0%	Handicap Expense	4,266	4,692	91%	4,404	97%	4,692	4,650
0	60	0%	79	0%	Lesson Expense	319	525	61%	543	59%	525	804
84	0	0%	0	0%	Repair & Maint - Building	164	0	0%	0	0%	0	164
143	843	17%	742	19%	TOTAL OPERATING EXPENSES	7,007	8,690	81%	8,527	82%	8,797	8,415
(3,839)	(1,874)	205%	(2,191)	175%	EBITDA	(21,168)	(17,485)	121%	(19,565)	108%	(16,392)	(33,488)
(3,839)	(1,874)	205%	(2,191)	175%	NET INCOME	(21,168)	(17,485)	121%	(19,565)	108%	(16,392)	(33,488)

The Golf Club at Cypress Head
G & A
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
0	0	0%	0	0%	Initiation Fees	0	0	0%	0	0%	0	250
0	0	0%	0	0%	Total Revenues	0	0	0%	0	0%	0	250
0	0	0%	0	0%	GROSS MARGIN	0	0	0%	0	0%	0	250
					PAYROLL							
6,197	7,751	80%	7,500	83%	Gross Payroll - Salaried	50,558	54,257	93%	54,170	93%	93,012	87,538
(989)	0	0%	0	0%	Gross Payroll - Hourly	4,461	0	0%	0	0%	0	4,461
5,208	7,751	67%	7,500	69%	S/T Wages	55,018	54,257	101%	54,170	102%	93,012	91,999
600	593	101%	635	94%	Payroll Tax - FICA	4,664	4,151	112%	3,990	117%	7,116	7,825
60	0	0%	0	0%	Payroll Tax - UC	921	966	95%	742	124%	966	921
160	167	96%	172	93%	Payroll Tax - WC	1,368	1,114	123%	1,162	118%	1,949	2,226
1,536	1,811	85%	1,601	96%	Benefits	11,369	12,677	90%	12,314	92%	22,332	18,954
2,355	2,571	92%	2,409	98%	S/T Adders	18,323	18,908	97%	18,210	101%	32,363	29,927
7,563	10,322	73%	9,909	76%	TOTAL PAYROLL	73,341	73,165	100%	72,380	101%	125,375	121,925
					OPERATING EXPENSES							
289	849	34%	532	54%	Janitorial Supplies	4,078	5,410	75%	4,955	82%	5,660	6,544
0	250	0%	156	0%	Laundry/Uniforms	2,038	2,518	81%	2,104	97%	2,868	2,351
39	507	8%	119	33%	Office Supplies	1,884	2,768	68%	2,370	80%	3,018	3,601
91	91	99%	91	100%	Alarm System	962	788	122%	1,022	94%	1,241	1,893
0	0	0%	0	0%	Carpet Cleaning	300	0	0%	0	0%	0	1,190
254	235	108%	259	98%	Computer Service	2,229	1,645	136%	1,691	132%	2,820	3,523
549	549	100%	549	100%	Contract Cleaning	3,843	3,843	100%	3,843	100%	5,338	6,588
115	0	0%	115	100%	Pest Control	920	570	161%	1,015	91%	1,140	1,495
333	0	0%	0	0%	Repair & Maint - Equipment	999	669	149%	537	186%	669	1,209
520	770	68%	307	169%	Repair & Maint - Building	3,178	6,391	50%	5,741	55%	6,391	3,679
157	157	100%	0	0%	Off-Site Storage	942	1,099	86%	972	97%	1,884	1,727
1,947	1,458	134%	2,080	94%	Utilities - Other	13,806	11,815	117%	13,603	101%	16,815	25,185
176	200	88%	17	1026%	Utilities - Telephone/Fax	1,126	1,126	100%	964	117%	1,696	1,878
258	188	137%	129	199%	Bank Charges	601	1,488	40%	417	144%	2,440	747
794	0	0%	(34)	-2331%	Cash Short/(Over)	53	0	0%	820	7%	0	(633)
125	175	71%	150	83%	Cell Phone	1,025	1,175	87%	1,100	93%	2,050	1,850
3,877	4,686	83%	4,284	90%	City Surcharge R & R	24,901	28,192	88%	24,584	101%	28,192	38,392
0	35	0%	182	0%	Copier/Photocopies	955	151	633%	377	254%	326	1,293
2,208	2,726	81%	2,283	97%	Credit Card Discounts	13,780	16,484	84%	15,456	89%	17,410	24,893
259	0	0%	0	0%	Dues & Subscriptions	509	150	339%	150	339%	610	1,025
0	0	0%	0	0%	Education & Training	210	0	0%	0	0%	0	210
0	262	0%	195	0%	Employee Relations	1,194	2,262	53%	2,341	51%	2,262	1,958
3,756	3,569	105%	3,481	108%	Insurance Expense	27,033	25,803	105%	24,364	111%	44,024	45,072
0	0	0%	0	0%	Member Relations	283	442	64%	348	81%	442	659
14	11	127%	19	75%	Messenger Service - Fedex	249	249	100%	172	145%	249	447
0	0	0%	0	0%	O/S - Accounting	12,000	13,800	87%	13,200	91%	13,800	12,000
0	0	0%	0	0%	O/S - Legal	80	150	53%	150	53%	150	160
0	0	0%	29	0%	O/S - Other	77	556	14%	584	13%	556	77
305	382	80%	213	144%	Payroll Processing Fee	2,697	1,958	136%	1,885	143%	2,722	4,009
49	55	89%	0	0%	Postage/Shipping	220	338	65%	293	75%	618	560
(381)	0	0%	(30)	1271%	Tax/Licenses/Fees	(561)	0	0%	(210)	267%	83	(478)
0	0	0%	0	0%	Travel - Meals	54	0	0%	0	0%	0	54
2,620	335	782%	91	2865%	Travel - Other	6,780	3,291	206%	3,015	225%	6,288	8,686
209	0	0%	0	0%	Employee Meals	1,395	0	0%	0	0%	0	1,395
18,562	17,490	106%	15,215	122%	TOTAL OPERATING EXPENSES	129,841	135,131	96%	127,865	102%	171,762	203,239
(26,125)	(27,812)	94%	(25,124)	104%	EBITDA	(203,182)	(208,296)	98%	(200,244)	101%	(297,137)	(324,914)
7,370	7,370	100%	7,225	102%	Management Fee	51,487	51,590	100%	50,575	102%	88,440	87,612
7,370	7,370	100%	7,225	102%	Management Fees	51,487	51,590	100%	50,575	102%	88,440	87,612
154	154	100%	154	100%	Deprec - Office F.F&E	1,078	1,078	100%	1,078	100%	1,848	583
98	108	91%	98	100%	Deprec - Mach & Equip	683	753	91%	683	100%	1,291	745
283	283	100%	283	100%	Deprec - Buildings	1,984	1,984	100%	1,984	100%	3,401	1,819
535	545	98%	535	100%	S/T DEPR. & AMORT	3,745	3,815	98%	3,745	100%	6,540	3,147
(34,030)	(35,727)	95%	(32,884)	103%	NET INCOME	(258,413)	(263,701)	98%	(254,564)	102%	(392,117)	(415,672)

The Golf Club at Cypress Head
Marketing
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					PAYROLL							
3,470	3,310	105%	3,347	104%	Gross Payroll - Salaried	24,437	23,520	104%	22,696	108%	38,945	40,493
3,470	3,310	105%	3,347	104%	S/T Wages	24,437	23,520	104%	22,696	108%	38,945	40,493
252	253	100%	250	101%	Payroll Tax - FICA	1,777	1,800	99%	1,687	105%	2,980	3,013
0	15	0%	0	0%	Payroll Tax - UC	339	609	56%	389	87%	617	339
66	71	93%	64	102%	Payroll Tax - WC	598	484	124%	459	130%	817	951
412	350	118%	358	115%	Benefits	2,753	2,450	112%	2,438	113%	4,325	4,715
729	689	106%	672	108%	S/T Adders	5,468	5,343	102%	4,974	110%	8,739	9,018
4,199	3,999	105%	4,019	104%	TOTAL PAYROLL	29,905	28,863	104%	27,670	108%	47,684	49,511
					OPERATING EXPENSES							
1,419	786	180%	1,701	83%	Advertising & Promotion	13,443	12,188	110%	13,015	103%	33,050	19,417
0	0	0%	0	0%	Miscellaneous	41	0	0%	0	0%	0	41
61	0	0%	0	0%	Travel - Other	168	0	0%	0	0%	0	168
0	0	0%	0	0%	Website Expenses	0	0	0%	0	0%	2,100	2,100
1,479	786	188%	1,701	87%	TOTAL OPERATING EXPENSES	13,651	12,188	112%	13,015	105%	35,150	21,726
(5,679)	(4,785)	119%	(5,720)	99%	EBITDA	(43,556)	(41,051)	106%	(40,685)	107%	(82,834)	(71,237)
(5,679)	(4,785)	119%	(5,720)	99%	NET INCOME	(43,556)	(41,051)	106%	(40,685)	107%	(82,834)	(71,237)

The Golf Club at Cypress Head
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
REVENUES												
112,721	127,581	88%	120,705	93%	Green Fees & Cart Fees	713,943	782,295	91%	700,015	102%	782,295	1,064,988
14,999	7,435	202%	8,153	184%	Merchandise	47,325	44,472	106%	43,848	108%	48,222	75,750
329	662	50%	759	43%	Other Pro Shop	6,655	7,112	94%	7,083	94%	7,112	8,017
1,936	4,546	43%	4,265	45%	Range	16,885	27,365	62%	23,062	73%	36,515	29,109
22,714	27,570	82%	31,108	73%	Food and Beverage	182,961	192,398	95%	184,442	99%	192,398	286,266
0	0	0%	0	0%	Membership Initiation Fees	0	0	0%	0	0%	0	250
3,877	4,686	83%	4,284	90%	Other Operating Revenues	24,901	28,192	88%	24,584	101%	28,192	38,392
156,577	172,480	91%	169,272	92%	TOTAL REVENUE	992,669	1,081,834	92%	983,034	101%	1,096,834	1,502,772
COST OF SALES												
14,165	5,056	280%	5,840	243%	Merchandise	35,237	31,161	113%	31,509	112%	33,711	53,002
8,641	10,049	86%	12,765	68%	Food & Beverage	72,510	69,374	105%	71,191	102%	69,374	113,838
22,806	15,105	151%	18,605	123%	TOTAL COGS	107,747	100,535	107%	102,700	105%	103,085	166,840
94.4%	68.0%	138.9%	71.6%	131.8%	COGS - Merchandise %	74.5%	70.1%	106.3%	71.9%	103.6%	69.9%	768.6%
38.0%	36.4%	104.4%	41.1%	92.6%	COGS - Food %	39.8%	36.1%	110.3%	38.8%	102.5%	36.1%	487.0%
PAYROLL												
26,953	23,835	113%	22,834	118%	Course and Grounds	170,251	170,070	100%	159,559	107%	290,141	282,234
3,634	6,029	64%	5,421	71%	Carts, Range, Starters, Etc.	39,670	41,564	96%	41,036	97%	41,564	64,103
4,859	4,072	119%	4,521	107%	Pro Shop	32,904	29,218	113%	30,460	108%	29,218	55,837
10,230	12,352	83%	13,223	77%	Food and Beverage	94,267	89,127	106%	86,139	109%	114,321	150,942
7,563	10,322	73%	9,909	76%	General and Administrative	73,341	73,165	100%	72,380	101%	125,375	121,925
4,199	3,999	105%	4,019	104%	Marketing	29,905	28,863	104%	27,670	108%	47,684	49,511
57,640	60,609	95%	59,927	96%	TOTAL PAYROLL	440,537	432,007	102%	417,243	106%	648,303	724,553
OPERATING EXPENSES												
12,770	13,713	93%	11,295	113%	Course and Grounds	107,095	106,260	101%	108,247	99%	193,815	191,356
11,550	7,419	156%	6,727	172%	Carts, Range, Starters, Etc.	75,092	53,876	139%	54,037	139%	84,536	112,562
143	843	17%	742	19%	Pro Shop	7,007	8,690	81%	8,527	82%	8,797	8,415
5,814	2,709	215%	4,666	125%	Food and Beverage	26,261	19,844	132%	24,321	108%	19,941	38,038
18,562	17,490	106%	15,215	122%	General and Administrative	129,841	135,131	96%	127,865	102%	171,762	203,239
1,479	786	188%	1,701	87%	Marketing	13,651	12,188	112%	13,015	105%	35,150	21,726
50,318	42,960	117%	40,345	125%	TOTAL OPERATING EXPENSES	358,947	335,989	107%	336,011	107%	514,001	575,334
130,763	118,674	110%	118,877	110%	TOTAL EXPENSES	907,231	868,531	104%	855,955	106%	1,265,389	1,466,728
25,813	53,806	48%	50,395	51%	EBITDA	85,438	213,303	40%	127,079	67%	(168,555)	36,044

The Golf Club at Cypress Head
For the Seven Months Ending April 30, 2015

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
25,813	53,806	48%	50,395	51%	EBITDA	85,438	213,303	40%	127,079	67%	(168,555)	36,044
(7,370)	(7,370)	100%	(7,225)	102%	MANAGEMENT FEES	(51,487)	(51,590)	100%	(50,575)	102%	(88,440)	(87,612)
(535)	(545)	98%	(535)	100%	OTHER INCOME (EXPENSE)	(3,745)	(3,815)	98%	(3,745)	100%	(6,540)	(3,147)
(535)	(545)	98%	(535)	100%	Depreciation & Amortization	(3,745)	(3,815)	98%	(3,745)	100%	(6,540)	(3,147)
					TOTAL OTHER INCOME (EXPENSE)							
17,909	45,891	39%	42,635	42%	NET INCOME	30,207	157,898	19%	72,759	42%	(263,535)	(54,714)
3,936	4,726	83%	4,434	89%	Paid Rounds	25,909	27,380	95%	24,596	105%	27,380	40,870
426	552	77%	496	86%	Annual Pass Rounds	2,970	3,233	92%	3,234	92%	3,233	4,638
244	282	87%	268	91%	Other Rounds	1,772	2,007	88%	1,950	91%	2,007	3,032
4,606	5,560	83%	5,198	89%	Total Rounds	30,651	32,620	94%	29,780	103%	32,620	48,540
40	36	109%	38	104%	Revenue/Paid Rounds	38	40	97%	40	96%	40	439
34	31	110%	33	104%	Revenue/Total Rounds	32	33	98%	33	98%	34	369

The Golf Club at Cypress Head
For the Seven Months Ending April 30, 2015

	<u>04/30/15</u>	<u>09/30/14</u>	<u>04/30/14</u>
ASSETS			
CURRENT ASSETS:			
Cash			
Cash - Operating	73,012	74,353	91,089
Cash - Manual Checks	750	500	500
Cash - Housebank & Other	<u>(1,127)</u>	<u>(174)</u>	<u>779</u>
Total Cash	<u>72,635</u>	<u>74,679</u>	<u>92,367</u>
Accounts Receivable			
A/R Member	<u>6,564</u>	<u>43,719</u>	<u>1,484</u>
Total Accounts Receivable	<u>6,564</u>	<u>43,719</u>	<u>1,484</u>
Other Current Assets			
Inventory - Merchandise	22,483	44,295	49,498
Inventory - Food & Beverage	8,171	11,720	13,997
Prepaid Insurance	7,652	16,276	6,961
Prepaid Exp - Other	<u>1,223</u>	<u>10,280</u>	<u>1,505</u>
Total Other Current Assets	<u>39,528</u>	<u>82,570</u>	<u>71,962</u>
TOTAL CURRENT ASSETS	<u>118,728</u>	<u>200,969</u>	<u>165,813</u>
PROPERTY, PLANT AND EQUIPMENT:			
Land	64,835	64,835	64,835
Furniture and Fixtures	26,625	26,625	26,625
Machinery & Equipment	<u>17,712</u>	<u>17,712</u>	<u>17,712</u>
Property Plant and Equipment	109,171	109,171	109,171
Accumulated Depreciation	<u>(80,453)</u>	<u>(76,708)</u>	<u>(77,306)</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>28,719</u>	<u>32,463</u>	<u>31,865</u>
OTHER ASSETS:			
Deposits (in ST section of chart)	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
TOTAL OTHER ASSETS	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
TOTAL ASSETS	<u><u>152,447</u></u>	<u><u>238,432</u></u>	<u><u>202,678</u></u>

The Golf Club at Cypress Head
For the Seven Months Ending April 30, 2015

	<u>04/30/15</u>	<u>09/30/14</u>	<u>04/30/14</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accts Pay - Trade	32,658	21,353	24,674
Accts Pay - Other	18,671	29,631	(68,612)
Accrued Expenses	(20)	(1,610)	1,387
Accrued Payroll	27,922	21,122	27,566
Accrued Taxes	0	9,081	14,441
Accrued Interest	0	2,138	0
Deferred Revenue	43,010	156,716	130,464
TOTAL CURRENT LIABILITIES	<u>122,240</u>	<u>238,432</u>	<u>129,920</u>
 TOTAL LIABILITIES	 <u>122,240</u>	 <u>238,432</u>	 <u>129,920</u>
STOCKHOLDER'S EQUITY			
Retained Earnings	30,206	0	72,758
Net Retained Earnings	30,206	0	72,758
Stockholders Equity	30,206	0	72,758
TOTAL STOCKHOLDER'S EQUITY	<u>30,206</u>	<u>0</u>	<u>72,758</u>
 TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	 <u>152,447</u>	 <u>238,432</u>	 <u>202,678</u>

System: TRIAL BALANCE SL
The Golf Club at Cypress Head
General Ledger

5/15/2015 11:24:10 AM Page:

1 User Date: 5/15/2015

Ranges:	From:	To:	Date:	4/1/2015	4/30/2015	Sorted By:	Account
Account:	First	Last	Include:	Posting, Unit	Print Currency In:	Functional (Z-US\$)	
Inactive	Account	Description	Beginning Balan	Debit	Credit	Net Change	Ending Balance
	10060-5950-900	Cash - Operating New	\$183,555.64	\$207,115.17	\$317,658.82	(\$110,543.65)	\$73,011.99
	10100-5950-900	Cash - Course Other	\$750.00	\$0.00	\$0.00	\$0.00	\$750.00
	10120-5950-900	Cash - New Payroll	(\$6,061.19)	\$52,465.77	\$48,631.24	\$3,834.53	(\$2,226.66)
	10180-5950-900	Cash - Pro Shop Bank	\$600.00	\$0.00	\$0.00	\$0.00	\$600.00
	10200-5950-900	Cash - F&B Bank	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
	11160-5950-900	A/R Member	\$9,876.70	\$6,609.53	\$9,921.85	(\$3,312.32)	\$6,564.38
	12000-5950-900	Inventory - Merchandis	\$35,883.38	\$764.01	\$14,164.76	(\$13,400.75)	\$22,482.63
	12180-5950-900	Inventory - Food	\$6,619.95	\$2,288.07	\$5,760.11	(\$3,472.04)	\$3,147.91
	12200-5950-900	Inventory - Beverage	\$2,090.36	\$310.98	\$1,165.61	(\$854.63)	\$1,235.73
	12220-5950-900	Inventory - Beer	\$1,011.51	\$2,378.10	\$2,992.65	(\$614.55)	\$396.96
	12240-5950-900	Inventory - Liquor	\$2,965.64	\$292.25	\$683.76	(\$391.51)	\$2,574.13
	12260-5950-900	Inventory - Wine	\$837.84	\$31.89	\$53.59	(\$21.70)	\$816.14
	13020-5950-900	Prepaid Insurance	\$11,638.56	\$0.00	\$3,986.96	(\$3,986.96)	\$7,651.60
	13040-5950-900	Prepaid Exp - Other	\$715.93	\$852.00	\$344.80	\$507.20	\$1,223.13
	13480-5950-900	Deposit - Vendors	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00
	20040-5950-900	Furniture & Fixtures	\$26,624.50	\$0.00	\$0.00	\$0.00	\$26,624.50
	20100-5950-900	Machinery & Equipmen	\$17,711.94	\$0.00	\$0.00	\$0.00	\$17,711.94
	20160-5950-900	Land	\$64,834.76	\$0.00	\$0.00	\$0.00	\$64,834.76
	22020-5950-900	Accum. Deprec - Office	(\$27,548.18)	\$0.00	\$153.97	(\$153.97)	(\$27,702.15)
	22040-5950-900	Accum. Deprec - Mach	(\$13,126.87)	\$0.00	\$97.55	(\$97.55)	(\$13,224.42)
	22080-5950-900	Accum. Deprec - Buildir	(\$39,242.58)	\$0.00	\$283.45	(\$283.45)	(\$39,526.03)
	30000-5950-900	Accts Pay - Trade	(\$29,163.39)	\$53,404.04	\$56,898.17	(\$3,494.13)	(\$32,657.52)
	30040-5950-900	Accts Pay - Other	(\$142,028.23)	\$190,000.00	\$66,643.00	\$123,357.00	(\$18,671.23)
	31000-5950-900	Accrued Expenses	(\$20.00)	\$60.00	\$20.00	\$40.00	\$20.00
	31020-5950-900	Accrued Payroll	(\$24,458.43)	\$16,422.26	\$19,173.59	(\$2,751.33)	(\$27,209.76)
	31080-5950-900	Accrued Tips Payable	(\$681.07)	\$863.89	\$894.63	(\$30.74)	(\$711.81)
	31220-5950-900	Accrued Sales Tax	(\$11,183.34)	\$20,093.16	\$8,909.82	\$11,183.34	\$0.00

31300-5950-900	Accrued Lesson Reserve	(\$105.00)	\$105.00	\$0.00	\$105.00	\$0.00
31400-5950-900	Accrued City Surcharge	\$0.00	\$3,876.56	\$3,876.56	\$0.00	\$0.00
32000-5950-900	Deferred Rev - Rainche	(\$1,516.73)	\$439.66	\$743.51	(\$303.85)	(\$1,820.58)
32020-5950-900	Deferred Rev - Outing C	(\$1,510.00)	\$6,777.28	\$4,715.00	\$2,062.28	\$552.28
32040-5950-900	Deferred Rev - Annual F	(\$6,166.76)	\$6,166.76	\$0.00	\$6,166.76	\$0.00
32060-5950-900	Deferred Rev - Gift Cert	(\$4,675.14)	\$0.00	\$0.00	\$0.00	(\$4,675.14)
32070-5950-900	Deferred Rev - Gift Carc	(\$16,723.03)	\$2,383.96	\$1,080.93	\$1,303.03	(\$15,420.00)
32100-5950-900	Deferred Rev - Credit B	(\$25,647.27)	\$4,292.69	\$291.75	\$4,000.94	(\$21,646.33)
32120-5950-900	Deferred Rev - Trail Fee	(\$8,876.14)	\$8,876.14	\$0.00	\$8,876.14	\$0.00
32220-5950-900	Deferred Rev - Founder	(\$185.66)	\$185.66	\$0.00	\$185.66	\$0.00
49020-5950-900	Retained Earnings - Cur	\$0.08	\$0.00	\$0.00	\$0.00	\$0.08
50000-5950-100	Green Fees - Annual Pa	(\$38,114.52)	\$0.00	\$6,352.42	(\$6,352.42)	(\$44,466.94)
50040-5950-100	Green Fees - Member	(\$297,555.87)	\$0.00	\$57,408.61	(\$57,408.61)	(\$354,964.48)
50070-5950-100	Green Fees - (surcharge	(\$20,821.94)	\$3,876.56	\$7,753.12	(\$3,876.56)	(\$24,698.50)
50140-5950-100	Green Fees - Misc Cour	(\$852.95)	\$0.00	\$245.03	(\$245.03)	(\$1,097.98)
50500-5950-200	Cart Fee 18	(\$191,637.75)	\$0.00	\$35,962.64	(\$35,962.64)	(\$227,600.39)
50520-5950-200	Cart Fee - Annual Trail	(\$52,238.80)	\$0.00	\$8,876.14	(\$8,876.14)	(\$61,114.94)
52090-5950-600	Handicap Fee	(\$4,424.00)	\$72.00	\$40.00	\$32.00	(\$4,392.00)
52150-5950-600	Lessons	(\$301.80)	\$0.00	\$105.00	(\$105.00)	(\$406.80)
52280-5950-600	Rental Clubs	(\$1,599.48)	\$0.00	\$256.41	(\$256.41)	(\$1,855.89)
52310-5950-600	Retail	(\$32,325.59)	\$0.00	\$14,999.19	(\$14,999.19)	(\$47,324.78)
53050-5950-220	Range Pass Revenue	(\$14,949.02)	\$24.42	\$1,960.09	(\$1,935.67)	(\$16,884.69)
54000-5950-540	Food	(\$80,633.36)	\$0.00	\$10,390.57	(\$10,390.57)	(\$91,023.93)
54030-5950-540	Beverage	(\$11,165.55)	\$0.00	\$1,860.94	(\$1,860.94)	(\$13,026.49)
54060-5950-540	Beer	(\$37,363.25)	\$0.00	\$7,193.55	(\$7,193.55)	(\$44,556.80)
54090-5950-540	Liquor	(\$24,028.10)	\$0.00	\$2,899.60	(\$2,899.60)	(\$26,927.70)
54120-5950-540	Wine	(\$6,456.19)	\$0.00	\$369.80	(\$369.80)	(\$6,825.99)
54220-5950-540	F&B Other Income	(\$600.00)	\$0.00	\$0.00	\$0.00	(\$600.00)
56120-5950-100	City Surcharge R & R	(\$21,024.04)	\$0.00	\$3,876.56	(\$3,876.56)	(\$24,900.60)
60000-5950-600	COGS - Merchandise - A	\$21,071.87	\$14,164.76	\$0.00	\$14,164.76	\$35,236.63
61000-5950-540	COGS - Food	\$37,816.20	\$4,255.25	\$0.00	\$4,255.25	\$42,071.45
61010-5950-540	COGS - Beverage	\$3,732.33	\$1,100.91	\$0.00	\$1,100.91	\$4,833.24
61020-5950-540	COGS - Beer	\$14,357.54	\$2,611.10	\$0.00	\$2,611.10	\$16,968.64
61030-5950-540	COGS - Liquor	\$4,975.01	\$683.76	\$0.00	\$683.76	\$5,658.77

61040-5950-540	COGS - Wine	\$2,988.27	\$21.70	\$31.89	(\$10.19)	\$2,978.08
70000-5950-100	Gross Payroll - Salaried	\$37,182.77	\$8,937.08	\$2,212.99	\$6,724.09	\$43,906.86
70000-5950-600	Gross Payroll - Salaried	\$11,030.43	\$2,367.86	\$546.43	\$1,821.43	\$12,851.86
70000-5950-900	Gross Payroll - Salaried	\$44,360.43	\$11,086.86	\$4,889.77	\$6,197.09	\$50,557.52
70000-5950-950	Gross Payroll - Salaried	\$20,966.68	\$4,377.94	\$907.92	\$3,470.02	\$24,436.70
70002-5950-540	Gross Kitchen Payroll -	\$20,907.68	\$3,900.00	\$900.00	\$3,000.00	\$23,907.68

System: TRIAL BALANCE SL 5/15/2015 11:24:10 AM Page: 2 User Date: 5/15/2015

The Golf Club at Cypress Head

Inactive	Account	Description	Beginning Balan	Credit	Net Change	Ending Balance	Debit
	70010-5950-100	Gross Payroll - Hourly	\$75,516.03	\$16,850.78	\$3,449.89	\$13,400.89	\$88,916.92
	70010-5950-200	Gross Payroll - Hourly	\$30,376.05	\$6,516.30	\$1,908.78	\$4,607.52	\$34,983.57
	70010-5950-600	Gross Payroll - Hourly	\$11,597.68	\$2,720.87	\$612.82	\$2,108.05	\$13,705.73
	70010-5950-900	Gross Payroll - Hourly	\$5,449.85	\$0.00	\$989.01	(\$989.01)	\$4,460.84
	70012-5950-540	Gross Kitchen Payroll -	\$46,554.21	\$7,981.37	\$2,351.37	\$5,630.00	\$52,184.21
	71000-5950-100	Payroll Tax - FICA	\$8,114.71	\$1,856.88	\$434.52	\$1,422.36	\$9,537.07
	71000-5950-200	Payroll Tax - FICA	\$2,306.21	\$504.07	\$152.69	\$351.38	\$2,657.59
	71000-5950-540	Payroll Tax - FICA	\$5,658.13	\$1,016.10	\$260.11	\$755.99	\$6,414.12
	71000-5950-600	Payroll Tax - FICA	\$1,654.08	\$382.15	\$92.74	\$289.41	\$1,943.49
	71000-5950-900	Payroll Tax - FICA	\$4,064.60	\$803.44	\$203.76	\$599.68	\$4,664.28
	71000-5950-950	Payroll Tax - FICA	\$1,525.20	\$324.39	\$72.63	\$251.76	\$1,776.96
	71010-5950-100	Payroll Tax - UC	\$2,768.52	\$335.96	\$0.00	\$335.96	\$3,104.48
	71010-5950-200	Payroll Tax - UC	\$1,319.76	\$158.49	\$0.00	\$158.49	\$1,478.25
	71010-5950-540	Payroll Tax - UC	\$2,864.38	\$209.33	\$0.00	\$209.33	\$3,073.71
	71010-5950-600	Payroll Tax - UC	\$529.96	\$116.22	\$0.00	\$116.22	\$646.18
	71010-5950-900	Payroll Tax - UC	\$861.96	\$59.51	\$0.00	\$59.51	\$921.47
	71010-5950-950	Payroll Tax - UC	\$339.47	\$0.00	\$0.00	\$0.00	\$339.47
	71020-5950-100	Payroll Tax - WC	\$2,834.39	\$372.32	\$0.00	\$372.32	\$3,206.71
	71020-5950-200	Payroll Tax - WC	\$592.17	\$94.76	\$0.00	\$94.76	\$686.93
	71020-5950-540	Payroll Tax - WC	\$1,772.33	\$196.17	\$0.00	\$196.17	\$1,968.50
	71020-5950-600	Payroll Tax - WC	\$522.24	\$72.54	\$0.00	\$72.54	\$594.78
	71020-5950-900	Payroll Tax - WC	\$1,207.41	\$160.26	\$0.00	\$160.26	\$1,367.67
	71020-5950-950	Payroll Tax - WC	\$532.55	\$65.69	\$0.00	\$65.69	\$598.24
	71030-5950-100	Benefits	\$16,881.20	\$6,904.11	\$2,206.79	\$4,697.32	\$21,578.52
	71030-5950-200	Benefits	\$1,441.69	\$55.62	\$1,433.29	(\$1,377.67)	\$64.02

71030-5950-540	Benefits	\$6,280.02	\$780.12	\$341.40	\$438.72	\$6,718.74
71030-5950-600	Benefits	\$2,710.18	\$612.88	\$161.18	\$451.70	\$3,161.88
71030-5950-900	Benefits	\$9,833.49	\$2,460.26	\$924.47	\$1,535.79	\$11,369.28
71030-5950-950	Benefits	\$2,341.52	\$600.02	\$188.28	\$411.74	\$2,753.26
80050-5950-540	Bar Supplies	\$1,777.57	\$387.20	\$0.00	\$387.20	\$2,164.77
80110-5950-200	Cart Supplies	\$521.23	\$0.00	\$0.00	\$0.00	\$521.23
80170-5950-100	Course Accessories	\$4,041.34	\$0.00	\$0.00	\$0.00	\$4,041.34
80190-5950-540	Dining Room Supplies	\$92.21	\$0.00	\$0.00	\$0.00	\$92.21
80230-5950-100	Fertilizer	\$3,689.85	\$0.00	\$0.00	\$0.00	\$3,689.85
80270-5950-100	Fuel	\$5,246.44	\$0.00	\$0.00	\$0.00	\$5,246.44
80280-5950-100	Fungicides	\$688.42	\$631.80	\$0.00	\$631.80	\$1,320.22
80320-5950-100	Herbicides	\$2,473.72	\$696.46	\$0.00	\$696.46	\$3,170.18
80370-5950-100	Insecticides	\$4,162.22	\$1,985.20	\$0.00	\$1,985.20	\$6,147.42
80380-5950-900	Janitorial Supplies	\$3,788.58	\$289.47	\$0.00	\$289.47	\$4,078.05
80390-5950-540	Kitchen Supplies	\$3,744.32	\$71.35	\$0.00	\$71.35	\$3,815.67
80410-5950-540	Laundry/Linens	\$3,418.91	\$352.82	\$0.00	\$352.82	\$3,771.73
80420-5950-900	Laundry/Uniforms	\$2,037.98	\$0.00	\$0.00	\$0.00	\$2,037.98
80520-5950-540	Office Supplies	\$56.75	\$0.00	\$0.00	\$0.00	\$56.75
80520-5950-600	Office Supplies	\$73.76	\$0.00	\$0.00	\$0.00	\$73.76
80520-5950-900	Office Supplies	\$1,845.04	\$39.34	\$0.00	\$39.34	\$1,884.38
80610-5950-220	Range Balls	\$3,675.00	\$0.00	\$0.00	\$0.00	\$3,675.00
80620-5950-220	Range Equipment	\$0.00	\$172.77	\$0.00	\$172.77	\$172.77
80630-5950-220	Range Expenses	\$463.25	\$0.00	\$0.00	\$0.00	\$463.25
80690-5950-100	Sand/Topdress	\$746.00	\$0.00	\$0.00	\$0.00	\$746.00
80710-5950-100	Seeds/Trees	\$16,124.60	\$0.00	\$0.00	\$0.00	\$16,124.60
80730-5950-100	Small Tools	\$126.73	\$0.00	\$0.00	\$0.00	\$126.73
80770-5950-100	Staff/Volunteer Uniforr	\$283.21	\$0.00	\$0.00	\$0.00	\$283.21
80780-5950-600	Supplies	\$2,075.78	\$59.00	\$0.00	\$59.00	\$2,134.78
80810-5950-600	Tournament Expense	\$50.09	\$0.00	\$0.00	\$0.00	\$50.09
81010-5950-900	Alarm System	\$871.00	\$90.50	\$0.00	\$90.50	\$961.50
81080-5950-900	Carpet Cleaning	\$300.00	\$0.00	\$0.00	\$0.00	\$300.00
81090-5950-200	Cart Repairs	\$15,220.45	\$4,155.83	\$0.00	\$4,155.83	\$19,376.28
81130-5950-900	Computer Service	\$1,974.89	\$254.30	\$0.00	\$254.30	\$2,229.19
81140-5950-900	Contract Cleaning	\$3,294.00	\$549.00	\$0.00	\$549.00	\$3,843.00

81220-5950-600	Handicap Expense	\$4,266.00	\$0.00	\$0.00	\$0.00	\$4,266.00
81250-5950-100	Irrigation	\$3,311.59	\$414.93	\$0.00	\$414.93	\$3,726.52
81270-5950-600	Lesson Expense	\$318.75	\$0.00	\$0.00	\$0.00	\$318.75
81300-5950-900	Pest Control	\$805.00	\$115.00	\$0.00	\$115.00	\$920.00
81350-5950-100	Repair & Maint - Equipr	\$9,569.27	\$2,716.24	\$90.96	\$2,625.28	\$12,194.55
81350-5950-220	Repair & Maint - Equipr	\$1,102.50	\$0.00	\$0.00	\$0.00	\$1,102.50
81350-5950-540	Repair & Maint - Equipr	\$3,099.75	\$1,114.21	\$0.00	\$1,114.21	\$4,213.96
81350-5950-900	Repair & Maint - Equipr	\$666.50	\$332.50	\$0.00	\$332.50	\$999.00
81360-5950-100	Repair & Maint - Buildir	\$516.00	\$0.00	\$0.00	\$0.00	\$516.00
81360-5950-600	Repair & Maint - Buildir	\$79.88	\$84.00	\$0.00	\$84.00	\$163.88
81360-5950-900	Repair & Maint - Buildir	\$2,658.29	\$520.00	\$0.00	\$520.00	\$3,178.29
82000-5950-200	Cart Lease	\$36,193.14	\$6,032.20	\$0.00	\$6,032.20	\$42,225.34
82020-5950-100	Equipment Lease	\$26,969.44	\$4,494.90	\$0.00	\$4,494.90	\$31,464.34
82020-5950-540	Equipment Lease	\$725.50	\$125.00	\$0.00	\$125.00	\$850.50

System: TRIAL BALANCE SL 5/15/2015 11:24:10 AM Page: 3 User Date: 5/15/2015

The Golf Club at Cypress Head

Inactive	Account	Description	Beginning Balan	Credit	Net Change	Ending Balance	Debit
	82060-5950-900	Off-Site Storage	\$785.00	\$323.00	\$166.00	\$157.00	\$942.00
	83000-5950-100	Utlities - Electric	\$1,836.63	\$178.54	\$0.00	\$178.54	\$2,015.17
	83000-5950-200	Utilities - Electric	\$6,366.51	\$1,188.95	\$0.00	\$1,188.95	\$7,555.46
	83010-5950-540	Utilities - Gas	\$5,283.65	\$742.37	\$0.00	\$742.37	\$6,026.02
	83020-5950-100	Utlities - Other	\$8,357.06	\$1,268.84	\$0.00	\$1,268.84	\$9,625.90
	83020-5950-900	Utilities - Other	\$11,858.90	\$1,946.64	\$0.00	\$1,946.64	\$13,805.54
	83030-5950-100	Utlities - Telephone/Fa	\$566.65	\$91.98	\$0.00	\$91.98	\$658.63
	83030-5950-900	Utilities - Telephone/Fa	\$952.00	\$176.00	\$0.00	\$176.00	\$1,128.00
	83050-5950-100	Utlities - Water	\$1,140.47	\$291.05	\$0.00	\$291.05	\$1,431.52
	84040-5950-950	Adv/Promo - Mktg/Bus	\$7,951.97	\$569.00	\$0.00	\$569.00	\$8,520.97
	84050-5950-950	Adv/Promo - Newslette	\$0.00	\$75.00	\$0.00	\$75.00	\$75.00
	84080-5950-950	Adv/Promo - Promotioi	\$4,072.07	\$774.53	\$0.00	\$774.53	\$4,846.60
	85020-5950-900	Bank Charges	\$342.98	\$317.58	\$60.00	\$257.58	\$600.56
	85050-5950-900	Cash Short/(Over)	(\$740.64)	\$6,096.38	\$5,302.33	\$794.05	\$53.41
	85060-5950-900	Cell Phone	\$900.00	\$125.00	\$0.00	\$125.00	\$1,025.00
	85070-5950-900	City Surcharge R & R	\$21,024.04	\$3,876.56	\$0.00	\$3,876.56	\$24,900.60
	85110-5950-900	Copier/Photocopies	\$955.48	\$0.00	\$0.00	\$0.00	\$955.48

	85120-5950-900	Credit Card Discounts	\$11,571.97	\$2,208.46	\$0.00	\$2,208.46	\$13,780.43
	85150-5950-900	Dues & Subscriptions	\$250.00	\$258.82	\$0.00	\$258.82	\$508.82
	85160-5950-900	Education & Training	\$210.00	\$0.00	\$0.00	\$0.00	\$210.00
	85190-5950-100	Employee Relations	\$0.00	\$91.10	\$0.00	\$91.10	\$91.10
	85190-5950-900	Employee Relations	\$1,194.06	\$0.00	\$0.00	\$0.00	\$1,194.06
	85280-5950-900	Insurance Expense	\$23,277.08	\$3,986.96	\$231.00	\$3,755.96	\$27,033.04
	85320-5950-900	Member Relations	\$282.54	\$44.28	\$44.28	\$0.00	\$282.54
	85330-5950-900	Messenger Service - Fee	\$235.16	\$14.02	\$0.00	\$14.02	\$249.18
	85340-5950-950	Miscellaneous	\$40.55	\$0.00	\$0.00	\$0.00	\$40.55
	85390-5950-900	O/S - Accounting	\$12,000.00	\$0.00	\$0.00	\$0.00	\$12,000.00
	85410-5950-900	O/S - Legal	\$80.00	\$0.00	\$0.00	\$0.00	\$80.00
	85430-5950-100	O/S - Other	\$3,875.00	\$0.00	\$0.00	\$0.00	\$3,875.00
	85430-5950-900	O/S - Other	\$76.96	\$0.00	\$0.00	\$0.00	\$76.96
	85480-5950-900	Payroll Processing Fee	\$2,392.10	\$305.30	\$0.00	\$305.30	\$2,697.40
	85490-5950-900	Postage/Shipping	\$170.64	\$49.00	\$0.00	\$49.00	\$219.64
	85610-5950-540	Tax/Licenses/Fees	\$273.00	\$1,420.00	\$0.00	\$1,420.00	\$1,693.00
	85610-5950-900	Tax/Licenses/Fees	(\$180.00)	\$0.00	\$381.30	(\$381.30)	(\$561.30)
	85660-5950-540	Loss/Theft	\$1,974.89	\$1,601.45	\$0.00	\$1,601.45	\$3,576.34
	85710-5950-900	Travel - Meals	\$53.57	\$0.00	\$0.00	\$0.00	\$53.57
	85720-5950-100	Travel - Other	\$600.00	\$0.00	\$0.00	\$0.00	\$600.00
	85720-5950-900	Travel - Other	\$4,160.02	\$2,626.53	\$6.67	\$2,619.86	\$6,779.88
	85720-5950-950	Travel - Other	\$107.02	\$60.80	\$0.00	\$60.80	\$167.82
	89020-5950-900	Employee Meals	\$1,186.07	\$208.74	\$0.00	\$208.74	\$1,394.81
	90000-5950-900	Management Fee	\$44,117.06	\$7,369.51	\$0.00	\$7,369.51	\$51,486.57
	98010-5950-900	Deprec - Office F,F&E	\$923.82	\$153.97	\$0.00	\$153.97	\$1,077.79
	98020-5950-900	Deprec - Mach & Equip	\$585.30	\$97.55	\$0.00	\$97.55	\$682.85
	98040-5950-900	Deprec - Buildings	\$1,700.70	\$283.45	\$0.00	\$283.45	\$1,984.15
	RCMWD-5950-100	Rounds - Complimentary	8,691.00	150	0	150	8,841.00
	REMWD-5950-100	Rounds - Employee - Weekly	15,334.00	94	0	94	15,428.00
	RMBWD-5950-100	Rounds - Member - Weekly	47,621.00	426	0	426	48,047.00
	RPKWD-5950-100	Rounds - Peak - Weekly	263,327.00	3,936.00	0	3,936.00	267,263.00
	RPKWE-5950-100	Rounds - Peak - Weekly	5,071.00	0	0	0	5,071.00
Accounts	Beginning Balance		Debit	Credit	Net Change	Ending Balance	
Grand Totals:	189	\$0.00	\$761,251.02	\$761,251.02	\$0.00	\$0.00	

User ID: ssnider

User ID: ssnider

User ID: ssnider

The Golf Club at Cypress Head

DATE: 4/30/15 EVALUATION

**Operated by
KEMPERSPORTS Management**

Course:	The Golf Club at Cypress Head
Contract Administrator	Susan Lovallo
KSM Representatives	Jody Graham
General Manager	Mike Collins
Superintendent	Dennis Pickavance

Prepared by:
Kemper Sports Management, Inc.
500 Skokie Blvd. Suite 444
Northbrook, IL. 60062

<u>1. Golf Shop</u>	<u>Evaluation</u>			
A. Cleanliness/Orderly	7.5	10/14	7.5	04/15
	7.5	11/14		05/15
B. Appearance	7.5	12/14		06/15
	7.5	01/15		07/15
C. Displays	7.5	02/15		08/15
	7.5	03/15		09/15
D. Inventory				

Comments: We started reducing the inventory with discounting remaining apparel.

<u>2. Administrative Offices</u>	<u>Evaluation</u>			
A. Cleanliness/Orderly	7.5	10/14	7.5	04/15
	7.5	11/14		05/15
B. Appearance	7.5	12/14		06/15
	7.5	01/15		07/15
C. Equipment	7.5	02/15		08/15
	7.5	03/15		09/15

Comments:

<u>3. Restaurant / Bar</u>	<u>Evaluation</u>			
A. Cleanliness/Orderly	8.7	10/14	7.0	04/15
	8.7	11/14		05/15
B. Appearance	8.7	12/14		06/15
	8.7	01/15		07/15
C. Tables and Chairs	8.7	02/15		08/15
	8.7	03/15		09/15

Comments: Closing process of bar and restaurant
Alcohol has been secured, oven hood has been cleaned and final cleaning needs to be addressed.

<u>4. Banquet Room</u>	<u>Evaluation</u>			
A. Cleanliness/Orderly	7.4	10/14	7.0	04/15
	7.4	11/14		05/15
B. Appearance	7.4	12/14		06/15
	7.4	01/15		07/15
C. Tables and Chairs	7.4	02/15		08/15
	7.3	03/15		09/15

Comments: Area has been secured; final cleaning needs to be addressed.

<u>5. Kitchen</u>	<u>Evaluation</u>			
A. Customer Service	7.1	10/14	7.0	04/15
	7.1	11/14		05/15
B. Cleanliness	7.1	12/14		06/15
	7.1	01/15		07/15
C. Equipment	7.1	02/15		08/15
	7.1	03/15		09/15

Comments: Area has been secured; final cleaning needs to be addressed

<u>6. Club House Restrooms / Hallway</u>		<u>Evaluation</u>	
A. Cleanliness	8.1	10/14	8.0 04/15
	8.1	11/14	
B. Equipment	8.1	12/14	06/15
	8.1	01/15	
C. Appearance	8.1	02/15	08/15
	8.1	03/15	
D. Odor			09/15

Comments: Area has been secured; final cleaning needs to be addressed

<u>7. Entrance/Ext. Clubhouse/Cart Barn</u>		<u>Evaluation</u>	
A. Landscape	8.3	10/14	8.3 04/15
	8.3	11/14	
B. Signage	8.3	12/14	06/15
	8.3	01/15	
C. Parking Lot	8.3	02/15	08/15
	8.3	03/15	
D. Cement Walkways			09/15

Comments: Area has been secured;

<u>8. First Tee Area / Putting Green / Range Evaluation</u>			
A. Cut	8.1	10/14	8.0 04/15
	8.1	11/14	
B. Health	8.1	12/14	06/15
	8.1	01/15	
C. Starter Area	8.1	02/15	08/15
	8.1	03/15	
D. Bag Drop			09/15

Comments: Area has been secured; repairs needed on starter building due to rot and mildew.

<u>9. Tee Conditions-Overall</u>		<u>Evaluation</u>	
A. Cut	7.5	10/14	7.5 04/15
	7.5	11/14	
B. Health	7.5	12/14	06/15
	7.5	01/15	
C. Appearance	7.5	02/15	08/15
	7.5	03/15	
D. Playability			09/15

Comments: Some tee boxes will be leveled and expanded in the future.

<u>10. Fairway Conditions</u>		<u>Evaluation</u>	
A. Cut	7.7	10/14	7.8 04/15
	7.8	11/14	
B. Health	7.8	12/14	06/15
	7.8	01/15	
C. Appearance	7.8	02/15	08/15
	7.8	03/15	
D. Playability			09/15

Comments: Conditions are good.

11. Primary Rough Conditions	Evaluation			
A. Health	6.9	10/14	7.0	04/15
	7.0	11/14		05/15
B. Cut	7.0	12/14		06/15
	7.0	01/15		07/15
C. Appearance	7.0	02/15		08/15
	7.0	03/15		09/15
D. Playability				

Comments: In good shape.

12. Common Rough Conditions	Evaluation			
A. Health	6.5	10/14	6.6	04/15
	6.6	11/14		05/15
B. Cut	6.6	12/14		06/15
	6.6	01/15		07/15
C. Appearance	6.6	02/15		08/15
	6.6	03/15		09/15
D. Playability				

Comments: In good shape.

13. Greens Conditions	Evaluation			
A. Health			5.0	04/15
	8.1	10/14		
B. Cut	8.2	11/14		05/15
	8.2	12/14		06/15
C. Appearance	8.2	01/15		07/15
	8.2	02/15		08/15
D. Playability	8.2	03/15		09/15

Comments: The greens are being prepared for a complete renovating.

14. Bunkers	Evaluation			
A. Appearance	3.4	10/14	3.4	04/15
	3.4	11/14		05/15
B. Texture	3.4	12/14		06/15
	3.4	01/15		07/15
C. Playability	3.4	02/15		08/15
	3.4	03/15		09/15
D. Conditions				

Comments: Several green side bunkers are scheduled for repair during renovation.

15. Course Restrooms	Evaluation			
	6.4	10/14	6.3	04/15
	6.3	11/14		05/15
	6.3	12/14		06/15
	6.3	01/15		07/15
	6.3	02/15		08/15
	6.3	03/15		09/15

Comments: These are in ok good shape for their age but need repair and replacement work.

<u>16. Cart Paths</u>	<u>Evaluation</u>			
A. Edging	6.9	10/14	6.9	04/15
	6.9	11/14		05/15
B. Trimming of shrubs	6.9	12/14		06/15
	6.9	01/15		07/15
C. Tee Signs / Beds	6.9	02/15		08/15
	6.9	03/15		09/15
D. Curbing / Corners				
E. Bridges				

Comment: Overall the paths are in pretty good condition. There are areas that need to still be repaired. Majority of edging was completed.

<u>17. Fertilizer & Chemical Program</u>	<u>Evaluation</u>			
A. Records	6.5	10/14	6.5	04/15
	6.5	11/14		05/15
B. Up-Date	6.5	12/14		06/15
	6.5	01/15		07/15
C. Per Maintenance Plan	6.5	02/15		08/15
	6.5	03/15		09/15
D. Material Storage				

Comments: Overall in good order.

<u>18. Maintenance Equip. Fleet Conditions</u>	<u>Evaluation</u>			
A. Preventative Care	5.0	10/14	5.0	04/15
	5.0	11/14		05/15
B. Appearance	5.0	12/14		06/15
	5.0	01/15		07/15
C. Storage Area	5.0	02/15		08/15
	5.0	03/15		09/15
D. Maintenance				

Comments: We currently have the necessary equipment on hand but some pieces need more repairs.

<u>19. Maintenance Facility</u>	<u>Evaluation</u>			
A. Surrounding Compound	5.3	10/14	5.3	04/15
	5.3	11/14		05/15
B. Offices & Break Room	5.3	12/14		06/15
	5.3	01/15		07/15
C. Safety Hazards	5.3	02/15		08/15
	5.3	03/15		09/15
D. Pump House Cleanliness				

Comments: Overall the building infrastructure is ok.

<u>20. Golf Cart Fleet</u>	<u>Evaluation</u>		
A. Appearance	8.5	10/14	4.0 04/15
	8.4	11/14	05/15
B. Mechanical function	8.2	12/14	06/15
	7.9	01/15	07/15
C. Batteries Watered	7.5	02/15	08/15
	7.4	03/15	09/15

Comments: The fleet is now extending past the normal amount of time kept. This has resulted in more repairs.

The purpose of the evaluation is to assure that the golf course continues to move forward in a positive direction, and if there are weaknesses, we address them as soon as possible.

The final ratings will be based on the categories listed, plus the feeling, ideas and experience of the raters. Any suggestions or changes made by the raters should be addressed at once. The ratings are based on a scale of 1 – 10.

Rating Summary:

Needs Improvement 1.0 to 4.9

Average: 5.0

Good: 6.0

Excellent: 7.0

Outstanding: 8.0 to 10.0

Current Overall Rating:	7.07	10/14	6.5	04/15
	7.08	11/14		05/15
	7.07	12/14		06/15
	7.06	01/15		07/15
	7.04	02/15		08/15
	7.04	03/15		09/15

April Weather, Revenue, Rounds Summary 2014 Vs. 2015

	2014	2015	2014	2015	2014	2015	2014	2015	Overcast, Frost, or Cart Path Only 2014	Overcast, Frost, or Cart Path Only 2015
	Low Temp	Low Temp	High Temp	High Temp	Precip	Precip	Rounds	Rounds		
1	56	63	81	78	0	0	206	179		
2	56	65	82	80	0	0	166	186		
3	59	64	82	82	0	0	186	205		
4	60	64	84	85	0	Trace	201	190		
5	63	69	84	85	0	0	56	107		
6	61	68	82	84	0	0	211	186		
7	68	67	82	85	0	0	221	190		
8	73	68	75	87	0.8	0	111	184	Rain	
9	56	67	78	87	0	0	307	180		
10	59	65	76	86	0	0	187	207		
11	57	70	80	82	0	0.6	122	178		
12	62	70	81	80	0	0.9	189	154		
13	64	70	82	78	0	0.5	158	134		
14	70	66	82	82	0.05	0	213	173	Rain	
15	70	68	78	84	0	2	147	154		
16	50	68	72	76	0	0.05	187	142		
17	61	69	78	77	0	0	177	124		
18	70	68	81	84	0.5	0	145	106		
19	67	70	79	84	0	0.2	195	141		
20	61	68	78	84	0	0.6	106	120		
21	60	68	77	86	0	0	174	156		
22	58	66	80	80	0	0	214	191		
23	59	68	82	84	0	0.45	195	153		
24	62	70	85	82	0.15	0	166	168	Rain	
25	65	70	88	87	0	0	198	38		
26	67	75	88	84	0	0.3	158	76		
27	68	72	86	80	0	0.1	166	107		
28	72	70	92	80	0	0	177	145		
29	73	70	92	82	1.5	0	153	139	Rain	
30	72	68	84	78	1.2	0	106	193	Rain	
31										
	63.3	68.1	81.7	82.4	4.2	5.7	5198	4606	5	
Historical Average Difference	58		80		2.18					
		4.83		0.73						
Day Effected by Weather -										

Invoice		Repair/Replacement Description	Reference Number	Total Cost	Payment	Payment
Date	Vendor Name				Dates	Amounts
11/10/2002	Scott Barnes Pine Straw	600 Bales of Pinestraw	1730	\$1,730.00	12/26/2002	\$1,730.00
2/25/2003	Jeff Appleford	Landscaping	Landscape	\$160.00	2/25/2003	\$160.00
2/25/2003	Mike Cooper	Landscaping	Landscape	\$305.00	2/25/2003	\$305.00
2/25/2003	Don Mashaw	Landscaping	Landscape	\$55.00	2/25/2003	\$55.00
2/12/2003	Kate Minnock	Wood Armed Chairs - Big Lots	1555-7296	\$170.38	2/12/2003	\$170.38
2/20/2003	Keller Outdoor	50% on Landscape Plants	Landscape	\$19,864.50	3/11/2003	\$9,147.63
3/5/2003	Lowes	Shelves, Bridge Repair	4327	\$426.91	3/12/2003	\$426.91
3/7/2003	Kate Minnock	Golf Cabinet	Lobby	\$188.70	3/7/2003	\$188.70
3/10/2003	Door Specialists	Exterior Door replacement	Clubhouse		3/10/2003	\$2,500.00
3/5/2003	Scott Barnes Pine Straw	1161 Bales of Pinestraw	1754	\$3,105.68	3/10/2003	\$3,105.68
4/1/2003	Diversified Flooring	Tile & Carpet	9382	\$8,800.00	14-Apr	\$8,800.00
4/1/2003	BRS	Banquet Equipment	345413	\$385.70		
4/2/2003	BRS	Banquet Equipment	345416	\$321.68		
4/9/2003	BRS	Banquet Equipment	345419	\$355.56	4/14/2003	\$1,062.94
4/3/2003	Keller Outdoor	Landscaping Final	LANDSCAPE		4/14/2003	\$10,716.87
4/1/2003	Better Baricades	Sealing & Restripping Parking	621366	\$4,753.55	4/14/2003	\$4,753.55
4/4/2003	Masterpiece	Baseboard	E165	\$325.00	4/14/2003	
4/1/2003	Masterpiece	Cabinets in Bathroom	1050	\$2,395.00	4/14/2003	\$1,522.50
4/10/2003	Door Specialists	Door Replacement	8667	\$5,325.00	4/14/2003	\$2,825.00
5/1/2003	Masterpiece	Cabinets in Bathroom	1050		5/9/2003	\$2,395.00
5/2/2003	Masterpiece	Mirrors in Bathroom	E175	\$825.00	5/9/2003	\$825.00
5/6/2003	Jaztak	Signs - Parking area	150	\$952.88	5/16/2003	\$952.88
5/1/2003	Masterpiece	Refund of Overpay on Cabinets	1050		6/6/2003	-\$1,197.50
5/22/2003	Lab Safety	Safesmoker Ashtrays (3)	1003328390	\$137.29	6/1/2003	\$137.29
1/26/2004	Simplex Grinnell	Ansul System Kitchen	MD396	\$1,602.83	1/26/2004	\$1,602.83
1/27/2004	Sun-Con Concrete	Sidewalk Repairs	Sidewalks	\$2,736.60	1/27/2004	\$2,736.60
1/31/2004	Wades Bailed Pine Straw	Replacement Pine Straw	W20	\$2,500.00	1/31/2004	\$2,500.00
2/26/2004	Blythe's Garage Door	Garage Door Maintenance	3205	\$3,300.00	2/26/2004	\$3,300.00
3/17/2004	Sams Club	Metal Cabinet	407700321334	\$106.23	3/17/2004	\$106.23
5/18/2004	Simplex Grinnell	Fire Extinguishers	315257	\$789.70	5/18/2004	\$789.70
7/1/2004	RJ Landscape Contractors	Plants, Trees and Irrigation Parking Area	5/14 proposal	\$3,875.00	7/9/2004	\$3,875.00
9/1/2004	Bryson Crane Rental	Replace Pump	211	\$255.00	9/23/2004	\$255.00
9/14/2004	Nationwide Protect. Ser.	Duct Smoke Detectors and Samp Tubes	37371	\$1,574.32	9/23/2004	\$1,574.32
9/30/2004	DH Rainwater	Replacement of Door Locks	5818	\$377.00	9/30/2004	\$377.00
9/28/2004	Watertronics	60HP VHS Motor (Pump)	53353	\$2,675.00	10/7/2004	\$2,675.00
10/7/2004	Watertronics	credit for Crane Service on Pump	53353-cm	-\$225.00	10/7/2004	-\$225.00
10/15/2004	Joe Millers Mulch	Mulch replacement	2012	\$990.45	10/15/2004	\$990.45
10/19/2004	Angela's	Kitchen Equip.-Waffle Mach & Burners	84994	\$330.15	10/19/2004	\$330.15
10/21/2004	Scott Barnes Pine Straw	Baled Pinestraw	1907	\$2,846.20	10/21/2004	\$2,846.20
10/25/2004	Joe Millers Mulch	Mulch replacement	2015	\$223.65	10/25/2004	\$223.65
12/8/2004	Grainger	Mirror for Cart Crossing	945-030473-9	\$133.16	12/23/2005	\$133.16
1/27/2005	Angela's	Bar Stools (8)	87071	\$1,090.20	1/27/2005	\$1,090.20

2/1/2005	Coastal Restaurant	Reachin Freezer	5733	\$1,485.67	2/1/2005	\$1,485.67
3/22/2005	Buchanan Electric	Range/Parking light replacement	22042	\$1,293.25	3/22/2005	\$1,293.25
4/5/2005	Rick's Trucking	Pine Straw	Pine Straw	\$2,446.25	4/5/2005	\$2,446.25
4/7/2005	Rick's Trucking	Pine Straw	1214	\$2,446.25	4/7/2005	\$2,446.25
4/11/2005	Port Orange AC	Ventalation Fans Clubhouse Restrooms	3911	\$1,197.06	4/11/2005	\$1,197.06
5/1/2005	Conrad Yelvington	Sod	Sod	\$111.50	5/1/2005	\$111.50
5/1/2005	GCS Service	Grill for Kitchen	421530	\$843.68	5/1/2005	\$843.68
5/1/2005	WW Grainger	Bev Cart Trailer	9457291061	\$141.08	5/1/2005	\$141.08
6/1/2005	Lesco	3 Park Benches	6LNXU8A	\$1,293.98	6/1/2005	\$1,293.98
6/1/2005	Lesco	1 Park Bench	6LNXU8A	\$445.20	6/1/2005	\$445.20
6/10/2005	CMS Plumbing	Water Heater Computer Replacement	Water Heater	\$320.00	6/10/2005	\$320.00
6/23/2005	Port Orange AC	A/C Compressors 2 units	3991	\$2,989.46	6/23/2005	\$2,989.46
6/28/2005	Port Orange AC	A/C Compressors 2 units	3996	\$34.08	6/28/2005	\$34.08
7/11/2005	Port Orange AC	Cooler Compressor 1 unit	4013	\$973.37	7/11/2005	\$973.37
8/1/2005	M & M Sales & Service	Irrigation pump	7775	\$9,390.00	8/1/2005	\$9,390.00
8/1/2005	Port Orange AC	A/c Dual Capacitor Replacement	4064	\$168.27	8/1/2005	\$168.27
8/1/2005	Port Orange AC	Ice Machine Computer Board&Transformer	4065	\$538.89	8/1/2005	\$538.89
9/1/2005	Corbett Crane	Reset Pump	30751	\$288.90	9/1/2005	\$288.90
9/1/2005	Corbett Crane	Pull Pump	30690	\$288.90	9/1/2005	\$288.90
9/2/2005	Buchanan Electric	Pump Irrigation	22500	\$497.98	9/2/2005	\$497.98
9/2/2005	Buchanan Electric	Pump Irrigation	22499	\$2,184.75	9/2/2005	\$2,184.75
9/13/2005	Corbett Crane	Pump Irrigation	31290	\$288.90	9/13/2005	\$288.90
9/20/2005	Corbett Crane	Motor for Pump	31308	\$321.00	9/20/2005	\$321.00
9/25/2005	M & M Sales & Service	Pump Irrigation	7804	\$2,900.00	9/25/2005	\$2,900.00
9/30/2005	AIG Insurance	Pump Insurance Claim Funds	Insurance Funds	-\$523.54	9/30/2005	-\$523.54
12/7/2005	Agricultural Permitting	Meter Compliance Services	633	\$784.20	12/7/2005	\$784.20
12/13/2005	Buchanan Electric	Range Light Replacement	22730	\$3,350.00	12/13/2005	\$3,350.00
12/20/2005	Rick's Trucking	Pine Straw	1480	\$2,350.00	12/20/2005	\$2,350.00
2/3/2006	Pro Plus	Tank instalment 1 of 2	Tank	\$250.00	2/3/2006	\$250.00
2/6/2006	D. Koerner	Security System - Cameras and Recorder	Sec Sys	\$620.27	2/6/2006	\$620.27
2/8/2006	JBT & Associates	Computer Monitor Proshop	105585	\$735.00	2/8/2006	\$735.00
3/1/2006	Port Orange AC	Repair Gaskets Reach In Fridge	4299	\$406.00	3/1/2006	\$406.00
3/3/2006	Pro Plus	Tank instalment 2 of 2	Tank	\$250.00	3/3/2006	\$250.00
5/1/2006	JBT & Associates	Printer Proshop Labels for Handicap	105775	\$99.00	5/1/2006	\$99.00
5/16/2006	Port Orange Electric	Range Light Repair	264	\$100.00	5/16/2006	\$100.00
5/30/2006	Port Orange Electric	Range Light Repair - New Transformer	1572	\$1,950.00	5/30/2006	\$1,950.00
6/15/2006	Spook Tech	Alarm Repairs	Keypads	\$325.00	6/15/2006	\$325.00
7/1/2006	Diversified Flooring	Carpet Clubhouse	CG600370	\$8,650.00	7/7/2006	\$8,650.00
8/24/2006	Blackfoot	Drain Replacement - Part 1 of 2	Drain Replace	\$16,000.00	8/24/2006	\$16,000.00
9/1/2006	Port Orange AC	Compressor Replacement	4519	\$2,980.00	9/1/2006	\$2,980.00
1/1/2007	Rob's K-Bear Aluminum	Clubhouse - Restaurant Banquet Room Enclosures	6380	\$7,250.00	1/1/2007	\$7,250.00
1/3/2007	K. Minnock	Clubhouse - Restaurant Mats for New Carpet	Door Mats	\$503.00	1/3/2007	\$503.00
1/26/2007	AAA Asphalt	Clubhouse - Restaurant & Proshop Entranceways	70214	\$4,584.00	1/26/2007	\$4,584.00
3/15/2007	Angela's	Kitchen Upgrade - Hosiyaki Ice Machine	103238	\$2,480.00	3/15/2007	\$2,480.00
3/23/2007	Dennis' Repair & Service	Kitchen Upgrade - Install on Steamer	5741	\$680.80	3/23/2007	\$680.80
3/29/2007	Angela's	Kitchen Upgrade - Steamer Purchase	103469	\$2,627.80	3/29/2007	\$2,627.80

5/15/2007	Becks Landscape	Course Upgrade - Pavers	50% deposit	\$4,683.50	5/15/2007	\$4,683.50
7/1/2007	Suntrust	Proshop & Rest Upgrades - FD100 CC mach	Cred Card Mach	\$1,429.05	7/1/2007	\$1,429.05
7/4/2007	Lowes	Clubhouse - Restaurant Lights	Koerner Cc	\$870.00	7/4/2007	\$870.00
7/12/2007	Buchanan Electric	Clubhouse - Restaurant Lights	Install 24068	\$279.72	7/12/2007	\$279.72
7/20/2007	Blackfoot	Golf Course - Final Drain Replacement	2	\$8,011.36	7/20/2007	\$8,011.36
7/25/2007	Becks Landscape	Golf Course - Pavers	192	\$4,683.50	7/25/2007	\$4,683.50
9/27/2007	Southern Equipment	Clubhouse - Trash Receptacles	73711	\$1,266.00	9/27/2007	\$1,266.00
10/22/2007	Buchanan Electric	Clubhouse- Replace Lighting	24229	512.05	10/22/2007	\$512.05
11/4/2007	Lowes	Clubhouse- Replace Lighting	City CC Exp	576.00	11/4/2007	\$576.00
11/13/2007	GCS Service	Kitchen - Replace Grill	90233548	1,227.59	11/13/2007	\$1,227.59
1/23/2008	Atlantic Communications	Clubhouse - Phone System	4245	4,090.00	1/23/2008	\$4,090.00
2/1/2008	Easy Picker	Golf Course - Ball Washer	311431	1,636.15	2/1/2008	\$1,636.15
2/12/2008	Capital Office Products	Clubhouse - File Cabinet	2336713-0	215.49	2/12/2008	\$215.49
3/1/2008	Capital Office Products	Delete File Cabinet - Move to Office Expense	Delete	-215.49	3/1/2008	-\$215.49
3/1/2008	Port Orange A/c	Clubhouse- AC Replacement		1,575.00	3/1/2008	\$1,575.00
3/10/2008	Boundaries & Barriers	Golf Course - Gate at Course Maintenance	493633	1,030.00	3/10/2008	\$1,030.00
3/31/2008	Port Orange A/c	Clubhouse - Replace A.C	5108	1,332.00		\$1,332.00
5/22/2008	Port Orange A/c	Clubhouse - Water and Ice dispenser	City Purchase Direct from Vendor			\$5,475.41
6/12/2008	Port Orange A/c	Clubhouse - Replace A.C	5179	4,507.00	6/12/2008	\$4,507.00
9/24/2008	Easy Picker	Golf Course - Ball Dispenser	321910	2,853.00	10/2/2008	\$2,853.00
4/14/2009	Instawares	Clubhouse- Beer Dipenser TDD2	City Purchase Direct from Vendor		4/18/2009	\$1,949.22
4/1/2009	JBT & Associates	Clubhouse- 2003 File Server & Install	City Purchase Direct from Vendor		4/21/2009	\$1,369.00
5/11/2009	Instawares	Clubhouse- T49F Freezer two door	City Purchase Direct from Vendor		5/11/2009	\$3,215.00
7/21/2009	Don Koerner	Clubhouse - 55" TV from Walmart	City Purchase Direct from Vendor		7/21/2009	\$1,686.96
11/13/2009	Instawares	Restaurant Upgrades - Charbroiler 48"	City Purchase Direct from Vendor		11/30/2009	\$4,024.35
12/23/2009	Instawares	Restaurant Upgrades - Undercounter Freezer	City Purchase Direct from Vendor		12/30/2009	\$1,931.00
1/29/2010	Halifax Plumbing	Clubhouse- Replace fixtures & Water Foun	City Purchase Direct from Vendor		2/9/2010	\$1,745.00
1/21/2010	AAA Fence	Golf Course - Cart Barn Gate Replace 4	City Purchase Direct from Vendor		3/1/2010	\$1,125.00
3/24/2010	Buchanan Electric	Clubhouse- Replace fixtures & repair fixtures	City Purchase Direct from Vendor		4/15/2010	\$5,461.00
3/24/2010	Buchanan Electric	Clubhouse - Restroom Motion Switches Track Lights Patio	City Purchase Direct from Vendor		5/17/2010	\$3,750.00
4/19/2010	Fore Reservations	Clubhouse - Replace Computer program	City Purchase Direct from Vendor		6/10/2010	\$7,859.28
3/14/2010	Buchanan Electric	Clubhouse -Repairs Emergency lights	City Purchase Direct from Vendor		6/14/2010	\$1,550.00
3/24/2010	Buchanan Electric	Golf Course - Sprinkler Control Power	City Purchase Direct from Vendor		7/6/2010	\$3,175.00
7/19/2010	Guardian Security	Golf Course - Security System Cart Barn	City Purchase Direct from Vendor		6/28/2010	\$1,223.00
8/6/2010	Kempersports Management	Great Plains Software Purchase Reimbursal	12893	\$1,888.60	8/6/2010	\$1,888.60
11/16/2010	MC Information	Great Plains Installation	1205	\$1,000.00	11/16/2010	\$1,000.00

11/2/2010 Bryson Crane	Golf Course - Pump Replacement	11218	\$587.10	1-Nov	\$587.10
11/2/2010 M&M Sales	Golf Course - Pump Replacement	8496	\$1,760.00	2-Nov	\$1,760.00
11/24/2010 Buchanan Electric	Clubhouse Project # 3- Replace Fans and Other	25325	\$4,002.00	24-Nov	\$4,002.00
12/3/2010 Buchanan Electric	Cart Barn Project # 1 - Replace Flor Lgts to T8	25330	\$3,290.00	6-Dec	\$3,290.00
12/7/2010 Prestige Carpet	Clubhouse Project # 3 - Carpet Patio	40187	\$5,080.90	7-Dec	\$5,080.90
12/7/2010 Signarama	Clubhouse Project # 2 - Replace Sign on Building	8394	\$1,990.00	7-Dec	\$1,990.00
12/9/2010 Prestwick Golf Group	Range Project #4 - Club Washer	639973	\$363.16	9-Dec	\$363.16
12/9/2010 Bullseye LLC	Clubhouse Project # 3- Paint Dining and Hall	4021	\$4,750.00	9-Dec	\$4,750.00
12/13/2010 Buchanan Electric	Range Project #4 - Replace Lights on Range	25334	\$2,575.00	17-Dec	\$2,575.00
1/1/2011 Range Mart	of Range	12111	\$1,312.88	13-Jan	\$1,312.88
2/1/2011 Port Orange A/C	Golf Course - Ice Machine Bin Replacement Cart Barn	6258	\$1,997.00	1-Feb	\$1,997.00
2/4/2011 Sparks Concrete	Golf Course - Cart Path Repair and Replacement	21011	\$2,990.00	10-Feb	\$2,990.00
5/18/2011 Sparks Concrete	Golf Course - Cart Path Repair and Replacement	51811	\$1,863.00	18-May	\$1,863.00
5/18/2011 Sparks Concrete	Golf Course - Cart Path Repair and Replacement	51811	\$824.50	6/6/2011	\$824.50
6/6/2011 Pro Plus Golf Services	Golf Course - Poly Tank Replacement	27597	\$2,500.00	15-Jun	\$2,500.00
7/22/2011 Bullseye LLC	Clubhouse - Paint Trim Black on Clubhouse Exterior	8811	\$1,750.00	8-Aug	\$1,750.00
6/23/2011 New Horizon Const.	Golf Course - Bridge Repair and Replacement	#17	\$2,500.00	9-Aug	\$2,500.00
9/9/2011 Atlantic Communications	Clubhouse - Phone System (partial paid by Insurance \$1170.00)	C7033	\$3,670.00	13-Sep	\$3,670.00
10/5/2011 Souther Paint & Supply	Clubhouse - Wall covering to deal with Sound issue in Restaurant	D178536	\$1,979.60	21-Oct	\$1,979.60
10/7/2011 Bullseye LLC	Clubhouse - Paint Exterior remaining area	66270	\$1,250.00	25-Oct	\$1,250.00
10/5/2011 New Horizon Const.	Golf Course - Bridge Repair and Replacement #2	62232	\$5,890.00	24-Oct	\$5,890.00

11/3/2011 Giles Electric	Clubhouse - Recessed Lights	66234	\$3,900.00	3-Nov	\$3,900.00
11/3/2011 New Horizon Const.	Golf Course - Bridge Repair and Replacement #4	66467	\$6,170.00	30-Dec	\$6,170.00
10/28/2011 Bullseye LLC	Cartbarn - Paint Exterior	66455	\$1,925.00	5-Dec	\$1,925.00
11/3/2011 New Horizon Const.	Golf Course - Bridge Repair and Replacement #4	66467	\$6,170.00	30-Nov	\$6,170.00
11/28/2011 Roto Rooter	Clubhouse - Drain Work	66495	\$975.00	5-Dec	\$975.00
11/28/2011 Port Orange AC	Clubhouse - Ventilation Kitchen	66494	\$1,400.00	2-Dec	\$1,400.00
11/3/2011 New Horizon Const.	Golf Course - Bridge Repair and Replacement #8	66467	\$15,720.00	5-Dec	\$15,720.00
11/15/2011 AAA Fence	Cartbarn - Fence Replacement	SS121125	\$1,275.00	1-Feb	\$1,275.00
2/23/2012 New Horizon Const.	Golf Course - Bridge Repair & Replacement #12	SS12222	\$18,000.00	28-Feb	\$18,000.00
6/12/2012 Halifax Plumbing	Clubhouse - Installation of Water Heater	37560	\$700.00	14-Jun	\$700.00
6/13/2012 Amerigas - Holly Hill	Clubhouse - 75 Gal Gas Water Heater	067090	\$2,368.78	14-Jun	\$2,368.78
7/17/2012 Instawares	Clubhouse - True Reachin Fridge TUC -48	067156	\$1,810.00	25-Jul	\$1,810.00
8/3/2012 Port Orange AC	Clubhouse - 5 Ton AC Ruud/Rheem Heat pump (Patio)	067200	\$3,980.00	16-Aug	\$3,980.00
11/1/2012 Port Orange AC	Clubhouse - New Ice Machine Kitchen & New Ice and Water Machine Lobby	67562	\$11,552.00	1-Nov	\$11,552.00
11/4/2012 Bruce Haglund Contractor	Clubhouse - New T8 Light Fixtures	67613	\$2,609.00	4-Nov	\$2,609.00
11/6/2012 Halifax Plumbing	Clubhouse - New Toilets Mens & Ladies Rooms	67622	\$3,065.00	9-Nov	\$3,065.00
12/26/2012 Sparks Concrete	Clubhouse & Cartbarn Areas - Move Dumpsters	67636	\$21,730.00	27-Dec	\$21,730.00
12/21/2012 R&R Industries	Clubhouse & Maintenance Building Gutters	67616	\$6,425.00	21-Dec	\$6,425.00
1/15/2013 Pro Plus Golf Services	Golf Course- Flow Meter Replacement	67881	\$2,000.00	5-Feb	\$2,000.00

2/21/2013	Halifax Plumbing	Golf Course- Toilets in Course restrooms #6	67821	\$1,420.00	21-Feb	\$1,420.00
2/21/2013	Instawares	Clubhouse - TBB-4 Bar Back Cooler	67956	\$2,406.43	25-Feb	\$2,406.43
4/4/2013	Instawares	Clubhouse - Imperial Range	68084	\$8,093.89	30-Apr	\$8,093.89
6/4/2013	Adalite	Clubhouse - Replace Cabinet in Mens room	67940	\$957.00	4-Jun	\$957.00
6/17/2013	Sparks Concrete	Golf Course - Grind Paths	68197	\$1,675.00	17-Jun	\$1,675.00
6/26/2013	Halifax Plumbing	Clubhouse - Reconnect faucets and Replace Urinals	67941	\$1,005.00	26-Jun	\$1,005.00
7/1/2013	Port Orange AC	Clubhouse- Hoshizaki Ice Machine	68265	\$3,368.00	8-Jul	\$3,368.00
9/19/2013	US Food Service	Clubhouse - Hot dog broiler and Mixer	68405	\$2,623.60	19-Sep	\$2,623.60

Invoice Date	Vendor Name	Repair/Replacement Description	Reference Number	Total Cost	Payment Dates	Payment Amounts
11/4/2013	Angela's	Clubhouse - Kitchen Upgrades - Dean SR42Fryer	68748	\$825.00	4-Nov	\$825.00
11/14/2013	Angela's	Clubhouse - Kitchen Upgrades - True Freezer T23F	68828	\$2,400.00	25-Nov	\$2,400.00
1/15/2014	Ricoh	Clubhouse - Copier/Printer/Fax MPC2051	68933	\$2,887.00	29-Jan	\$2,887.00
1/15/2014	Ricoh	Clubhouse - Copier/Printer/Fax MP2553sp	68933	\$3,642.00	29-Jan	\$3,642.00
1/15/2014	Ricoh	Clubhouse - Network cards MPC2051&MP2553sp	68933	\$237.36	29-Jan	\$237.36
1/9/2014	Bruce Haglund Contractor	Range - Lamp Replacement/Timeclock/Parking Lamps	68998	\$3,380.00	30-Jan	\$3,380.00
1/24/2014	US Food Service	Clubhouse - Charbroiler Vulcan - Fryer Superior	69057	\$3,254.77	4-Feb	\$3,254.77
2/4/2014	Angela's	Clubhouse - Prep Table	69084	\$795.00	13-Feb	\$795.00
2/28/2014	City CC Expense	Clubhouse - Patio Upgrades		\$7,670.53	28-Feb	\$8,505.53

2/7/2014 Angela's	Clubhouse - True GDM26 Merchandiser cooler	69088	\$1,855.00	14-Feb	\$1,855.00
2/13/2014 MWR Custom Stairs	Clubhouse - Counter in Golf Shop	69117	\$1,550.00	28-Feb	\$1,550.00
2/13/2014 Bruce Haglund Contractor	Clubhouse - Lighting Restaurant	69111	\$2,700.00	8-Mar	\$2,700.00
3/13/2014 Flair Service Inc.	Clubhouse - Kitchen AC	69197	\$3,875.00	25-Mar	\$3,875.00
5/2/2014 Port Orange AC	Clubhouse - Hallway AC	69330	\$4,996.00	8-May	\$4,996.00
12/1/2014 Radio One	Golf Course - 2 VHF radios	Pcard	\$510.00	27-Dec	\$510.00
12/16/2014 Halifax Plumbing	Golf Course - 2 Water Fountains At #6 & #14	Pcard	\$1,370.00	27-Dec	\$1,370.00
Total Billed			\$436,750.29	Total Paid	\$483,124.51

Trend Report by Month - Date of Visit

Report run: 5/22/2015 8:29 AM MDT
Data current as of: 5/22/2015 8:29 AM MDT



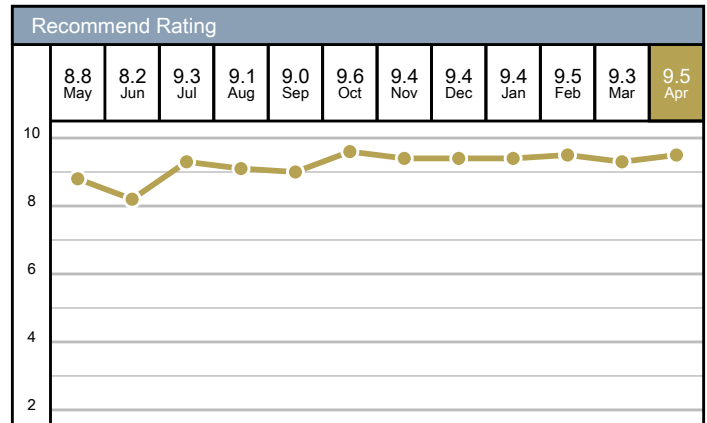
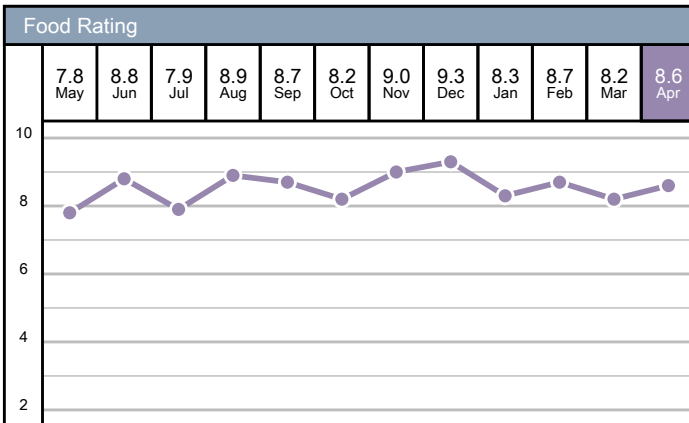
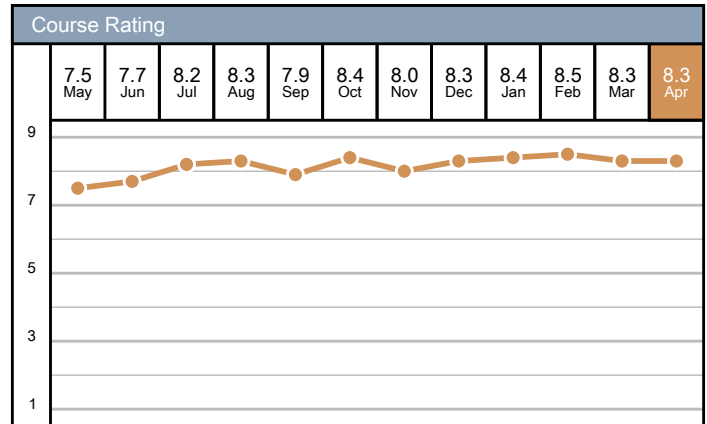
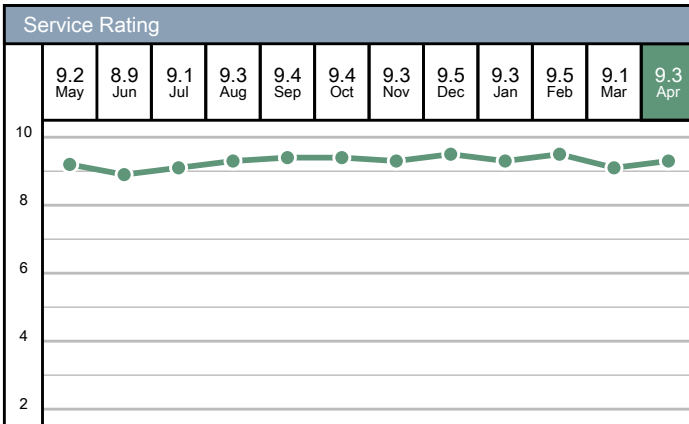
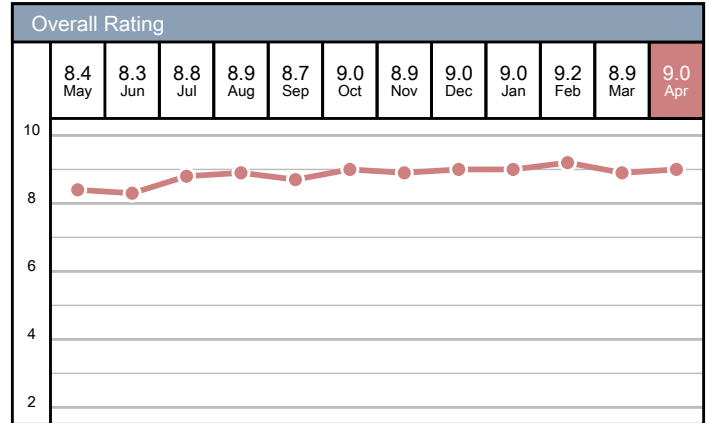
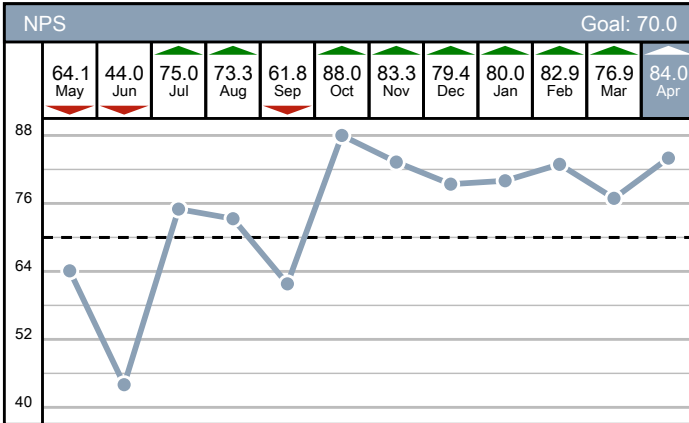
CURRENT PERIOD RESULTS

NPS	84.0	Overall Rating	9.0
Service Rating	9.3	Course Rating	8.3
Food Rating	8.6	Recommend Rating	9.5
# of Surveys	25		

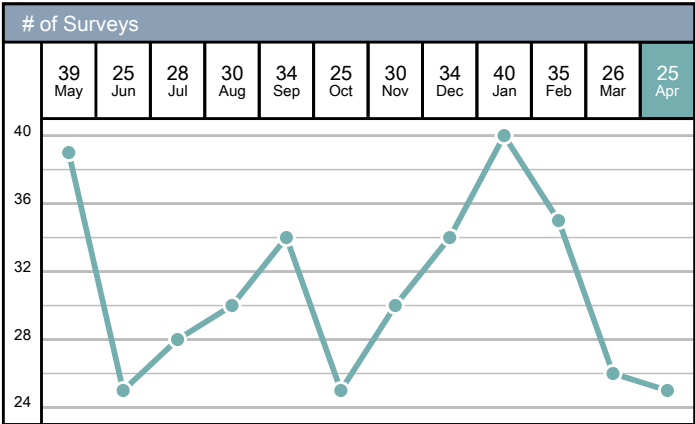
REPORT CRITERIA

Date of Service	5/1/14 - 4/30/15
Select level:	Cypress Head

Exceeded goal
 Failed goal
 Goal area



Trend Report by Month - Date of Visit





CITY OF PORT ORANGE ESTOPPEL LETTER

TITLE CO./RESIDENT NAME/FAX #:

PROPERTY ADDRESS

PROPERTY OWNER:

PARCEL NUMBER:

Refer to the following for any liens and/or outstanding charges against the above named property:

TYPE OF FINES/LIENS

Unpaid Utility Charges: (Include:
Water/Sewer/Solid Waste/Drainage)
Utility Lien

ACCOUNT #/CUST ID #

149079-5537

Book 7081 Page 440

AMOUNT DUE

\$ 223.10

Lot Mowing Lien - LML

See attached

Book 6936 Page 4732

1554.44

False Alarm Lien - FAL

Book _____ Page _____

None

Code Enforcement Lien:

13-926 (See attached)

Book _____ Page _____

446.97

\$ 250.00

(Daily Rate)

x 1000.5, 2013 to 1000.15, 2013 (10 days)

2500.00

Code Enforcement Daily Rate Fines/Fees

14-1301

101.18

Code Enforcement Cases

Pending Utility Impact/Connection Chgs

Building Permit Charges, Outstanding (Fire, Parks, Transportation)

Impact Fees, Connection Chgs

None

Other/Pymt Code

TOTAL DUE: (Per Diem Rate, if applicable) \$

Plus

\$ 4825.69

The above charges include late fees, interest, lien filing fees, release fees, and per diem fees. **This letter is valid if "Total Due" is received by the City within five (5) days from the date of this letter.** The property shall be subject to additional charges during and after (5) days from the date of this letter based upon additional usage and/or availability.

THIS IS NOT A FINAL BILL.

CITY CLERK'S OFFICE PREPARES ESTOPPEL LETTERS - INQUIRIES & REQUESTS:

INQUIRIES - CALL CITY CLERK'S OFFICE

PHONE # (386) 506-5563

FAX ESTOPPEL LETTER REQUESTS

FAX # (386) 756-5290

ESTOPPEL LETTER PREPARATION FEE PAYABLE TO: CITY OF PORT ORANGE

N/A \$25.00 FOR 1 WEEK TURNAROUND; OR ✓ \$50.00 FOR 48 HOUR TURNAROUND
(FEE PAYABLE IN ADVANCE TO: ATTN: CITY CLERK'S OFFICE, 1000 CITY CENTER CIRCLE, PORT ORANGE, FL 32129)

Date received: 3-16-15 Check #: 110670 CC Payment: N/A Staff:

MAKE "TOTAL DUE" AMOUNT PAYABLE TO: CITY OF PORT ORANGE

MAIL OR DELIVER PAYMENTS TO:

CITY OF PORT ORANGE - ATTN: CUSTOMER SERVICE
1000 CITY CENTER CIRCLE, PORT ORANGE, FL 32129

Reference Property address and parcel number with your payment.

City Employee Name:

Revised 1/9/2014

Date

3-18-15

[Return](#)REO Listing Acknowledgement

To: Broker Geri Westfall
Property Id: 1020837
Property Address: 5313 CHRISTIANCY AVE, PORT ORANGE, 32127

From: Jennifer Shanks
Due: 11/13/2014
Task Id: 30072223

REO LISTING ACKNOWLEDGMENT AND PROPERTY MANAGEMENT AGREEMENT

The undersigned Agent, for himself/herself and for the undersigned Broker, as duly authorized (collectively $\frac{1}{2}$ Broker $\frac{1}{2}$), acknowledges, and agrees to abide by the terms of this REO LISTING ACKNOWLEDGMENT AND PROPERTY MANAGEMENT AGREEMENT ($\frac{1}{2}$ Agreement $\frac{1}{2}$) with respect to the property identified in the Property Address section above ($\frac{1}{2}$ Property $\frac{1}{2}$). This Agreement is effective as of 11/12/2014 (the $\frac{1}{2}$ Effective Date $\frac{1}{2}$). Owner is a party to this Agreement and the submission of this Agreement by Owner to Broker through Res.Net constitutes Owner's acceptance of all of the terms and conditions contained in this Agreement. This Agreement is valid and enforceable against Owner and Broker.

I. Term: Termination.

The term of this Agreement will commence on the Effective Date and, unless sooner terminated in accordance with the terms of this Agreement, will continue until the earlier to occur of (a) the date on which the Property is sold or otherwise transferred by Owner and (b) the date on which either party terminates the Listing Agreement (as defined below) (if any). Notwithstanding the foregoing, (i) either party shall have the right to terminate this Agreement at any time by providing the other party with prior written notice of such termination and (ii) if Broker fail to comply with any of the terms and conditions of this Agreement, then Owner may terminate this Agreement immediately by providing written notice to Broker.

Upon termination of this Agreement for any reason Broker will have no further authority to represent Owner or take, or cause to be taken, any actions on Owner's behalf. Notwithstanding the foregoing, Broker will immediately deliver to Owner all information, books, records and other documents relating to the Property (including, but not limited to, all original leases, service contracts, unpaid invoices, and accounting records) maintained by Broker pursuant to this Agreement and do all that is reasonably necessary to facilitate the orderly transition of management of the Property.

II. REO Listing AcknowledgementA. License

Agent and Broker represent that they are duly licensed in the State or Commonwealth in which the Property is located to perform the obligations under this Agreement and that such licenses are in good standing. Agent and Broker shall maintain such licenses in good standing during the term of this Agreement.

B. Compensation

Broker acknowledges and agrees that (1) the consideration for Broker to enter into this Agreement and to perform the Services (as defined below) is the potential opportunity for Broker to enter into a listing agreement with Owner with respect to the Property (a "Listing Agreement") in the future and (2) Owner may (but shall not be obligated to) enter into a Listing Agreement with Broker with respect to the Property in the future. If Broker and Owner enter into a Listing Agreement, then the commission and fees payable under the Listing Agreement will be as follows:

1. Commission:

Seller hereby agrees to pay commission as outlines below, based on final net sale price (NSP):

For NSP of \$1.00 up to NSP of \$50,000: Total Commission = \$3,000 split as follow:

Listing Broker	Selling Broker	ServiceLink
\$875	\$875	\$1,250

For NSP of \$50,001 up to NSP of \$83,000:

Total Commission = 6%

ServiceLink will receive a referral fee of \$1,250 from total commission. The selling agent and listing agent will split the balance of the remaining commission.

For NSP of \$83,001 and greater:

Total Commission = 5%

Listing Broker	Selling Broker	ServiceLink
2.5%	2.5%	See referral fee schedule below

Broker agrees to pay ServiceLink a referral fee, from the "Listing Side", as follows:

Sales Price	Referral Fee %
> \$83,001 - \$499,999	20.0%
> \$500,000 and above	35.0%

2.1 No commission shall be deemed earned by or payable to Broker until such time as the sale is closed, including passage of title and disbursement of proceeds to Seller.

2.2 Broker shall not accept compensation from a prospective purchaser, a prospective purchaser's agent, the purchaser, the purchasers' agent, or any entity participating in or providing services for the Sale without the written consent of the Seller.

2.3 If the buyer is a Broker or a party affiliated with or engaged by Broker, then, Broker shall disclose the relationship to Seller, and Seller may renegotiate the commission payable hereunder.

III. Property Management Agreement.

A. Compensation. Broker acknowledges and agrees that Broker is not entitled to any monetary compensation for the Services and the sole compensation regarding the Property which Broker may be entitled to receive from Owner shall be any compensation to which Broker is entitled pursuant to a Listing Agreement. A Listing Agreement may never be entered into between Broker and Owner, and Owner is not obligated to enter into a Listing Agreement with Broker. Owner will have the right to terminate a Listing Agreement in accordance with the terms thereof, in which event Broker may not be entitled to be compensated thereunder.

B. Services. Broker shall perform the following services with respect to the Property during the term of this Agreement:

1. **Inspection Services** Broker shall inspect the Property and notify Owner of the occupancy status of the Property within two (2) days after the Effective Date (the "Occupancy Inspection"); provided, however, that such time frame may be extended by Owner if Broker is unable to complete the Occupancy Inspection within such time period due to circumstances beyond Broker's reasonable control. The services referred to in this sub-Section shall be defined as the "Inspection Services".

2. **Association Dues** If the Property is part of a condominium association, homeowners' association or other type of association requiring the payment of association dues, Broker shall respond to the HOA task assigned in Res.Net by providing the name and/or management company for the association, association contact information and other information regarding the association and current/delinquent charges. Owner shall arrange for payment of such charges. The services referred to in this sub-Section

shall be defined as the "Association Dues Services".

3. Utilities

If Property is Vacant:

If the Property is vacant upon the Occupancy Inspection, Broker shall contact lienable and non-lienable utility companies, schedule meter readings, and transfer services into Broker's name. For utility service charges that are **lienable** against the Property, Broker shall secure and provide Owner with a statement of delinquent and current charges owed. Broker shall pay all such charges unless Broker is aware that a lien has been filed against the Property with respect to such charges, in which event Broker shall promptly notify Owner of such lien and Owner shall arrange for payment of such charges. For utility service charges that are **not lienable** against the Property, Broker shall pay charges owed by Owner after the utility service is transferred into the Broker's name.

If Property is Not Vacant:

If the Property is not vacant upon the Occupancy Inspection, Broker shall contact **lienable** utility companies, schedule meter readings, and transfer services into Broker's name. Broker shall secure and provide Owner with a statement of delinquent and current charges owed. Broker shall pay all such charges for lienable utilities unless Broker is aware that a lien has been filed against the Property with respect to such charges, in which event Broker shall promptly notify Owner of such lien and Owner shall arrange for payment of such charges. All **non-lienable** utilities shall remain the occupant's name until Owner acquires possession of the Property from the occupant, at which time Broker shall contact non-lienable utility companies, schedule meter readings, transfer services into Broker's name and pay charges owed by Owner after the utility service is transferred into Broker's name.

The services referred to in this sub-Section shall be defined as the "Utility Services".

4. **Valuation and Reporting.** Broker shall submit to Owner a broker price opinion ("BPO") within ten (10) days after completion of the Occupancy Inspection. The BPO shall include an estimate of the value of the Property and exterior and interior (if the Property is unoccupied) photographs (including photographs of any recommended repairs). Broker shall submit to Owner (i) a Monthly Status Report every 30 days after the Property is listed for sale and (ii) an updated BPO every ninety (90) days after the Property is listed for sale. The services referred to in this sub-Section shall be defined as the "Valuation and Reporting Services".
 5. **Property Preservation Services.** Broker shall perform with respect to the Property all services, as applicable, set forth in Exhibit A, which is attached to, and made a part of, this Agreement. In addition, Broker shall perform periodic inspections of the Property as necessary to preserve the Property. The services referred to in this sub-Section shall be defined as the "Property Preservation Services".
 6. **Services; Manner of Providing Services.** The (i) Inspection Services, (ii) Association Dues Services, (iii) Utility Services, (iv) Valuation and Reporting Services and (v) Property Preservation Services shall collectively be defined as the "Services". Broker shall use due care in its performance of the Services and shall perform the Services diligently, efficiently and in a professional manner.
 7. **Completion of Services.** Once Broker has engaged a service provider or contractor to perform a Service under this Agreement (a "Service Provider"), Broker will ensure that such Service is completed within the time frame identified on the task within Res.Net or within the time frame required by the contract with such Service Provider (as applicable). A service completion time frame may be extended by Owner if such extension is required due to circumstances beyond the Service Provider's reasonable control.
- C. **Service Provider and Contractor Requirements.** Prior to the commencement of any work under this Agreement, Broker shall verify that all Service Providers have all required licenses, are insured in accordance with this Agreement and have obtained all required permits. Unless Broker has obtained Owner's prior written consent, Broker shall not exceed the maximum allowable cost (the "MAC") for any Service set forth in Exhibit B, which is attached to, and made a part of, this Agreement. Broker will secure the best price possible for the satisfactory completion of the applicable Service(s) in accordance with this Agreement. If the cost of a Service will exceed \$1,000, then Broker must secure competitive bids from a minimum of two (2) qualified bidders, unless this requirement is waived by Owner. Upon completion of the work, Broker shall inspect the work, certify to Owner that such work was completed in a good and workmanlike manner and provide Owner with post-work photographs.
- Broker will not enter into any contract, agreement or other arrangement in connection with the Property with any party with respect to which Broker or any party or entity related to or affiliated with Broker has any direct or indirect ownership or control unless such contract, agreement or arrangement has been fully disclosed to and approved by Owner in writing.
- D. **Billing.** Within thirty (30) calendar days after the completion of any Service, Broker shall submit an invoice for such Service to Owner through a request for reimbursement through LPS Invoice Management System, which invoice must be accompanied by proof of payment and a completed W-9 with completed Federal Tax ID# of the payee. Broker shall secure final readings on all utilities as of the day of the closing of the sale of the Property or upon notification that Owner has terminated the Listing Agreement. Broker also shall terminate all third-party services arranged by Broker with respect to the Property as of the day of the closing of the sale of the Property or upon notification that Owner has terminated the Listing Agreement. Broker shall secure and submit all final bills for payment to Owner within twenty (20) days after the closing of the sale of the Property or termination of the Listing Agreement. All bills not submitted to Owner within such twenty (20) day period shall not be paid by Owner unless Owner, in Owner's sole and absolute discretion, agrees to pay such bills.
- E. **Audit.** At Owner's option, Owner or its representative will be granted, from time to time, access to Broker's relevant books and records regarding the Property in order to perform an independent audit of such books and records. Upon the request of Owner, Broker will prepare for execution by Owner all forms, reports and returns as might be reasonably requested by Owner or as required by any federal, state, county or municipal authority relating to the Property.
- F. **Insurance.** Owner has established two levels of risk based upon the particular Service being provided by Broker.

Low to Moderate Risk Category

All Standard Property Preservation Services noted on Exhibit B, except any roof repairs or replacement on a building greater than 3 stories.

High Risk Category

All Services not noted on Exhibit B including, but not limited to:
 Door, window and glass installation and repair for buildings greater than 3 stories
 Repairs and improvements over \$50,000
 Installation of insulation
 Environmental services
 Concrete - structural repairs related to building foundations
 High risk and/or extensive electrical installation and repair
 Site work - demolition, excavation

Broker shall maintain, at Broker's sole expense (and Broker shall require all Service Providers to maintain at their sole expense), minimum insurance coverages in accordance with the below table based upon the risk category for the applicable Service to be performed and minimum insurance coverage as may be required by the state in which the Service is performed.

<u>Risk Category</u>	<u>Type of Insurance</u>	<u>Total Minimum Coverage</u>
<u>Low to Moderate</u>	<u>General/Excess Liability*</u>	<u>\$500,000 per occurrence and annual aggregate</u>

	<u>Workers' Compensation**</u>	<u>Statutory-as required by state law</u>
	<u>Employer's Liability</u>	<u>\$500,000 per accident and disease</u>
	<u>Auto Liability***</u>	<u>\$500,000</u>
	<u>Professional Liability (E&O)</u>	<u>\$500,000 per act, error, or omission</u>
<u>High</u>	<u>General/Excess Liability*</u>	<u>\$2,000,000 per occurrence and annual aggregate</u>
	<u>Workers' Compensation**</u>	<u>Statutory-as required by state law</u>
	<u>Employer's Liability</u>	<u>\$500,000 per accident and disease</u>
	<u>Auto Liability***</u>	<u>\$1,000,000</u>
	<u>Professional Liability (E&O)</u>	<u>\$2,000,000 per act, error, or omission</u>

* All liability insurance must cover bodily injury, property damage, and blanket contractual liability (including indemnity obligations under this Agreement).

** All Service Providers are required to have workers' compensation coverage as required by law.

*** Auto liability insurance must be carried by all Service Providers who drive motor vehicles onto the Property, combined single limit covering bodily injury, property damage and death arising from ownership, maintenance, or use of owned, non-owned, and hired vehicles.

General and Automobile Liability limits can be met with any combination of primary or umbrella/excess insurance, shall name Owner as additional insured, and shall contain a separation of insured (or "severability") clause.

Broker will not knowingly permit the use of the Property for any purpose which might void any policy of insurance relating to the Property, increase the premium otherwise payable or render any loss thereunder uncollectible.

Broker will promptly investigate and report to Owner and the applicable insurance company all accidents and claims for damage and injury relating to the ownership, operation, and maintenance of the Property and any damage or destruction to the Property.

All insurance coverages required to be carried in connection with the performance of high risk Services must comply with the following requirements:

All policies shall provide coverage on a primary and noncontributory basis.

All insurance companies must meet one of the following minimum ratings: Moody's A3; S&P A-; Fitch A-; A.M. Best A-.

Each policy must provide for at least thirty (30) days' notice to Owner prior to any material change to or cancellation of such policy. On all policies, Broker and the applicable Service Provider shall waive, and will require its respective insurers to waive, all rights of subrogation against Owner.

G. **Indemnification.** Broker shall indemnify and hold Owner harmless from and against all judgments, losses, costs, liabilities, claims and expenses (including, but not limited to, reasonable attorneys' fees and court costs) in connection with or resulting from (i) any act or omission of Broker or any of Broker's employees, agents, representatives, Service Providers or subcontractors and/or (ii) Broker's breach of the terms and conditions of this Agreement. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

H. Confidentiality.

1. Broker shall keep confidential, and shall use commercially reasonable efforts to have Broker's partners, employees, officers, directors, shareholders, agents, legal counsel, Service Providers, auditors, affiliates and other advisors keep confidential, all information pertaining to this Agreement, the Property or Owner, except to the extent that (i) such information is already public information, (ii) Owner consents in writing to the release of such information, (iii) it is necessary for Broker to divulge such information in working with contractors, subcontractors, legal counsel, auditors or other advisors or (iv) Broker is required to divulge such information by any law, regulation, ordinance, court order or subpoena. Further, Broker shall not, without the written consent of Owner (which consent may be withheld, conditioned or delayed in Owner's sole and absolute discretion), issue or post any press release or other publicity of any kind whatsoever with respect to this Agreement, the Property, Owner, Owner's logo or any of the transactions contemplated hereby.
2. In the event that Broker breaches the terms of this Section, Owner shall have full recourse against Broker and any other person or entity who breaches this Section and shall have the ability to seek and obtain any money or other judgment against Broker and/or any of the foregoing persons or entities with respect to any such breach. Any breach of this Section may result in immediate and irreparable injury to Owner and, as a result, Owner shall be entitled to equitable relief upon demonstration of the likelihood of or actual breach of this Section by Broker and/or any other person or entity, including, without limitation, injunctive relief and specific performance, without necessity of posting bond, in addition to all other remedies available at law.
3. Upon the expiration or earlier termination of this Agreement, all information in the possession of Broker relating to the Property will be returned to Owner; provided that, with Owner's written approval, Broker may retain copies of any information that it reasonably considers necessary for its confidential business records.
4. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

I. **Limitation of Liability.** Broker agrees to look solely to Owner's interest in the Property for the satisfaction of any liability or obligation of Owner arising under this Agreement or the transactions contemplated hereby, or for the performance of any of the covenants, warranties, obligations or other agreements contained herein, and further agrees not to sue or otherwise seek to enforce any such liability, obligation or performance against (i) any asset(s) of Owner other than Owner's interest in the Property or (ii) any asset(s) of Owner's past, present or future affiliates, shareholders, directors, officers, employees, agents or representatives, with respect to any matters arising out of or in connection with this Agreement or the duties and obligations contemplated hereby.

J. **Notices.** All notices relating to this Agreement shall be in writing, shall be sent by e-mail or by nationally recognized overnight courier service and shall be directed as follows:

As to Owner: If by e-mail to the Servicelink Asset Manager noted in Res.Net. If by overnight courier service to

ServiceLink Asset Management, 500 Eldorado Blvd, Suite 2300, Broomfield, CO 80021. Attention: Real Estate Manager

As to Broker: If by e-mail to the Agent noted in Res.Net. If by overnight courier service to the mailing address of the Agent as noted in Res.Net.

Any mailed notice will be sent by nationally recognized overnight courier service, and will be deemed to have been given on the date that is one (1) business day after deposit with such courier service.

K. Miscellaneous.

1. **Applicable Law; Severability.** This Agreement will be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania. If any provision of this Agreement will be prohibited by or held invalid under such law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or remaining provisions of this Agreement.
2. **Entire Agreement.** This Agreement constitutes the entire understanding of the parties hereto and supersedes all prior understandings, whether oral or written, expressed or implied. No prior or present agreement or representations will be binding upon any of the parties hereto unless incorporated into this Agreement. No modification of this Agreement will be binding unless in writing and signed by both parties hereto.
3. **Assignability.** Broker will not have the right to assign this Agreement without first obtaining the prior written consent of Owner, which consent Owner may withhold in its sole discretion. Owner may assign its rights and obligations hereunder to any successor in title to the Property and upon such assignment will be relieved of all liability accruing after the effective date of such assignment.
4. **Successors.** This Agreement will be binding and inure to the benefit of Owner, its successors and assigns, and will be binding and inure to the benefit of Broker and its permitted assigns.
5. **Relationship.** Nothing contained in this Agreement will be construed to create a relationship of employer and employee between the Owner and Broker, it being the intent of the parties hereto that the relationship created hereby is, in fact and intent, that of an independent contractor.
6. **Covenant of Further Assurances.** The parties hereto agree that they will each take such steps and execute such documents as may reasonably be required by any of the other parties to carry out the intents and purposes of this Agreement.
7. **Time of Essence.** Time is of the essence for this Agreement.
8. **Legal Fees.** In the event of any action or proceeding brought by either party against the other party under this Agreement, the prevailing party will be entitled to recover for the fees of its attorney in such action or proceeding, including costs of appeal, if any, in such amount as the court may judge reasonable as attorney's fees.
9. **Cooperation.** In the event that any claim, demand, suit or other legal proceeding arising out of any matter relating to the Property or this Agreement is made or instituted by any person against Owner, Broker shall, at its own cost and expense, provide Owner with all reasonable information and assistance in the defense or other disposition thereof.
10. **Compliance.** Broker represents, warrants and covenants to Owner that: (a) no Covered Entity (as hereinafter defined) (i) is a Sanctioned Person (as hereinafter defined) or (ii) is directly or indirectly controlled by a Sanctioned Person; (b) none of the funds received by Broker from Owner hereunder (if any) will be used by any Covered Entity for any unlawful activity; and (c) each Covered Entity is in compliance with, and shall continue to comply with, all Anti-Terrorism Laws (as hereinafter defined). To the extent requested by Owner, Broker shall promptly cooperate with Owner and provide all information required by Owner in connection with compliance by Owner and evidencing compliance by Broker under or with respect to any or all Anti-Terrorism Laws. As used in this Section, the following terms shall have the following meanings: "Anti-Terrorism Laws" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, and any regulation, order or directive promulgated, issued or enforced pursuant to such laws, all as amended, supplemented or replaced from time to time; "Covered Entity" means (a) Broker and each direct or indirect subsidiary of Broker and (b) each Person (as hereinafter defined) that, directly or indirectly, is in control of a Person described in clause (a) above. For purposes of this definition, control of a Person means the direct or indirect (x) ownership of, or power to vote, 25% or more of the issued and outstanding equity interests having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for such Person, or (y) power to direct or cause the direction of the management and policies of such Person whether by ownership of equity interests, contract or otherwise; "Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity; and "Sanctioned Person" means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person, group, regime, entity or thing, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any Anti-Terrorism Law.

WAIVER OF JURY TRIAL. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HERETO KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREIN, OR ARISING OUT OF, UNDER OR IN CONJUNCTION WITH THIS AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY.

Exhibit A

Property Preservation Services

A. Securing

Owner requires Agents to gain access and complete securing of all vacant properties within **7 calendar days** from the date vacancy is discovered (first time vacant date). When a property has multiple units, each unit must be secured as it becomes vacant. Securing includes, but is not limited to, the following:

- Confirm vacancy.
- Change lock on exterior rear/secondary door on main dwelling.
- Secure all outbuildings and detached garages.
- Evaluate the property for interior and exterior damages.
- Complete all necessary preservation work within the MAC.
- Post Agent contact information. (Posting must meet local ordinance /association standards.)

When local ordinances/association standards differ from Owner requirements, Agents must submit a copy of the local ordinance/association standards with any bids to secure.

LOCK CHANGES: Agents are required to secure an exterior rear or a secondary door for access on the main dwelling of vacant properties. Only one lock is allowed to be changed on main dwellings for access. The main entrance should be rekeyed when it is the only option for gaining access. In the event the main dwelling becomes unsecured or the Agent's lock(s) are changed, Agents must proceed with re-securing to gain access. The MAC for locks includes the removal and replacement of the lock.

When the property is a condo and cannot be rekeyed, Agents must contact the condo association and obtain a copy of the key for access within the MAC.

Garage doors must be secured with existing locks when possible. The Agent must secure within the MAC when the garage door cannot be secured with existing locks.

Slider locks and window locks must be repaired/replaced when existing locks are inoperable or are not present on the main level and where accessible.

BOARDING: Properties must be boarded to prevent vandalism where required by local ordinance/association standards or when exterior openings are not securable. Boarding is measured in united inches (UI). To calculate UI, add length and width. The MAC should be used for the following instances: Crawl space, Slider door, Pet door, Windows, Garage door, Window well covers. The boarding MAC does not include the cost of a padlock or padlock/hasp.

SECURITY DOOR: A security door should be utilized when an exterior door is missing or cannot be secured with existing or new hardware. The security door should only be installed in areas that require future access. The MAC includes boarding and all hardware.

REPAIR GARAGE DOOR: The MAC to repair a garage door must be used when the cost of boarding exceeds the cost of repairing.

POOL/HOT TUB/SPA SECURING: Pool securing is defined as the confirmations that all fences, lanai, and gates are intact, secured with a padlock, and are a minimum of four feet high. When the pool cannot be secured within MAC, the Agent must provide a bid to repair or replace the fence/lanai/gate. The MAC should be used for the following instances: ?Chain links, ?Gate locking mechanism, ?Posts, Fence repair, Lanai, ?Pickets, ?Gates. When a fence/lanai/gate is not present, bids to cover the pool may be submitted with photo documentation showing that the fence, lanai, or gate is not present. In addition, the Agent must:

- provide a bid to tarp or remove above ground pools, whichever is advisable in Agent's opinion
- provide a bid to cover with a polypropylene safety cover anchored to the pool deck for below ground pools with a deck, or
- provide a bid to board for below ground pools without a deck.

B. Lawn Maintenance

Owner expects each lawn to remain in compliance with local ordinances/association standards year-round.

Each lawn service includes but is not limited to:

- grass cut and all clippings removed from sidewalks, driveways, and lawns (front, back, and sides);
- edging completed on each grass cut including the fence lines, foundations, driveways, walkways, and sidewalks;
- weeds trimmed from fence lines, foundation of home, driveways and flowerbeds without damaging existing plants or flowers;
- minimal leaf removal; and,
- incidental debris/trash removal.

Desert landscaping, rockscaped, or low maintenance landscaping must be completed once every other month within the MAC. This includes, but is not limited to, pulling and spraying of weeds, removing tumbleweeds, and trimming grass where necessary.

Initial lawn maintenance and initial desert landscaping must be completed within **10 calendar days** of the first time vacant date during grass cut season or the grass cut season start date, whichever comes later. When the first time vacant date is outside of grass cut season and an initial grass cut is necessary, an initial grass cut may be completed without prior approval utilizing the MAC within **10 calendar days** of the first time vacant date.

Only one initial lawn maintenance may be performed during a calendar year. If an initial lawn cut was performed outside of grass cut season, re-cuts should resume at the beginning of grass cut season. Any subsequent initial lawn maintenance request will require prior approval by submitting an over MAC bid request through Res.Net.

The Agent will have **15 calendar days** from the first time vacant date or grass cut season start date to submit an over MAC grass cut bid.

Bids for grass cuts should include the following: ?provide the lot dimensions and ?provide the grass height.

In year-round grass cut states, only one **initial** grass cut is permitted, as the Agent is required to complete the re-occurring lawn maintenance as scheduled. All other states are allowed one initial grass cut or desert landscaping per calendar year.

Lots up to one acre (up to 43,560 square feet): Initial lawn maintenance must be completed within the MAC where grass is less than 12 inches on the majority of the lot. When the initial lawn maintenance cannot be completed within the MAC, bids must be submitted for review. Re-cuts must be completed within the MAC based on the area to be cut.

Example: Lot size is 25,000 square feet and grass is 24 inches on 20% of the lot and 10 inches on 80% of the lot; complete grass cut within the MAC with a maximum of \$175.

Lots over one acre (more than 43,560 square feet): Perimeter cuts should be completed from the front view of the property to the street

utilizing the 15,000 square foot cut MAC. Perimeter re-cuts must be completed within the MAC.

When a perimeter cut cannot be completed due to local ordinance/association standards or may affect neighboring properties/businesses, the following items must be submitted:

- bid for initial full lot grass cut,
- bid for full lot re-cuts for the entire season, and
- copy of the local ordinance/association standards dictating only full lot cuts are accepted or photo documentation of neighboring properties/businesses within close proximity of the property.

GRASS CUT SCHEDULE: Prior approval is required for any grass re-cuts needed outside of the grass schedule. Grass cuts must be completed as follows:

- All year once per month: AZ, NM, and NV
- All year twice per month: CA, FL, HI,
- April 1 to October 31 once per month: CO, UT, and WY
- April 1 to October 31 twice per month: AR, CT, DC, DE, ID, IL, IN, IA, KS, KY, ME, MD, MA, MI, MN, MO, MT, NE, NH, NJ, NY, NC, ND, OH, OK, OR, PA, RI, SD, TN, VT, VA, WA, WV, WI
- March 1 to November 30 twice per month: AL, GA, LA, MS, SC, and TX
- June 1 to September 30 twice per month: AK

TRIM TREES/SHRUBS/VINES: Trees/shrubs/vines maintenance must be completed within **10 calendar days** of the first time vacant date during grass season or the grass cut season start date, whichever comes later. When the trimming cannot be completed within the MAC, the Agent must stop work and submit all bids within **15 calendar days** from the first time vacant date during grass cut season or grass cut season start date, whichever comes later.

VACANT LOT: When an Agent finds a vacant lot at initial and/or subsequent inspections, the Agent is to utilize any necessary MAC(s) to maintain the lot. If the cost to maintain the vacant lot exceeds the MAC(s), bid(s) for the over MAC maintenance must be submitted via Res.Net. Agents should contact the Asset Manager.

C. Winterization and Re-Winterization

Winterizations are required to be completed within **5 calendar days** of the first time vacant date or within **15 calendar days** of the winterization start date, whichever comes later. Winterization includes shutting the water source off at the curb and at the main interior water supply. The Agent must shut off one water source when it is not possible to shut off both. Winterization also includes a complete draining of all plumbing/heating systems and system check. The MAC must be used for the main dwelling and any additional units. An additional unit is defined as a property with multiple designations in the address or a detached livable structure.

For properties which share water services with other units, such as condominiums, the water for that unit must be maintained in the Agent's name and the winterization should not be completed.

Properties must be checked at the beginning of each winterization season to confirm any prior winterization is still intact. For properties that require a re-winterization during winterization season, this must be completed within **5 calendar days** of discovering the prior winterization has been compromised, is no longer effective, or winterization start date, whichever comes later.

WINTERIZATION SCHEDULE: Prior approval is required for any winterization needed outside of the schedule. Winterization must be completed as follows:

- All year: ?AK
- September 1 to April 30: ?CO, CT, IA, ID, IL, IN, MA, ME, MI, MN, MT, ND, NE, NH, NJ, NY, OH, OR, PA, RI, SD, VT, WA, WI, WY
- October 1 to March 31: ?AL, AR, AZ, CA, DC, DE, FL, GA, KS, KY, LA, MD, MO, MS, NM, NC, NV, OK, SC, TN, TX, UT, VA, WV

D. Health and Safety

CLEANING REFRIGERATOR OR STAND ALONE FREEZER: The MAC for cleaning includes the removal of all perishable contents, and wiping down and cleaning of the appliance's interior and exterior for both the refrigerator and freezer or stand alone freezer(s).

CLEANING TOILETS: During winterization season, the MAC may be utilized for cleaning the toilet when both waste is present and the winterization is no longer effective. The MAC also includes cleaning the interior and exterior of the toilet.

CAPPING WIRES: The MAC to cap exposed bare wires may only be used when the electric meter is present.

CAPPING WATER/SEWER LINES: The MAC must be utilized to cap water/sewer lines regardless of utility status.

CAPPING GAS LINES: The MAC must be utilized to cap gas lines regardless of utility status.

EXTERMINATION: The MAC for extermination may only be used to eliminate rodents, wasps, hornets, bees, and termites. Only condotownhomes (units with shared walls) may use the MAC for roaches. Fleas may only be exterminated when the infestation prohibits access to the property. Any extraordinary extermination over the MAC requires two contractor bids to be submitted simultaneously via Res.Net.

EXTERIOR HANDRAILS: The MAC for exterior handrails on the main dwelling may only be used to repair damaged handrails or replace missing handrails on an elevated patio, balcony, or where three or more steps are present. Exterior handrails must meet local ordinance/association standards.

E. Raw Garbage, Perishable Debris, and Personal Property

A cubic yard is defined as 3' x 3' x 3' or 27 cubic feet and is measured by volume, not weight or content. Owner allows a combined maximum of 10 cubic yards for the removal of raw garbage, perishable debris, and/or move personal property for the term of the

Agreement. When the items cannot be removed or moved within the MAC, the Agent must stop work and submit bids via Res.Net.

REMOVE EXTERIOR DEBRIS: The MAC for exterior debris removal is limited to raw garbage, perishable items, and non-personal property items that are in the way of the lawn maintenance or in street view. Non-personal property items are defined as items that have been exposed to the elements and are not intended for exterior use.

MOVE PERSONAL PROPERTY: The MAC for moving exterior personal property is limited to items which obstruct lawn maintenance or are in street view. Personal property should be moved to a secure location such as a shed, garage, or the interior of the property.

DEAD VERMIN/DEAD ANIMAL REMOVAL: The MAC for the removal of dead vermin/dead animals may be used for their removal and disposal. Where applicable, ensure compliance with all state and local ordinances.

F. Additional MAC Items

ADDRESS POSTING: After confirming the correct address, the MAC may be used to meet local ordinance/association standards where house numbers are missing.

CHIMNEY CAPS: When a chimney is present and missing a cap, a maximum of one cap per chimney and a maximum of two per property may be placed.

CLEAN, REPAIR AND REATTACH GUTTERS: Agents may use the clean gutter MAC to clean existing gutters. Agents may use the repair gutter MAC to repair or reattach the existing gutters; this includes rerouting the downspout to divert the water away from the house when the overflow has caused interior damage.

SNOW REMOVAL: Properties are to be cleared of snow and ice for access or when required by local ordinance/association.

REPAIR OR REPLACE SUMP PUMPS: When the property is designed to have a sump pump to keep the basement or crawl space dry, the Agent must check the sump pump to make sure it is operational. The sump pump must be plugged into an active power source.

When the sump pump is inoperable, the Agent must use the MAC to repair or replace the pump, plumbing or electric lines to the sump pump. The sump pump and electricity must be verified as operational within **7 calendar days** of the electricity being transferred into Agent's name. When electricity cannot be restored due to electrical damages, bids must be submitted. The MAC may be used to reroute or extend the exterior discharge hose to divert the water away from the house when the overflow has caused interior damage.

UTILITIES: When utilities (electricity/gas/water) are shared with another unit or electricity is required to operate a sump pump, Agents must transfer the utility(ies) into their name within **15 calendar days** of initial securing. The MAC includes verification utilities are transferred/connected/disconnected and wait time to meet with utility company, if necessary.

Water is required to be shut off curbside and at the main interior water supply. If it is not possible to shut off the water at the curb due to damages, shut water off at the main interior water supply and submit bids to repair shut off curbside.

EMERGENCY REPAIRS: Most emergency repairs can be completed by utilizing MAC thresholds. The emergency MAC should be used only when an immediate response is necessary to prevent damage. Gradual or progressive deterioration or lack of property maintenance does not qualify as an emergency. When using the emergency MAC, the Agent must ensure the source has been cured. If the source cannot be cured within the MAC, the Agent is to submit bids via Res.Net.

G. Damaged Properties

When damages are found that may result in further damage to the property if not addressed, the Agent must attempt to repair those damages using the MAC(s). When the cost to repair such damage exceeds the MAC(s), Agents must contact the Asset Manager.

FREEZE DAMAGES AND BROKEN/MISSING PIPES: When the property has freeze damage or broken/missing pipes, bids to repair the plumbing must be submitted. The Agent must ensure that the water is off at the main interior water supply and at the curb. The Agent must cap the water lines when needed.

ROOF DAMAGE: When a roof leak is discovered, appropriate measures must be taken to preserve the property by stopping the leak. When a roof has been tarped, the Agent must complete monthly inspections of the interior and exterior to validate the effectiveness of the tarp. When the tarp becomes ineffective, Agents must submit bids to tarp/patch/repair per the guidelines.

ROOF PATCH/REPAIR: When the cost to patch/repair an area of the roof exceeds the MAC, a bid to tarp and a bid to repair must be submitted simultaneously. Flat roofs only require a bid to repair. The MAC includes the repair of chimneys, skylights, stack pipes, roof vents, and shingles. It also includes the removal of a tarp that has been previously installed.

ROOF REPLACEMENT: Owner does not encourage replacing roofs prior to foreclosure. When the Agent determines that this is necessary, a bid to tarp and two estimates to replace the entire roof are required simultaneously. Roof replacement bids must be from two separate certified roofing contractors and their line by line estimates must be attached.

H. Notices

CODE VIOLATION NOTICES: When an Agent receives a code violation notice, the Agent must forward the notice to the Asset Manager immediately upon receipt; and within **15 calendar days** of the Agent's notification of the violation must cure the violation at a cost not to exceed the MAC. In cases where the cost to cure exceeds the MAC, the Agent must provide a bid via Res.Net within **15 calendar days** of the Agent's notification.

DEMOLITION OR CONDEMNATION: When an Agent receives notification regarding a potential demolition or condemnation, the Agent must forward the notice to the Asset Manager immediately upon receipt; and within 15 calendar days of the receipt of the notice, submit two demolition bids to the Asset Manager.

I. Work Orders - Completion of Work

When work orders have been approved by Owner, the Agent will have **15 calendar days** from the time of the approval to complete work. The Agent will have **15 calendar days** from work completion date to report work completion to Owner via Res.Net.

Exhibit B

Standard Property Preservation – Maximum Allowable (MAC)

PROPERTY PRESERVATION TYPE	COMMENTS
	A. Securing

Knob lock or Knob lock with deadbolt	Maximum \$60 each
Padlock or Hasp and Padlock	Maximum \$40 each
Slider lock/Window lock	Maximum \$25 each
Boarding	Maximum \$0.90/united inches (UI)
Security Door	Maximum \$250/door
Cover Exterior Dryer Vent	Maximum \$25 each- 1 per unit for the term of the Agreement
Repair Garage Door	Maximum \$100/door for the term of the Agreement
Pool/Hot Tub/Spa Securing-Fence/Gate/Lanai	Maximum \$400 total for the term of the Agreement
	B. Lawn Maintenance
Initial Grass Cut and Desert Landscaping (Less than 12" height)	Less than 10,000 square feet – Maximum \$100 each
	10,001–15,000 square feet – Maximum \$150 each
	15,001-25,000 square feet – Maximum \$175 each
	25,001-35,000 square feet – Maximum \$200 each
	35,001-43,560 square feet – Maximum \$225 each
Grass Re-Cut and Desert landscaping	Less than 10,000 square feet – Maximum \$80 each
	10,001-15,000 square feet – Maximum \$100 each
	15,001-25,000 square feet – Maximum \$125 each
	25,001-35,000 square feet – Maximum \$150 each
	35,001-43,560 square feet – Maximum \$175 each
Trim Trees/Shrubs/Vines	Maximum \$250/calendar year (\$500/calendar year HI & FL)
	C. Winterization and Re-Winterization
Dry Winterization	Maximum \$100 for first unit for the term of the Agreement
Wet/Steam Winterization	Maximum \$150 for first unit for the term of the Agreement
Radiant Winterization	Maximum \$250 for the first unit for the term of the Agreement
Additional unit any type of winterization	Maximum \$50 each for the term of the Agreement
Re-Winterize	Maximum \$50 each/calendar year
	D. Health and Safety
Cleaning Refrigerator or Stand Alone Freezer	Maximum \$100 each
Cleaning Toilet	Maximum \$75 each
Capping Wire	Maximum \$1 each
Capping Gas/Water Sewer Lines	Maximum \$25 each
Extermination	Maximum \$100/calendar year
Install/Repair/Replace Exterior Handrails	Maximum \$10/linear foot, \$200 maximum for the term of the Agreement
	E. Raw Garbage, Perishable Debris and Personal Property

	*Combined Maximum of 10 cubic yards for the term of the Agreement
Raw Garbage and Perishable Debris-Interior/Exterior	*Maximum \$40/cubic yard
Move Personal Property-Interior/Exterior	*Maximum \$20 cubic yard
Dead Vermin/Dead Animal Removal	Maximum \$75 for the term of the Agreement
	F. Additional Allowable Items
Address Posting	Maximum \$50 for the term of the Agreement
Chimney Cap	Maximum \$250/cap – 2 maximum per unit for the term of the Agreement
Clean Gutters	Maximum \$1/linear foot, maximum \$100/calendar year
Repair/Reattach Gutters	Maximum \$2/linear foot, maximum \$140/calendar year
Snow Removal	Maximum \$75 each clearing, maximum \$375/calendar year
Repair/Replace Sump Pump	Maximum \$300 for the term of the Agreement
Utility Transfers and Shut Off	Maximum \$75 for one time shut off/transfer fee of each
Police/Fire Report	Maximum \$50 for the term of the Agreement
Emergency Funds	Maximum \$500 for the term of the Agreement
	H. Damage Properties
Patch/Repair Roof	Maximum \$2/square feet, maximum \$800 for the term of the Agreement
	I. Code Violations
Vacant Property Registration (VPR)	Actual cost to register per local requirement.

I agree by typing my name as my electronic signature, it is acknowledged and understood that it constitutes an acceptance of all the terms and conditions contained in this agreement and is valid and enforceable in accordance with the "Electronic Signatures in Global and National Commerce Act"

I have read, understand, and agree to all the terms, disclosures, and conditions of this agreement.

By electronically signing this form I acknowledge that all the information provided by me in this form is true and correct.

TYPE YOUR NAME AS YOUR ELECTRONIC SIGNATURE

Name:

[Print Contract](#)

[Submit](#)



© Copyright 2014 Res.Net





Date: 11/14/14



Date: 05/07/15

REGULAR CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBERS – CITY HALL
1000 CITY CENTER CIRCLE
MAY 19, 2015

THE REGULAR CITY COUNCIL MEETING of the City of Port Orange was called to order by Mayor Allen Green at 6:30 p.m.

Pledge of Allegiance

Silent Invocation

Roll Call:	Present:	Councilman Bob Ford Councilman Donald Burnette Councilman Scott Stiltner Vice Mayor Drew Bastian Mayor Allen Green
	Also Present:	David Harden, Interim City Manager Margaret T. Roberts, City Attorney Robin Fenwick, City Clerk

Motion to move items #10 and 11 to the beginning of the agenda was made by Councilman Burnette, and Seconded by Vice Mayor Bastian. Motion carried unanimously by voice vote.

B. PUBLIC HEARING

4. Code Changes from Purchasing

- a. Second Reading - Ordinance No. 2015-16 - Amending City Code Section 2-262 - Purchase and sales procedures and Establishing Section 2-275, Local Preference

Mayor Green read Ordinance No. 2015-16.

ORDINANCE NO. 2015-16

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING CHAPTER 2, ARTICLE VI, DIVISION 2, SECTION 2-262 OF THE CODE OF ORDINANCES REGARDING LOCAL PURCHASING PREFERENCE; AMENDING CHAPTER 2, ARTICLE VI, DIVISION 2 TO ESTABLISH SECTION 2-275 REGARDING LOCAL PURCHASING PREFERENCE;

PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES;
PROVIDING FOR CODIFICATION; PROVIDING FOR
SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-16
as amended on second reading was
made by Vice Mayor Bastian and
Seconded by Councilman Burnette.
Motion carried unanimously by roll call
vote after no comments.

- b. Second Reading - Ordinance No. 2015-17 - Amending City Code
Section 2-265 - Waiver of Irregularities

Mayor Green read Ordinance No. 2015-17.

ORDINANCE NO. 2015-17

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA
COUNTY, FLORIDA, AMENDING THE CITY CODE CHAPTER 2,
ARTICLE VI, DIVISION 2, SECTION 2-265, RELATING TO
WAIVER OF IRREGULARITIES; PROVIDING FOR REPEAL OF
CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY;
AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-17
on second reading was made by Vice
Mayor Bastian and Seconded by
Councilman Burnette. Motion carried
unanimously by roll call vote after no
comments.

- c. Second Reading - Ordinance No. 2015-19 - Amending City Code
Section 2-271 - Emergency Purchases

Mayor Green read Ordinance No. 2015-19.

ORDINANCE NO. 2015-19

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA
COUNTY, FLORIDA AMENDING THE CITY CODE CHAPTER 2,
ARTICLE VI, DIVISION 2, SECTION 2-271, RELATING TO
EMERGENCY PURCHASES; PROVIDING FOR REPEAL OF
CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY;
AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-19 on second reading was made by Vice Mayor Bastian and Seconded by Councilman Burnette. Motion carried unanimously by roll call vote after no public comments.

5. First Reading - Ordinance No. 2015-11 – Rezoning, Master Development Agreement (MDA) and Conceptual Development Plan (CDP) for Palmetto Pointe Marketplace PCD, southeast corner, Clyde Morris Blvd. and Madeline Ave. **(Continued from April 7, 2015)**

Mayor Green read Ordinance No. 2015-11.

ORDINANCE NO. 2015-11

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA REZONING PROPERTY CONSISTING OF APPROXIMATELY 17.7 ACRES LOCATED AT THE SOUTHEAST CORNER OF CLYDE MORRIS BOULEVARD AND MADELINE AVENUE FROM PUB (PLANNED UNIT DEVELOPMENT) TO PCD (PLANNED COMMERCIAL DEVELOPMENT) AND APPROVING A MASTER DEVELOPMENT AGREEMENT AND CONCEPTUAL DEVELOPMENT PLAN FOR THE PALMETTO POINTE MARKETPLACE PCD; PROVIDING FOR CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-11 on first reading was made by Vice Mayor Bastian and Seconded by Councilman Burnette.

Tim Burman, Planner, provided details of the rezoning request. The proposed plans are consistent with the concept plan.

Councilman Ford received calls of concern from neighbors regarding the traffic that will be caused in Southwinds Subdivision. He also heard complaints regarding noise concerns. Mr. Burman explained there is an eight foot wall to buffer the noise, as well as comply with the City's noise ordinance.

Councilman Burnette is concerned with the exit onto Tradewinds Lane through Southwinds. He'd like to see it as a right turn only.

Vice Mayor Bastian had concerns with the buffering on Madeline Avenue.

Councilman Stiltner also received calls from citizens.

Nectaria Chakas, Attorney for the developer, provided details of the proposed development. This property is zoned commercial. She advised that the developer will plant 37 additional trees in the buffer areas because of the fire on the property. They will also plant hedges and other understory because of what was destroyed in the fire. Ms. Chakas discussed property values, environmental concerns, and traffic issues.

Councilman Ford is concerned with access into the neighborhood. He'd like it to be a right turn only. Parker Mychenberg, Mychenberg and Associates, addressed the traffic issues into the neighborhood. The traffic study shows the effects on Madeline Avenue to be one more car every two minutes.

Councilman Burnette doesn't see the reason for the left turn onto Madeline Avenue. Mr. Mychenberg said the left turn signal is not warranted according to the County but the applicant is willing to pay for it if the City can help them get approval from the County. The proposed tenant is requiring full access. He asked Council to support it. Councilman Burnette believes people will use Tradewinds Lane because there is no turn lane. He doesn't want to encourage people to cut through the neighborhood. Councilman Burnette is pleased with the plan for the buffers after the fire. Mr. Mychenburg suggested signage to control the exiting from the center.

Vice Mayor Bastian asked for details of the sidewalk and lighting the sidewalks. He would like lights included in the agreement.

Steve Edgar, Forester, advised that the understory and brush will come back quickly.

Councilman Stiltner received calls in support of this project versus others that were approved previously. He doesn't believe cut through traffic will be an issue through the neighborhood.

Brian Spies, citizen, does not support the project because of the traffic in the neighborhood.

Sara Jones, citizen, is concerned with the Walmart store being opened 24 hours and an empty shopping center across the street. She believes Walmart should occupy the vacant property instead of building something new. She asked that the sidewalks be addressed to and from the development through the nearby neighborhoods.

Margaret Lamay, citizen, does not support the project.

Councilman Ford and Burnette believe some effort needs to be made to protect the neighborhood.

Councilman Stiltner asked that the sidewalks be looked at through the neighborhood.

Mayor Green asked that the noise and traffic be considered before second reading. He has heard from citizens who support the project.

Margaret Roberts, City Attorney, asked that the sidewalk improvements, signage along Madeline Avenue, and noise issues be included in the motion. Councilman Ford asked that contact be made to the County regarding the left turn signal.

Vice Mayor Bastian amended the motion to include the sidewalk lighting improvements, signage along Madeline Avenue, and have the noise concern addressed, and
Seconded by Councilman Burnette.

Motion as amended carried
unanimously by roll call vote.

6. Final Plat & Plans, Subdivision Variance, Amendment to the Concurrency Fair-Share Agreement and Release of Easement for Hawks Preserve at Port Orange Plantation – Ph. I, Case No. 14-50000006

Penny Cruz, Planner, provided details of the plat and plans for Hawks Preserve at Port Orange Plantation – Ph. 1.

Councilman Stiltner asked for further explanation on the request. Ms. Cruz explained the pedestrian bridge is being proposed rather than a full road connection.

Ms. Roberts provided a map showing the proposed extension of McGinnis Blvd. She advised Council that the approval will need to include a temporary construction easement to complete the full length of McGinnis Blvd.

Motion to approve as presented
including the access point and
temporary construction easement was
made by Vice Mayor Bastian, and
Seconded by Councilman Burnette.

There were no public comments.

Councilman Stiltner asked if the landscaping was mandated by the City and who would be maintaining it. Ms. Cruz said the City did mandate it and it will be the City's responsibility to maintain it.

Councilman Ford agreed with Councilman Stiltner. He would like each item to be tasked to a certain department for maintenance.

Motion carried unanimously by roll call
vote with no public comments.

7. Final Plat & Plans, Subdivision Variance, and Amendment to Concurrency Fair-Share Agreement and Release of Easements for Hawks Preserve at Port Orange Plantation – Ph. II, Case No. 14-50000007

Motion to approve was made by Vice Mayor Bastian, and Seconded by Councilman Burnette.

Ms. Cruz provided details of the proposed project.

Motion carried unanimously by roll call vote with no public comments.

C. AGENDA APPROVAL

Items pulled: #24.

Motion to approve the agenda as amended was made by Vice Mayor Bastian, and Seconded by Councilman Burnette. Motion carried unanimously by voice vote.

D. BOARD APPOINTMENTS, INTERVIEWS, REPORTS

8. Citizen Advisory Committee for TPO

Bobby Ball provided the report from the Citizen Advisory Committee meeting. Councilman Ford asked if Mr. Ball has discussed the trail plan with City Staff.

9. Environmental Advisory Board Appointment

Motion to re-appoint Phil Klema to the Environmental Advisory Board was made by Councilman Burnette, and Seconded by Councilman Ford. Motion carried unanimously by voice vote.

E. SPECIAL AWARDS, REPORTS, RECOGNITION AND PROCLAMATIONS

10. Atlantic High School Student Government Day 2015 certificates.

Certificates were presented to the students of the Law and Government Academy of Atlantic High School. These students participated in the mock Student Government Day. Council thanked the students for their involvement.

11. The 2015 Youth Achievement Award winner - Valentina Catinella

Valentina Catinella was presented with the 2015 Youth Achievement Award from the Youth Advisory Board.

12. Civility Month Proclamation

Mayor Green read a proclamation for Civility Month.

13. Second Annual Get Fit Port Orange Health & Fitness Challenge Recognition

Susan Lovallo, Parks & Recreation Director, provided details of the program and recognized the winners. Councilman Ford would like a special commendation for Kristy Brown with the Parks & Recreation Department for her work on the program.

F. CITIZEN PARTICIPATION (Agenda)

14. Vivian Verdi - Water bill issue

Vivian Verdi, citizen, discussed her parents' issue regarding their water bill at 6218 Yellowstone Drive. Councilman Burnette asked that the City Manager discuss the issue with the citizen and provide options. Mr. Harden provided details of the account history.

Mayor Green doesn't see where relief can be provided. Personal responsibility needs to come into play. Mr. Harden said there is no way for Staff to know when a leak starts at this time.

Councilman Burnette doesn't have a problem with adjusting the sewer fees. He doesn't see an option for relief.

Council agreed to hold with past practice and adjust the sewer charges only.

G. CITIZEN PARTICIPATION (Non-Agenda – 15 minutes)

Scott Webb, citizen, discussed his concerns with Waste Pro's poor service. They are not picking up the garbage timely.

Edwin Miller, General Manager of WaWa opening soon in Port Orange invited all to their grand opening scheduled for June 12, 2015.

Ted Noftall, citizen, asked Ms. Roberts if the public should have had an opportunity to speak regarding item number 14 above. Ms. Roberts advised Mr. Noftall that he can comment on the item now. Mr. Noftall asked when the audit will be complete. Mr. Harden said the Police Pension Plan audit is not complete and they are waiting on it to complete the City's audit. Mr. Noftall asked for the status of the forensic accounting

review. Mr. Harden advised that he met with the auditor on Monday and the report should be complete before May 26, 2015.

Mike Gardner discussed the sale of Hidden Lakes Golf Club in New Smyrna Beach. He believes some things need to be outsourced.

H. COUNCIL COMMENTS

15. Comments/Concerns from Council Members

Councilman Stiltner discussed the Council discussion regarding the March workshop item on the \$25,000 limit with multiple purchases of separate items. He believes Council should re-address the discussion. He believes it will help Staff be more efficient. Mr. Harden said the problem is the fear of running over the \$25,000 inadvertently. He provided some examples of items that would have been handled without Council. Councilman Ford is concerned because there is a lack of internal controls. He has no sense of security on the way money is spent by the City. He wants blanket bids for those services being used by multiple departments that are over \$25,000. He wants the public funds protected. He would be willing to consider this change after there are internal controls in place. Mr. Harden advised that the items that have tripped this issue have been purchased under blanket purchase orders. He advised that the money is tied up because Staff is appropriating more money than may be needed to avoid crossing the threshold. Mayor Green asked to add this topic to an upcoming agenda.

Vice Mayor Bastian advised that Council can't pick and choose the business to come into a specific area.

Councilman Ford doesn't understand the issue with the berm. He believes it would work fine. He asked the City Attorney for information regarding lawsuits against people upstream when flooding occurs. He suggested building a berm all the way to the northern City limit. Ms. Roberts asked for Council consensus regarding the research requested. Council confirmed.

Mayor Green asked for the status of the biometric time clocks. Mr. Harden advised that it is included in the bid for the police and fire time keeping.

I. TABLED ITEMS

16. First Reading - Ordinance No. 2015-18 - Amending City Code Section 2-267 - Waiver of Bidding Requirements (Tabled on May 5, 2015)

Motion to remove Item #16 from the table was made by Vice Mayor Bastian, and Seconded by Councilman Burnette. Motion carried 4-1 with Councilman Ford voting no.

Mayor Green read Ordinance No. 2015-18.

ORDINANCE NO. 2015-18

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING THE CITY CODE CHAPTER 2, ARTICLE VI, DIVISION 2, SECTION 2-267, ESTABLISHING BIDDING REQUIREMENTS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion to approve Ordinance No. 2015-18 was made by Vice Mayor Bastian, and Seconded by Councilman Burnette.

Mr. Harden advised there was a change based on Council's discussion on May 5, 2015.

Councilman Ford wants the option to re-consider a contract. He thinks this is a good safeguard. Mr. Harden suggested that a dollar threshold could be added for minor contracts.

Mr. Nofall doesn't understand why Council would support this due to the lack of internal controls.

Mark Schaeffer, citizen, supports Councilman Ford's statements.

Motion carried 4-1 with Councilman Ford voting no.

J. CONSENT AGENDA

17. Approval of Minutes
 - a. April 28, 2015 - Council Workshop
 - b. May 5, 2015 - Regular City Council Meeting
18. Resolution No. 15-21 - Listing Agent Utility Deposits
19. Resolution No. 15-26 - Request to Vacate Right-of-Way - Chamberlin Boulevard, East of Finley Drive
20. Resolution No. 15-28 - LAP Agreement for design of the McDonald Road Sidewalk.
21. Resolution No. 15-30 - Easement Vacation - Lot 1, Block 24, Dunlawton Subdivision; 1040 Herbert Street
22. Memorandum of Understanding - Methamphetamine Clandestine Drug Laboratory Wastes Central Storage Program
23. Right-of-way License Agreement – Lot 5, Sunrise Oaks PUD, Phase I; 3733 Sunrise Oaks Drive

24. Change Order No 2 and Final Payment to Masci Corporation for South Atlantic/Ridgewood Avenue Water Main Adjustments
25. Updated Phasing Agreement for United Methodist Church of Port Orange, 305 Dunlawton Avenue.
26. Reports
 - a. April 2015 Project Manager's Report
 - b. Stormwater Maintenance Progress
 - c. Crime Report
 - d. 2015 Citizen Survey Report

Motion to approve Consent Agenda as modified was made by Vice Mayor Bastian, and Seconded by Councilman Burnette. Motion carried unanimously by roll call vote.

Item #24 - Change Order No 2 and Final Payment to Masci Corporation for South Atlantic/Ridgewood Avenue Water Main Adjustments

Andy Neff, Public Utilities Director, provided details of the project and final change order as listed in the agenda item materials.

Councilman Ford asked if Mr. Neff is confident in the audit of the project. Mr. Neff said yes, he is confident in it.

Councilman Burnette thanked Mr. Neff for the presentation and information provided in the agenda packet.

Mr. Gardner asked why the City paid \$27,000 when part A was cancelled. He asked if Masci is threatening litigation. Mr. Harden advised that litigation was mentioned but not threatened. Mr. Neff advised that the \$27,000 covered work that was started along Atlantic Avenue before it was stopped.

Mr. Nofall asked what parts of the contract were in dispute by the contractor. Mr. Harden advised that the contractor claimed there was more money due than Staff believed, specifically mobilization and de-mobilization costs, which Staff does not believe are due under the contract.

Motion to approve item #24 was made by Vice Mayor Bastian, and Seconded by Councilman Burnette. Motion carried unanimously by roll call vote.

K. REGULAR AGENDA

27. Co-Sponsorship/Club Exchange Agreements Policy

Ms. Lovallo asked Council for policy direction regarding accepting donations and entering into agreements with clubs. Past practice has been a waiver of fees for donations received.

Council sees the benefit of the donations and agreements but wants to work through the logistics in a workshop.

28. Discussion on Palmer College Lease Agreement

Alan Rosen, Interim Assistant City Manager, advised Council that Palmer College would like to extend the lease to 2025 or enter into an option to purchase.

Council agreed to consider a lease extension until 2025.

Peter Martin, President of Palmer College, advised that they are asking for an extension in the lease and an option to purchase.

29. Halifax Paving Lake Excavation Contract - Progress Report Update

Mr. Neff provided details of the work being done by Halifax Paving on the lake excavation. The excavation is moving along better than at the start of the project.

Tad Durrance, Halifax Paving, is confident with the excavation and believes they will complete the project as agreed.

30. First Reading - Ordinance No. 2015-7 - Amending Fire and Rescue Pension Fund

Mayor Green read Ordinance No. 2015-7.

ORDINANCE NO. 2015-7

AN ORDINANCE OF THE CITY OF FORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING CHAPTER 54, PERSONNEL, ARTICLE IV, FIRE AND RESCUE PENSION FUND, OF THE CODE OF ORDINANCES OF THE CITY OF PORT ORANGE; AMENDING SECTION 54-77, DEFINITIONS; AMENDING SECTION 54-91, MAXIMUM PENSION; AMENDING SECTION 54-102, PRIOR FIRE SERVICE; PROVIDING FOR CODIFICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS AND PROVIDING AN EFFECTIVE DATE.

Ms. Roberts advised that the Ordinance provided in the packet has been changed slightly. She provided details of the changes.

Motion to adopt Ordinance No. 2015-7
on first reading was made by Vice
Mayor Bastian and Seconded by
Councilman Burnette. Motion carried
unanimously by roll call vote after no
public comments.

31. First Reading - Ordinance No. 2015-20 - Amending Police Pension Fund
for Internal Revenue Code Compliance

Mayor Green read Ordinance No. 2015-20.

ORDINANCE NO. 2015-20

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA
COUNTY, FLORIDA, AMENDING THE CITY OF PORT ORANGE
POLICE PENSION FUND TO PROVIDE FOR COMPLIANCE
WITH SECTION 401(a) OF THE INTERNAL REVENUE CODE BY
AMENDING SECTION 54-139(a)(14), INTERNAL REVENUE
CODE COMPLIANCE; PROVIDING FOR CODIFICATION;
PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES;
PROVIDING FOR SEVERABILITY; AND PROVIDING AN
EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-20
on first reading was made by Vice
Mayor Bastian and Seconded by
Councilman Burnette.

Mr. Noftall asked what happens if this is not approved. Ms. Roberts advised that it
jeopardizes the pension plan because it will not be in compliance with the IRS.

Motion carried unanimously by roll call
vote.

32. First Reading - Ordinance No. 2015-21 - Amending City Code Section 18-
230(5) to allow wrecker storage business within a seven-mile instead of five-mile radius
of the City

Mayor Green read Ordinance No. 2015-21.

ORDINANCE NO. 2015-21

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 18-230 RELATING TO LOCATION OF WRECKER SERVICE PROVIDER IN RELATION TO CITY LIMITS; PROVIDING FOR CODIFICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-21 on first reading was made by Vice Mayor Bastian and Seconded by Councilman Burnette. Motion carried unanimously by roll call vote after no public comments.

33. First Reading - Ordinance No. 2015-22 - Amending Sex Offender Residency Restriction

Mayor Green read Ordinance No. 2015-22.

ORDINANCE NO. 2015-22

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 46-63 RELATING TO SEX OFFENDER RESIDENCY RESTRICTION; AMENDING SECTION 46-64 RELATING TO EXCEPTIONS TO THE SEX OFFENDER RESIDENCY RESTRICTION; PROVIDING FOR CODIFICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-22 on first reading was made by Vice Mayor Bastian and Seconded by Councilman Burnette. Motion carried unanimously by roll call vote after no public comments.

34. First Reading - Ordinance No. 2015-23 - Amending Chapter 2, Sections 2-295 and 2-296, of the City Code relating to the capital budget

Mayor Green read Ordinance No. 2015-23.

ORDINANCE NO. 2015-23

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 2-295 OF THE CODE OF ORDINANCES RELATING TO CAPITAL BUDGET; AMENDING SECTION 2-296 RELATING TO COUNCIL ACTION ON CAPITAL BUDGET; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Motion to adopt Ordinance No. 2015-23
on first reading was made by Vice
Mayor Bastian and Seconded by
Councilman Burnette.

Mr. Rosen advised Council of the proposed change to promote efficiency.

Councilman Burnette is concerned with spending money on items that may not be necessary if the capital budget is prepared after the income amounts are provided.

Councilman Ford doesn't support the change because he needs more time to review the budgets.

Mayor Green likes the way it has been handled.

Mr. Harden advised Council the capital budget is essentially complete at this time but it is useless. He will be providing a totally different presentation.

Motion failed 1-4 by roll call vote with
Vice Mayor Bastian voting yes.

35. City Attorney's Performance Review

Councilman Stiltner asked for the process. Ms. Roberts said there is no formal process. Councilman Stiltner would prefer to have a scoring process laid out so they are all scoring in the same way. He has had good response from the City Attorney's Office. The Staff is professional. He is concerned with the timeliness of documents coming from the City Attorney's Office.

Vice Mayor Bastian agreed. He found forms on the internet for rating. He has had nothing but positive experiences with the City Attorney's Office. He is also concerned with the speed of completion of documents requested.

Councilman Burnette would like to see something standardized so that the review can be done every May. His concern with the City Attorney's Office is the structure. He would like another attorney in the office rather than paralegals.

Councilman Ford doesn't believe things can continue as they are now in the City Attorney's Office. He believes the office is becoming a bottleneck. He agreed to re-structure the office. He wants it to be more efficient. Priorities need to be set by Council for the Attorney's Office.

Mayor Green believes he receives good, sound legal advice. He would like an organizational chart. Ms. Roberts will bring further information back.

L. COMMENTS

36. City Attorney Comments

Ms. Roberts advised that she will be getting an intern free of charge for six (6) weeks; however, Molly Siebrecht is leaving on May 22, 2015. She expects further growth in Port Orange and suggested Council review the structure. She discussed options for claim of lien recovery processing. She asked Council to consider writing off some amounts that come up during the lien search process.

Councilman Ford wants to review the options before making a decision. He likes the thought process and wants to move in this direction.

Ms. Roberts advised that the residents of 6068 Spruce Point are interested in option 3 as presented but she needs Council to approve it. Council agreed.

Councilman Burnette supports the proposal but wants it on an agenda to be discussed thoroughly.

37. Interim City Manager Comments

Mr. Harden congratulated Robin Fenwick, City Clerk, on receiving her Bachelor's Degree recently.

The Audit will be provided on June 2, 2015 in draft form if the Police Pension information is not complete.

M. COUNCIL COMMITTEE REPORTS

38. City Council Committee Reports

- a. Library Advisory - Meeting held 5/7/15 – Vice Mayor Bastian did not attend but was advised that the Library is still around number two in check outs. Summer programs are gearing up.
- b. Volusia League of Cities – Mayor Green advised of the dinner on June 4, 2015.
- c. ArtHaus – Councilman Burnette reported that summer class sign-ups are on-going. Fun and Funky dinner didn't raise as much as budgeted.

- d. Port Orange/South Daytona Chamber of Commerce – Councilman Burnette reported that the Business Expo is on Thursday, May 21, 2015.
- e. Roundtable of Volusia County Elected Officials – Mayor Green did not attend.

Ms. Fenwick asked Council to schedule a Shade meeting. Council agreed to Tuesday May 26, 2015 at 5:15 p.m.

ADJOURNMENT: 10:28 p.m.

Mayor Allen Green

Attest:

Robin Fenwick, CMC
City Clerk

CITY COUNCIL WORKSHOP MINUTES
LAKESIDE COMMUNITY CENTER
1999 CITY CENTER CIRCLE
MAY 26, 2015

THE CITY COUNCIL WORKSHOP of the City of Port Orange was called to order by Mayor Allen Green at 6:30 p.m.

Pledge of Allegiance

Silent Invocation

Roll Call:	Present:	Councilman Bob Ford Councilman Donald Burnette Councilman Scott Stiltner Vice Mayor Drew Bastian Mayor Allen Green
	Also Present:	David Harden, Interim City Manager Margaret T. Roberts, City Attorney Robin Fenwick, City Clerk

DISCUSSION ITEMS

4. Reuse Plans for Former Police Department Building

Wayne Clark, Community Development Director, discussed the customer service option and other alternatives for usage of the old Police Department building. Staff does not recommend the customer service option because it divides the Community Development and Finance Departments and makes internal controls more difficult to track.

Councilman Stiltner asked what the impact would be by moving all of Community Development. Mr. Clark said there wouldn't be a huge impact. Councilman Stiltner supports better signage on the City Hall building.

Councilman Burnette wants to know that we will get enough out of the building and moving departments around to spend the money on repairs and maintenance. He wants to look at it long term and retain the span of control.

Councilman Ford wants more room for Staff at City Hall. He believes the cost of refurbishing the building as opposed to building an addition on City Hall is worth the money. Discussion was held regarding the jail cells. It is cost prohibitive to remove the jail cell.

Mayor Green prefers to have the building gutted and rebuilt in the inside with Community Development moving to the building.

Vice Mayor Bastian agreed with everything said. He would like the records center to utilize the area proposed with Community Development moving.

Council agreed to move Community Development after gutting the building. The roof work is currently budgeted and needs to be done as soon as possible. Council asked for information and costs for signs on City Hall.

5. Regulation of sign spinners/holders

Tim Burman, Planner, provided details of the current sign regulations, as well as common approaches to regulating commercial signs held by a person.

Vice Mayor Bastian doesn't support a total prohibition but supports regulation. He believes regulating the size is necessary.

Councilman Ford doesn't believe it is a serious problem and he doesn't want to make regulations when not necessary. He would agree with the size of the signs and placement because of safety concerns.

Councilman Burnette is also concerned with the size of the signs because of safety concerns. He believes they can be distracting.

Councilman Stiltner does not support a total prohibition either. He wanted to have some regulation. He has received complaints about sizes obstructing views at intersections. He supports restricting them from sidewalks and right-of-ways.

Vice Mayor Bastian asked if there has been an accident blamed on the size of a sign. There was no information to answer the question.

Chris McKenna, Owner of McKenna's Restaurant, asked Council to regulate but not prohibit. He believes landscaping hinders the view of the businesses. He volunteered to help develop the regulations.

Rich McCarthy, Tomoka Brewing Company, agreed with Mr. McKenna but would support a size limit. He believes the sign spinners work. He also volunteered to help develop regulations as to size.

Ted Nofall, citizen, suggested appointing a Board to recommend possible regulations.

Phil Madson, Anytime Gym, doesn't currently use sign spinners but supports the use of them. The sign spinners in his business complex have reported issues they've seen that would not have been seen as quickly otherwise.

Rudy Hoffman, Port Orange/South Daytona Chamber of Commerce Representative, volunteered their help, if needed.

Mayor Green supported limitation. Councilman Ford asked that the Chamber of Commerce gather businesses to provide a recommendation on regulations within a month. Tim Burman will also be included.

6. Dunlawton Avenue Median Landscaping Plans

Paul Momberger, Zev Cohen and Associates, provided details of the Dunlawton Avenue median improvement plans. The plans are with FDOT for their review.

Mayor Green is concerned with longevity of the plants.

Councilman Stiltner is concerned with maintenance of the plantings. He provided pictures from around the county that were not maintained. He does not support jasmine being used on Dunlawton because of the grow-in phase.

Councilman Burnette is concerned with the maintenance plan. He would have liked to be able to light Dunlawton.

Councilman Ford would like a supervisor with knowledge in horticulture.

Vice Mayor Bastian asked about the proposed cost for irrigation. Mr. Momberger said it will probably be much less because there is irrigation there already but repairs may be needed. It is just an estimate. He wants to be sure Staff holds the landscaping contractor accountable for properly maintaining the area.

Newton White, citizen, would prefer to see native plantings used. He doesn't like to use Crape Myrtles because they look bad in the winter.

Mr. Noftall asked if money was spent previously on landscaping Dunlawton Avenue that was approved a few years ago. Mr. Harden said no. Mr. Noftall would like to know the increased cost of maintenance. Mayor Green said he'd like to know that number as well. Mr. Noftall asked where the money is coming from to pay for these improvements. Mr. Harden said the City budgeted for this phase and grants will hopefully pay for the next two phases. Mr. Noftall suggested waiting a year on the improvements to let the grants pay for all of it.

Council supported the plan but wants to ensure the maintenance is completed long term. Mayor Green wants to see the cost of maintenance.

7. Policy Relating to Donations from Co-Sponsored Organizations

Susan Lovallo, Parks and Recreation Director, discussed the history of co-sponsored donations and agreements, as well as the current proposals from PAL and Pop Warner.

Direction is needed regarding framework for accepting donations. Staff suggested a 2-to-1 valuation on donations so that the City collects funds to use for maintenance, repair and replacement but allowing the group to receive some credit towards fees.

Vice Mayor Bastian is concerned with discouraging groups from donating if they are only credited on a 2-to-1 basis. All Council Members agreed.

Council doesn't agree with committing to not raising fees to other Councils. A short agreement to not raise fees on a group would be considered, up to five years.

Ms. Lovallo asked for direction regarding the time limit on the agreements (i.e.: maximum term of 30 years).

Bobby Ball, Pop Warner Representative, believes 30 years is fair although the Board would like more. The Board understands the City needs to protect the tax payers.

Council agreed to thirty years max.

Ms. Lovallo asked Council for direction regarding the waiver of direct Staff costs and electrical usage for lights. Waiving those fees will have a direct impact on the Parks' budget.

Mayor Green believes there should be some participation but the donations and improvements are a direct benefit to the community.

Council agreed to consider waiving direct costs. Mayor Green asked for a projected cost.

Ms. Lovallo asked Council if they would like to raise the authority limit for the City Manager to accept donations. Currently it is at \$5,000. Mr. Harden suggested anything over one (1) year. Councilman Burnette suggested a \$10,000 limit. Council agreed.

Mr. White asked what happens if the field is no longer available or the group is no longer together. He asked that those items be included in any agreement.

ADJOURNMENT: 8:31 p.m.

Mayor Allen Green

Attest:

Robin Fenwick, City Clerk



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Resolution No. 15-13 - Maximum Non-consensual Tow Rates

DEPARTMENT: Police Services

RECOMMENDED MOTION: Move to approve Resolution No. 15-13.

SUMMARY: The proposed maximum non-consensual tow rates amendment provides for charges related to self-adhesive vehicle wrap which is a technological advancement over traditional tarping and has become the preferred method for drying-in a damaged vehicle. The amended rates also provide for limits to the imposition of administrative and lien processing fees which may be charged pursuant to State Law.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Reso. No. 15-13	.pdf
----	-----------------	------

Jones, Matthew
Monahan, Gerald
Roberts, Margaret
Harden, David

Created/Initiated - 05/11/2015
Approved - 05/11/2015
Approved - 05/27/2015
Final Approval - 05/27/2015

RESOLUTION NO. 15-13

A RESOLUTION OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, ESTABLISHING RATES WHICH MAY BE CHARGED BY WRECKERS WITHIN THE CITY LIMITS; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 166.043(a)(b) of the Florida Statutes (2014) provides that local governments may enact rates for the removal and storage of wrecked or disabled vehicles from an accident scene or the removal and storage of vehicles in the event the owner or operator is incapacitated, unavailable, leaves the procurement of wrecker service to the law enforcement officer at the scene, or otherwise does not consent to the removal of the vehicle (hereinafter generally referred to as “nonconsensual tows”);

WHEREAS, Section 18-226 of the City of Port Orange Code of Ordinances provides that the City Council may, by resolution, establish rates that may be charged by any wrecker licensed to do business within the City;

WHEREAS, it is the City Council’s intent to establish the rates only for nonconsensual tows within the City of Port Orange

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

SECTION 1. The City of Port Orange hereby adopts the following maximum rates, attached as Exhibit A, until amended by resolution, for the removal and storage of wrecked or disabled vehicles from an accident scene or the removal and storage of vehicles in the event the owner or operator is incapacitated, unavailable, leaves the procurement of wrecker service to the law enforcement officer at the scene, or

otherwise does not consent to the removal of the vehicle, when the point of origin of the tow services are within the boundaries of the City of Port Orange.

SECTION 2. All resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed to the extent of such conflict. This resolution expressly supersedes Resolution 09-26.

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

SECTION 4. This resolution shall become effective immediately upon final passage by the City Council.

MAYOR ALLEN GREEN

ATTEST:

Robin L. Fenwick, CMC, City Clerk

Adopted on the day of _____, 2015

Reviewed and Approved: _____
Assist. City Attorney

EXHIBIT A
MAXIMUM NONCONSENSUAL TOW RATES

A. Maximum rates to be charged for the removal and storage of wrecked or disabled vehicles from an accident scene or the removal and storage of vehicles in the event the owner or operator is incapacitated, unavailable, leaves the procurement of wrecker service to the law enforcement officer at the scene, or otherwise does not consent to the removal of the vehicle, when the point of origin of the tow services are within the boundaries of the City of Port Orange shall be:

- | | |
|--|-----------|
| 1. Towing vehicles, Class A, under 9,999lbs shall be: | \$125.00 |
| 2. Towing vehicles, Class B, under 19,500lbs GVWR: | \$250.00 |
| 3. Towing vehicles, Class C, 19,501 to 24,999lbs GVWR: | \$375.00 |
| 4. Towing vehicles, Class D, greater than 25,000lbs GVWR: | \$500.00 |
| 5. When a flatbed is needed to accomplish the tow, a flat additional fee: | \$10.00 |
| 6. When dollies are required to accomplish the tow, a flat additional fee to tow the vehicle on dollies of: | \$35.00 |
| 7. If a tarp is required, a flat fee of: | \$15.00 |
| 8. If self-adhesive film is required to dry-in the vehicle, a flat fee of: | \$37.50 |
| 9. Additional flat fee per fifteen (15) minutes of extra labor for complicated situations, i.e., water recovery, extrication of vehicle from pole, tree, or house, righting overturned vehicle or clearing away a large amount of debris at an accident scene, a fee of \$25.00 per fifteen (15) minutes | |
| 10. Water recovery with the wrecker company using their own certified scuba diver to make the recovery: | \$125.00 |
| 11. Services charges | |
| a) Wrecker on-scene and owner arrives | \$25.00 |
| b) Wrecker not on scene and owner arrives | no charge |
| 12. Ancillary Charges | |
| a) Double hook-up | \$15.00 |
| b) Vehicle entry when locked | \$15.00 |
| c) Drop transmission linkage | \$15.00 |
| d) Axle or drive shaft removal | \$15.00 |
| 13. Storage Rates per day: | |
| a) Any vehicle at compound under twelve (12) hours | no charge |
| b) Class A | \$25.00 |
| c) Class B | \$30.00 |
| e) Class C | \$60.00 |
| f) Class D | \$60.00 |
| 14. After business hours vehicle release fee: | \$35.00 |

B. An administrative fee of \$25.00 may be assessed if a vehicle remains in storage for more than 24 hours. After 72 hours of storage (excluding weekends and holidays), a lien processing fee may be imposed for the actual costs of notifications required by F.S. 713.78 or \$65.00, whichever is less.

C. No other charges or fees, other than those specified and authorized in this schedule, are allowed for services provided by this resolution, including charges for mileage when towed from a point in the City to impound yard.



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: Yes

SUBJECT: Increase in Authorized Annual Spending Limit with Florida Detroit Diesel for Fire Station 73 Emergency Generator Fuel Tank Replacement.

DEPARTMENT: Public Works

RECOMMENDED MOTION: Move to approve increasing the authorized spending limit with Florida Detroit Diesel to \$40,700.00 to allow for replacement of the emergency generator fuel tank at Fire Station 73.

SUMMARY: When Florida Department of Environmental Protection inspected the Emergency Generator Fuel Tank at Fire Station 73 it was deemed out of compliance due to excessive rust and failure of the integrity test. Once integrity is compromised, a fuel tank must be replaced. A request for quotes was advertised and three quotes were received for installing a new fuel tank. (See attachment.)

Florida Detroit Diesel provided the lowest quote in the amount of \$15,505.00. The Utilities Department has already encumbered \$25,000 for diesel generator maintenance with Florida Detroit Diesel. Therefore, approval is requested to increase the authorized spending limit with Florida Detroit Diesel for this fiscal year to \$40,700.00 in order for the City to contract with them for installing a replacement Emergency Generator fuel tank at Fire Station 73.

Project No.: OMI026 Funding Account No.: 317-1000-519. 64-00

ATTACHMENTS:

1.	Fuel Tank Install Quotes	Detroit Diesel Quote.pdf
----	--------------------------	--------------------------

Silvey, Mike
Adumuah, Branford
Gomez, Joseph
Riehm, Tracey
Harden, David

Created/Initiated - 05/21/2015
Approved - 05/21/2015
Approved - 05/21/2015
Approved - 05/27/2015
Final Approval - 05/27/2015

**City of Port Orange
Requisition**

Date 3/10/2015

Purchase Order # _____

Vendor Florida Detroit Diesel-Allison
P.O. Box 865016
Orlando, FL. 32886

Ship To City of Port Orange

Contact: Jimmy Jacobs
Phone: 407-948-7402
Fax: 866-902-4064
Email: j.jacobs@ssss.com

Public Works Dept.

407 Virginia Av

Vendor #: 252598

Requisition _____

Requested by: Jeff Fontane Fund _____ Dept. _____ Division _____

Quantity	Item #	Description	Unit of Measure	Unit Price	Total Cost	Element
		Travel to Fire Station 73 to form 12' X 8' X 12" thick concrete pad steel reinforced 3,000 psi concrete. Set and pour				
1		6 bollards - 4" pipe, 5' above ground x 2' inground with 16" X 24" footers, painted safety yellow.		6,428.00	6,428.00	
		After concrete cures return to site and set City owned 2,000 gallon Convault fuel tank on pad, disconnect				
1		fuel from existing tank via fuel polisher/conditioner, add fuel conditioner to fuel. Plug holes on existing fuel	parts	4,787.00	4,787.00	
1		tank and leave atmospheric vents on primary and secondary tanks.	labor	1,250.00	1,250.00	
		FDD-A to provide crane to lift and set fuel tank on pad. City of Port Orange responsible to have tank delivered				
1		to site on day tank is to be set on pad.	parts	2,990.00	2,990.00	
1		Mileage		50.00	50.00	
					0.00	
		Pricing per QuoteWire Item# JF 15-08			0.00	
Grand Total					15,505.00	

Justification: Backup Generator Fuel Tank at Fire Station #73 which supplies the Fire Station & the Allen Green Center failed DEP inspection for tightness. It must be replaced. Installation is separate and was put out on QuoteWire and was awarded to FI. Detroit Diesel.

Vendor Quotes - Prices quoted must be FOB Port Orange, FI - 2,000.00 to 8,000.00 quotes must be attached.

Vendor Name	Confirmed To	Terms	Total Amount	Delivery
Florida Detroit Diesel-Allison	Jeff Fontane		\$15,505.00	
Norris & Samon	Jeff Fontane		\$28,765.00	
Ralph Luce Construction	Jeff Fontane		\$24,145.00	

Funds are available in the account(s) cited to support this procurement.

Any one item with an acquisition cost of \$2,000 or more:

Finance Dept.

I hereby certify that the Articles above specified are necessary for use in this department and that they are to be used solely for the City.

Department Head


City Manager


Purchasing Agent



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: Yes

SUBJECT: Increase in Spending Limit for Zev Cohen & Associates, Inc. for Professional Traffic Engineering Services for Traffic Control Improvements on Isabelle Avenue, Jackson Street, and Summer Trees Road.

DEPARTMENT: Public Works

RECOMMENDED MOTION: Move approval to increase the annual spending limit for Zev Cohen & Associates, Inc. Contract for Site Development Engineering Services to \$34,224.00.

SUMMARY: The City's contract with Zev Cohen & Associates Inc. for Site Development Engineering Services dated November 9, 2010 was extended for two additional years commencing on October 1, 2014 through September 30, 2016. So far this year, there have been two Amendments to the contract: No. 16 for 12,500.00, dated October 24, 2014; and No. 17 for \$3,600.00, dated November 11, 2014. The latest Amendment (No. 18) provides for professional engineering services for traffic control and safety improvements on Isabelle Avenue, Jackson Street and Summer Trees Road at a total cost of \$18,124.00. With this latest Amendment, the annual spending will exceed \$25,000.00. Therefore, approval is requested to raise the annual spending limit with Zev Cohen & Associates Inc. to \$34,224.00.

Project No.: Funding Account No.: 00143005413414

ATTACHMENTS:

1.	Zev Cohen contract extension	Zev Cohen Contract Extension.pdf
2.	Amendment No 16	Zev Cohen Amendment No 16.pdf
3.	Amendment No 17	Zev Cohen Amendment No 17.pdf
4.	Zev Cohen Amendment No 18	Zev Cohen & Associates Amendment #18 (RFSQ 10-06) dated 5.11.15.pdf
5.	Zev Cohen Contract November 2010	ZEVE COHEN & ASSOCIATES - Date of Contract 11-9-2010.tif

Cockcroft, Kynah
Silvey, Mike
Adumuah, Branford
Gomez, Joseph

Created/Initiated - 05/18/2015
Approved - 05/18/2015
Approved - 05/21/2015
Approved - 05/21/2015

Riehm, Tracey
Harden, David

Approved - 05/23/2015
Final Approval - 05/27/2015



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE: 08/19/14

Consent item: yes ☒ no ☐

SUBJECT: RENEWAL OF CONTINUING ENGINEERING FOR SITE DEVELOPMENT SERVICES CONTRACTS

DEPARTMENT: COMMUNITY DEVELOPMENT

RECOMMENDED MOTION: To approve authorization to renew and extend three continuing engineering services contracts for two years.

SUMMARY: The City presently has three continuing engineering services contracts for site development. The engineering firms were originally selected in conjunction with RFSQ 10-06. The three contracts commenced on October 1, 2010 and ran until September 30, 2012 and were extended for one two year period that terminates on September 30, 2014. The contracts are renewable by the City for one additional two-year term by mutual agreement of the parties on the same terms and conditions. The contracted engineering firms are CPH Engineers, Kimley – Horn and Associates, and Zev Cohen and Associates. All three firms have agreed to renew on the same terms and conditions of the 2010 contract. Terms negotiated in 2010 during the bottom of the recession are likely better than going out for a new RFSQ this year. Staff recommends renewing the contracts with these firms for the second two-year term.

Project No.: n/a Funding Account No.: n/a

ATTACHMENTS: ☐ Budget Resolution ☐ Ordinance/Resolution
☒ Support Documents (contract, agreement, etc.) ☐ Other

DEPARTMENT HEAD:  Submitted

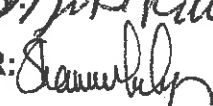
Date 7/23/14

FINANCE DEPARTMENT: N/A Approved as to Budget Requirements

Date

CITY ATTORNEY:  Approved as to Form and Legality

Date 8.4.14

CITY MANAGER:  Approved Agenda Item for: 8/19/14

Follow up letter/action to be taken by: ☐ Department ☒ Clerk's office or ☐ N/A



CITY OF PORT ORANGE

1000 CITY CENTER CIRCLE
PORT ORANGE, FLORIDA 32129
TELEPHONE (386) 506-5615
FAX (386) 756-5699

July 7, 2014

Re: R.F.S.Q. # 10-06 Continuing Professional Engineering Services for Site Development

Zev Cohen & Associates, Inc.
300 Interchange Boulevard
Ormond Beach, FL 32174
Attn: Dwight Durant, P.E.

Dear Mr. Durant:

The City of Port Orange presently has a contract with your firm for the above-mentioned services. Included in the original contract is an option for two (2) year extensions, if mutually agreeable to both parties. The City would like to exercise that option for the second two year extension through September 30, 2016, with the same prices, terms and conditions as outlined in the original agreement.

Exercising this option requires a new written contract extension that must be approved by the City Council. In order to initiate this action, your acceptance is required.

Please indicate your acceptance to extend the agreement by signing in the appropriate space provided. Return the original signed letter to me. An agenda item and addendum to the contract will be prepared and presented to the City Council for their formal approval.

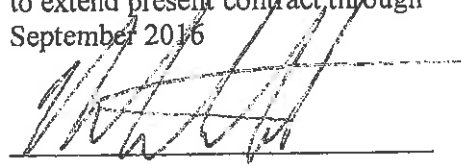
Your contacts on behalf of the City during the upcoming contract extension are Mr. Wayne Clark, Community Development Director, or Mrs. Margaret Momberger, Construction & Engineering Manager. Mr. Clark may be contacted at (386) 506-5610 and Mrs. Momberger at (386) 506-5661. Should you have any other questions, you can always reach me at (386) 506-5615.

Re: R.F.S.Q. # 10-06 Continuing Professional Engineering Services for Site Development
Page 2

The City of Port Orange has valued your services and we wish to thank you in advance for your consideration and cooperation in this matter. We look forward to another pleasant and successful two years with your firm.

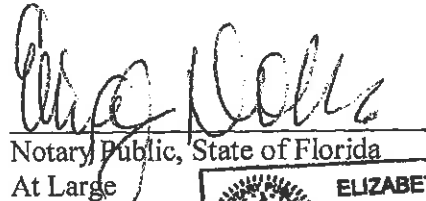
Indicate your acceptance of the contract acceptance by executing below:

Acceptance by the Undersigned:
to extend present contract through
September 2016

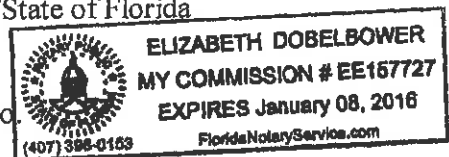


STATE OF FLORIDA
COUNTY OF VOLUSIA

the foregoing instrument was acknowledged before me this 8th Day of July 2014, by
M. David Durant, P.E. as Authorized Representative for Zev Cohen & Associates, Inc., as
identification and did (did not) take an oath.


Notary Public, State of Florida
At Large

Commission No.



Sincerely,

Krista
Williams

Krista Williams
Office Assistant V

Digitally signed by Krista Williams
DN: cn=Krista Williams, o=City of Port
Orange, ou=Community Development,
email=kwilliams@port-orange.org, c=US
Date: 2014.07.07 13:45:47 -0400

Cc: Wayne Clark, Community Development Director
Margaret Momberger, Construction & Engineering Manager
Margaret Roberts, City Attorney
Lisa Pallante, Interim Purchasing Manager
file

**EXTENSION OF CONTRACT FOR
PROFESSIONAL ENGINEERING SERVICES FOR SITE DEVELOPMENT**

THIS EXTENSION of Contract for Professional Engineering Services for Site Development ("Extension") is made and entered into the day and year set forth hereinafter by and between the CITY OF PORT ORANGE, FLORIDA, a Florida municipal corporation located at 1000 City Center Circle, Port Orange, Volusia County, Florida 32129-4144 (the "City"), and ZEV COHEN & ASSOCIATES, INC., a Florida corporation whose principal address is 300 Interchange Blvd., Suite 3, Ormond Beach, Florida 32174 (the "Contractor"). (The City and the Contractor are hereinafter collectively referred to as the "Parties.")

WHEREAS, on November 9, 2010, the Parties entered into a Contract for Professional Engineering Services for Site Development (the "Contract"); and

WHEREAS, the Contract provided for an initial term of two years, commencing on October 1, 2010 and continuing until September 30, 2012, with two optional two-year renewals; and

WHEREAS, the Contract has been renewed for a period of two years, commencing on October 2, 2012 and continuing until September 30, 2014; and

WHEREAS, the Parties desire to exercise the second renewal option, extending the term of the Contract for an additional two year term, as set forth in this Extension; and

WHEREAS, the City Council has determined that the execution of this Extension is beneficial to the citizens of the City of Port Orange.

NOW, THEREFORE, the Parties, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. The term of the Contract is hereby extended for two (2) years, commencing on October 1, 2014, and expiring at midnight on September 30, 2016.

2. All other terms and conditions of Contract shall remain in full force and effect.

3. This Extension may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The delivery by facsimile or e-mail of an executed copy of this Extension shall be deemed valid as if an original signature was delivered. No contract shall be formed between Contractor and the City until each of the Parties signs this Extension.

IN WITNESS WHEREOF, the Parties hereto have signed, sealed, and delivered this Extension on the day and year stated hereinafter.

[remainder of page intentionally left blank]

Witnesses:

Viviana Vargas
Printed Name: VIVIANA VARGAS

Andy Thomas
Printed Name: ANDY THOMAS

ZEV COHEN, INC.

By: [Signature]
M. Dwight DuRant, President

Date: 8/5/2014

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 5th day of August, 2014 by M. Dwight DuRant, as President of Zev Cohen & Associates, Inc., a Florida corporation, and who:

[Notary: Please select one]

☒ is personally known to me; or
☐ has produced _____ as identification.

[Signature]
Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

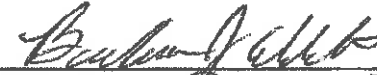


Witnesses:

CITY OF PORT ORANGE


Printed Name: Theresa Gutierrez

By: 
Allen Green, Mayor

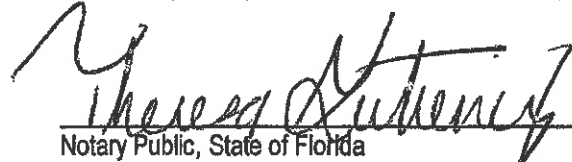

Printed Name: Barbara J. Abbate

Date: 8/19/14

STATE OF FLORIDA
COUNTY OF VOLUSIA

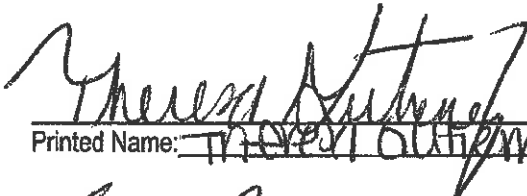
The foregoing instrument was acknowledged before me this 19 day of Aug., 2014, by Allen Green, as Mayor of the City of Port Orange, a Florida municipal corporation, on behalf of the City, and who is personally known to me.




Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

Witnesses:

ATTEST:


Printed Name: Theresa Gutierrez

By: 
Robin L. Fenwick, CMC, City Clerk

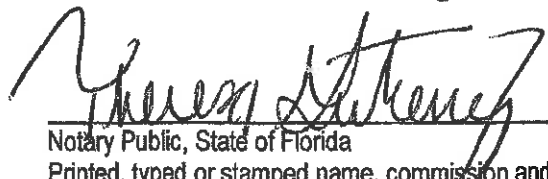

Printed Name: Barbara J. Abbate

Date: 8/19/14

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 19 day of Aug., 2014, by Robin L. Fenwick, as City Clerk of the City of Port Orange, a Florida municipal corporation, on behalf of the City, and who is personally known to me.




Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

[CA 3664]

Amendment Number 16

To Contract for Professional Engineering Services for Site Development

Dated November 9, 2010

City of Port Orange, Florida and Zev Cohen & Associates, Inc.

This Amendment No.16 is entered into by and between the **City of Port Orange, Florida**, a chartered municipal corporation, located at 1000 City Center Circle, Port Orange, Florida 32129 (the "City") and **Zev Cohen & Associates, Inc.**, a Florida for profit corporation, located at 300 Interchange Boulevard, Ormond Beach, Florida 32174 (the "Engineer") this 14th day of November, 2014.

WHEREAS, **Zev Cohen & Associates, Inc.**, was selected through a competitive process in accordance with the Consultants Competitive Negotiation Act, F.S. 287.055, as a qualified professional in response to City of Port Orange R.F.S.Q. 2010-06; and

WHEREAS, pursuant to that RFSQ, a Contract for Professional Engineering Services for Site Development was entered into by and between **Zev Cohen & Associates, Inc.** and the **City of Port Orange**, dated November 9, 2010 (the "Contract"); and

WHEREAS, the Contract requires that the scope and description of work for each project be described with particularity in sequential amendments; and

WHEREAS, the Port Orange City Council has determined that the execution of this Amendment to the Contract is beneficial to the citizens of the City of Port Orange.

WITNESSETH

1. **Scope of Work** The City and Engineer mutually agree to amend the Contract to provide professional services for analysis design and presentation of findings for the coordination and design of the Gateway Signage in the City of Port Orange, Florida, as follows:

Task 1.0 FDOT Coordination

ZCA will request and hold a meeting with the FDOT to establish an understanding of potential design opportunities and constraints with proposed gateway signs in regards to acceptable materials, sizing, locations, and requirements.

Task 2.0 Preliminary Design

ZCA will prepare three (3) versions of potential City gateway sign designs with an associated construction cost estimate for each. Each design will incorporate design information derived from meetings and coordination with the FDOT and City Staff.

Task 3.0 Preliminary 3D Visualization

ZCA will prepare a preliminary/basic 3D model of the three (3) conceptual sign designs and prepare a series of photo-realistic images to be used as part of subsequent review meetings and presentations.

Task 4.0 Presentation to City Council/ CRA

ZCA will prepare a colored, 3D visual presentation of the three (3) proposed City gateway sign designs for review, discussion, and final direction.

Task 5.0 Final Design, Plan Preparation, and FDOT Permitting

ZCA will finalize the Preliminary Design based on direction of City staff and City Council/ CRA. The work result will include construction document drawings to be utilized by the City for bidding purposes and FDOT permitting.

Task 6.0 Meetings

ZCA shall attend two (2) coordination meetings with City staff to review preliminary and final design intent drawings, and one (1) City Council/ CRA meeting.

Task 7.0 Bidding and Construction Administration

Bidding Services

ZCA shall provide the following bid services:

1. Attend a Pre-bid meeting
2. Respond to Contractor's questions and prepare addendums
3. Review bids and make recommendation to Client
4. Attend Bid Opening

Construction Administration Services

ZCA shall provide basic construction administration services to respond to Contractor's request for additional information, clarification or interpretations of the Construction Documents.

Task 8.0 Reimbursables

ZCA proposes to provide direct reimbursable expenses for printing, submittals, postage, overnight deliveries, deliveries and mileage with a lump sum amount for all disciplines. Other expenses such as application fees, advertising fees, rental of community spaces (community meetings), notification fees, website fees, etc. will be provided by the City.

2. **Cost of Work** The City and Engineer agree that the total cost of the work to be performed under this Amendment shall not exceed twelve thousand and five hundred dollars and 00/100 cents (\$12,500.00) and that this lump sum was negotiated based on the hourly rates as set forth in the Contract.

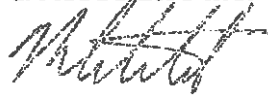
3. **Public Records Compliance** Consultant shall comply with public records laws as set forth in Section 119, Florida Statutes, and shall specifically: (a) keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service; (b) provide the public with access to public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed the cost provided in Section 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (d) meet all requirements for retaining public records and transfer to the City, at no cost, all public records in possession of the Consultant upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City in a format that is compatible with the information technology systems of the City. If Consultant does not comply with a public records request, the City shall enforce the contract provisions in accordance with the contract.

4. **No Other Changes** The City and Engineer acknowledge that all other terms, provisions and conditions of the original Contract for Professional Engineering Services for Site Development and any amendments thereto remain in full force and effect.

5. **Schedule** Tasks 1.0-3.0 shall be completed within 60 calendar days from the consultants notice to proceed. Task 5.0 shall be completed in 90 calendar days from the date of City Council/ CRA approval of a conceptual design.

IN WITNESS WHEREOF the parties have made and executed this Amendment No. 16 the day and year written above.

Zev Cohen & Associates Inc.

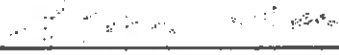
By: 

Authorized Representative

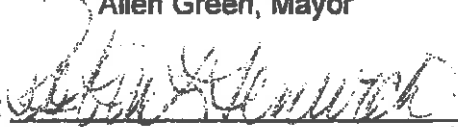
Attest: 

Date: October 24, 2014

CITY OF PORT ORANGE, FLORIDA

By: 

Allen Green, Mayor

Attest: 

Robin L. Fenwick, CMC, City Clerk

Date: Nov. 11, 2014

14068c02
PAM/ejd

Amendment Number 17

To Contract for Professional Engineering Services for Site Development

Dated November 9, 2010

City of Port Orange, Florida and Zev Cohen & Associates, Inc.

This Amendment No. 17 is entered into by and between the **City of Port Orange, Florida**, a chartered municipal corporation, located at 1000 City Center Circle, Port Orange, Florida 32129 (the "City") and **Zev Cohen & Associates, Inc.**, a Florida for profit corporation, located at 300 Interchange Boulevard, Ormond Beach, Florida 32174 (the "Engineer") this 11th day of November, 2014.

WHEREAS, **Zev Cohen & Associates, Inc.**, was selected through a competitive process in accordance with the Consultants Competitive Negotiation Act, F.S. 287.055, as a qualified professional in response to City of Port Orange R.F.S.Q. 2010-06; and

WHEREAS, pursuant to that RFSQ, a Contract for Professional Engineering Services for Site Development was entered into by and between **Zev Cohen & Associates, Inc.** and the **City of Port Orange**, dated November 9, 2010 (the "Contract"); and

WHEREAS, the Contract requires that the scope and description of work for each project be described with particularity in sequential amendments; and

WHEREAS, the Port Orange City Council has determined that the execution of this Amendment to the Contract is beneficial to the citizens of the City of Port Orange.

WITNESSETH

1. **Scope of Work** ZCA met with the City's Community Development Engineer on Friday, November 9th, 2014, and understand the City would like a peer review of the proposed Atlantic Marine project (the PROJECT) located in the City of Port Orange (the CITY). As a result of the flooding history in the area, the focus of this review will be on the stormwater design and calculations. We've identified the anticipated tasks and services to be provided.

Scope of Services:

1. To review the stormwater calculations and plans for the project and offer the City additional input, comments, and support information.
2. A review meeting with the City and Applicant/Applicant's Engineer.

2000.00
1600.00
3600.00

Due to the unique nature of the review process and the scope of our work being dependent upon the actions of others and the satisfaction of any outstanding concerns, we would propose to work on an "as-needed" basis. We have identified the tasks and associated budgets for the above as shown on the Attached Exhibit A, but would only invoice for time and expenses actually incurred.

2. **Cost of Work** The City and Engineer agree that the total cost of the work to be performed under this Amendment shall not exceed two thousand dollars and 00/100 cents (\$2,000.00) and that this lump sum was negotiated based on the hourly rates as set forth in the Contract.

3. **Public Records Compliance** Consultant shall comply with public records laws as set forth in Section 119, Florida Statutes, and shall specifically: (a) keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service; (b) provide the public with access to public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed the cost provided in Section 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (d) meet all requirements for retaining public records and transfer to the City, at no cost, all public records in possession of the Consultant upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City in a format that is compatible with the information technology systems of the City. If Consultant does not comply with a public records request, the City shall enforce the contract provisions in accordance with the contract.

4. **No Other Changes** The City and Engineer acknowledge that all other terms, provisions and conditions of the original Contract for Professional Engineering Services for Site Development and any amendments thereto remain in full force and effect.

IN WITNESS WHEREOF the parties have made and executed this Amendment No. 17 the day and year written above.

Zev Cohen & Associates Inc.

By: _____

Authorized Representative

Attest: _____

Date: November 11, 2014

CITY OF PORT ORANGE, FLORIDA

By: _____

Allen Green, Mayor

Attest: _____

Robin L. Fenwick CMC, City Clerk

Date: _____

14158c01
MDD/vv

**P.O. Review - Atlantic Marine
Consultant Fees
ZC 14158**

BUDGETTED SUMMARY

Task	Department Director \$128.00	Engineer II \$90.00	Senior CADD Technician \$75.00	Senior Clerical \$45.00	Subtotal
1. Stormwater Calculations & Plans Review	13.5 \$1,701.00	0 \$0.00	0 \$0.00	0 \$0.00	14 \$1,701.00
2. Meeting with the City and Applicant/Applicant's Engineer	2 \$252.00	0 \$0.00	0 \$0.00	0 \$0.00	2 \$252.00
Total Hours by Task	16	0	0	0	16
Total Fees by Task	\$1,953.00	\$0.00	\$0.00	\$0.00	\$1,953.00
	TOTAL FEES				\$1,953.00

City of Port Orange Professional Engineering Services
RFSQ 10-06
October 19, 2010

<u>Category of Employee</u>	<u>Hourly Rate</u>	<u>Multiplier</u>	<u>Billable Rates</u>
Principal	\$45.00	3.0	\$135.00
Department Director	\$42.00	3.0	\$126.00
Senior Professional Engineer	\$40.00	3.0	\$120.00
Senior Planner	\$40.00	3.0	\$120.00
Senior Biologist/Environmental Scientist	\$36.00	3.0	\$108.00
Professional Engineer	\$36.00	3.0	\$108.00
Registered Landscape Architect	\$36.00	3.0	\$108.00
GIS Analyst	\$36.00	3.0	\$108.00
Project Manager	\$40.00	3.0	\$120.00
Senior Designer	\$30.00	3.0	\$90.00
Engineer II	\$30.00	3.0	\$90.00
Environmental Scientist II	\$28.00	3.0	\$84.00
Landscape Architect II	\$28.00	3.0	\$84.00
Planner II	\$28.00	3.0	\$84.00
GIS Specialist	\$28.00	3.0	\$84.00
Engineer I	\$25.00	3.0	\$75.00
Environmental Scientist I	\$25.00	3.0	\$75.00
Designer	\$23.00	3.0	\$69.00
Landscape Architect I	\$23.00	3.0	\$69.00
Planner I	\$23.00	3.0	\$69.00
CADD Manager	\$30.00	3.0	\$90.00
Senior CADD Technician	\$25.00	3.0	\$75.00
CADD Technician	\$22.00	3.0	\$66.00
Construction Administration Manager	\$28.00	3.0	\$84.00
Construction Administration Technician	\$21.00	3.0	\$63.00
IT Manager	\$25.00	3.0	\$75.00
Certified Arborist	\$25.00	3.0	\$75.00
Landscape Designer	\$20.00	3.0	\$60.00
Engineering Technician	\$18.00	3.0	\$54.00
Biological Technician	\$15.00	3.0	\$45.00
Technical Assistant	\$15.00	3.0	\$45.00
Senior Clerical	\$15.00	3.0	\$45.00
Clerical	\$13.00	3.0	\$39.00

EXHIBIT "A"

Amendment Number 18

To Contract for Professional Engineering Services for Site Development

Dated November 9, 2010

City of Port Orange, Florida and Zev Cohen & Associates, Inc.

This Amendment No.18 is entered into by and between the **City of Port Orange, Florida**, a chartered municipal corporation, located at 1000 City Center Circle, Port Orange, Florida 32129 (the "City") and **Zev Cohen & Associates, Inc.**, a Florida for profit corporation, located at 300 Interchange Boulevard, Ormond Beach, Florida 32174 (the "Engineer") this 11 day of May, 2015.

WHEREAS, **Zev Cohen & Associates, Inc.**, was selected through a competitive process in accordance with the Consultants Competitive Negotiation Act, F.S. 287.055, as a qualified professional in response to City of Port Orange R.F.S.Q. 2010-06; and

WHEREAS, pursuant to that RFSQ, a Contract for Professional Engineering Services for Site Development was entered into by and between **Zev Cohen & Associates, Inc.** and the **City of Port Orange**, dated November 9, 2010 (the "Contract"); and

WHEREAS, the Contract requires that the scope and description of work for each project be described with particularity in sequential amendments; and

WHEREAS, the Port Orange City Council has determined that the execution of this Amendment to the Contract is beneficial to the citizens of the City of Port Orange.

WITNESSETH

1. Scope of Work The City and Engineer mutually agree to amend the Contract to provide professional services for analysis design and presentation of findings for the investigations and recommendations of traffic control improvements at various locations in the City of Port Orange, Florida, as follows:

A. Isabelle Avenue Analysis

1. Review existing roadway conditions of Isabelle Avenue, South of US 1 and north of Normandy.
2. With the assistance of the City of Port Orange Police Department, monitor traffic volumes and movements along Isabelle Avenue for the purpose of recording vehicular speeds and observing unsafe driving tendencies.
3. Analyze operations and make recommendations for traffic calming to improve safety, lower speeds, and improve traffic operations on the local street.
4. Estimate costs of proposed improvements.
5. Discuss options with City Staff.
6. Produce a Report of Findings and Recommendations.
7. Present results to City Representatives or at Public Hearing.

B. Jackson Street Analysis

1. Review existing roadway conditions of Jackson Street, South of Madeline and north of Herbert.
2. With the assistance of the City of Port Orange Police Department, monitor traffic volumes and movements along Jackson Street for the purpose of recording vehicular speeds and observing unsafe driving tendencies.
3. Analyze operations and make recommendations for traffic calming to improve safety, lower speeds, and improve traffic operations on the local street.
4. Estimate costs of proposed improvements.
5. Discuss options with City Staff.
6. Produce a Report of Findings and Recommendations.
7. Present results to City Representatives or at Public Hearing.

C. Summertrees Drive

1. Review existing roadway conditions in the immediate vicinity of Hickory Lane and northerly to Taylor Road.
2. Analyze existing physical conditions of the roadway and right-of-way. Also, analyze driving tendencies with respect to general volumes, speed, behavior and potential unsafe driving tendencies.
3. Make recommendations with report to traffic calming and/or clear zone improvements to improve safety, lower speeds and improve traffic operation on the local street.
4. Estimate costs of proposed improvements.
5. Discuss options with City Staff.
6. Produce a Report of Findings and Recommendations.
7. Present results to City Representatives or at Public Hearing.

Note: This Contract proposal does not include engineering design or permitting of the proposed improvements. These services can be provided with an amendment to the Contract once the scope of work is defined.

2. Cost of Work The City and Engineer agree that the total cost of the work to be performed under this Amendment shall not exceed _____ (\$_____) and that this lump sum was negotiated based on the man-hour worksheet attached hereto as **Exhibit 1**, and the hourly rates as set forth in the Contract.

3. Public Records Compliance: Consultant shall comply with public records laws as set forth in Section 119, Florida Statutes, and shall specifically: (a) keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service; (b) provide the public with access to public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed the cost provided in Section 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as

authorized by law; and (d) meet all requirements for retaining public records and transfer to the City, at no cost, all public records in possession of the Consultant upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City in a format that is compatible with the information technology systems of the City.

If Consultant does not comply with a public records request, the City shall enforce the contract provisions in accordance with the contract.

4. **No Other Changes** The City and Engineer acknowledge that all other terms, provisions and conditions of the original Contract for Professional Engineering Services for Site Development and any amendments thereto remain in full force and effect.

IN WITNESS WHEREOF the parties have made and executed this Amendment No. 18 the day and year written above.

Zev Cohen & Associates Inc.

By: _____

Authorized Representative

Attest: _____

Date: May 6, 2015

CITY OF PORT ORANGE, FLORIDA

By: _____

David Harden, City Manager

Attest: _____

Robin L. Fenwick, CMC, City Clerk

Date: 5/11/15

15067c01
MDD/cp

**Port Orange
Traffic Assessment
Exhibit 1
Consultant Fees
ZC 15067**

Task	Principal \$135.00	Engineer II \$90.00	CADD Technician \$66.00	Senior Clerical \$45.00	Subtotal
A. Isabelle Avenue Analysis					
1. Analyze Conditions	4.00 \$540.00	12.00 \$1,080.00	0.00 \$0.00	2.00 \$90.00	18.00 \$1,710.00
2. Design Development Costs	4.00 \$540.00	4.00 \$360.00	6.00 \$396.00	4.00 \$180.00	18.00 \$1,476.00
3. Report of Findings and Recommendations	4.00 \$540.00	4.00 \$360.00	2.00 \$132.00	4.00 \$180.00	14.00 \$1,212.00
4. Presentation	4.00 \$540.00	4.00 \$360.00	2.00 \$132.00	2.00 \$90.00	12.00 \$1,122.00
B. Jackson Street Analysis					
1. Analyze Conditions	4.00 \$540.00	12.00 \$1,080.00	0.00 \$0.00	2.00 \$90.00	18.00 \$1,710.00
2. Design Development Costs	6.00 \$810.00	4.00 \$360.00	8.00 \$528.00	4.00 \$180.00	22.00 \$1,878.00
3. Report of Findings and Recommendations	4.00 \$540.00	4.00 \$360.00	2.00 \$132.00	4.00 \$180.00	14.00 \$1,212.00
4. Presentation	4 \$540.00	4 \$360.00	2 \$132.00	2 \$90.00	12.00 \$1,122.00
C. Summer Trees Road Analysis					
1. Analyze Conditions	4 \$540.00	16 \$1,440.00	0 \$0.00	2 \$90.00	22.00 \$2,070.00
2. Design Development Costs	6 \$810.00	4 \$360.00	8 \$528.00	4 \$180.00	22.00 \$1,878.00
3. Report of Findings and Recommendations	4 \$540.00	4 \$360.00	2 \$132.00	4 \$180.00	14.00 \$1,212.00
4. Presentation	4 \$540.00	4 \$360.00	2 \$132.00	2 \$90.00	12.00 \$1,122.00
Total Hours by Task	52.00	76.00	34.00	36.00	198.00
Total Fees by Task	\$7,020.00	\$6,840.00	\$2,244.00	\$1,620.00	\$17,724.00
Reimbursables					\$400.00
TOTAL FEES					\$18,124.00

**CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES
FOR SITE DEVELOPMENT**

This Contract is entered into by and between the **City of Port Orange, Florida**, a chartered municipal corporation, located at 1000 City Center Circle, Port Orange, Florida 32129 (the "City") and **Zev Cohen & Associates, Inc.**, a Florida for profit corporation, located at 300 Interchange Boulevard, Ormond Beach, Florida 32174 (the "Engineer") this 9th day of November, 2010.

WHEREAS, the City from time to time desires to retain professional engineering services for site development projects including, but not limited to, those identified in the City of Port Orange Capital Improvement Plan for fiscal years 2011-2016 adopted by the Port Orange City Council on August 3, 2010; and

WHEREAS, **Zev Cohen & Associates, Inc.**, was selected through a competitive process in accordance with the Consultants Competitive Negotiation Act, F.S. 287.055, as a qualified professional in response to City of Port Orange R.F.S.Q. 2010-06; and

WHEREAS, it has been determined that the execution of this contract is beneficial to the citizens of the City of Port Orange.

WITNESSETH

The City and the Engineer for ten and 00/100 dollars (\$10.00) and other good and valuable consideration hereby covenant and agree as set forth below.

I. Description of the Projects

Projects may include engineering services in the City for existing or proposed road development, site development, and site design, analysis and evaluation, including, but not limited to, those projects identified in the City of Port Orange Capital Improvement Plan for fiscal years 2011-2016 a copy of which is available on request from the City.

Site Development Engineering services may include, but are not limited to, the following: 1. Surveys: Boundary, topographic and planimetric; 2. Site evaluation and analysis: Evaluation of storm water systems, flood plains, wetlands, and threatened and endangered species impacts; 3. Development of site plans: grading, paving, sanitary sewer, water, reclaimed water, lighting, landscape, irrigation, intersection improvement and signalization design, construction cost estimates and permitting in compliance with the Land Development Code and other applicable State and Federal regulations; and 4. Other professional services that may include site inspection, analysis of existing facilities or proposed site designs and attendance at meetings as determined by the City.

The scope and description of work for each project shall be described with particularity in sequential amendments to this Contract. Such amendments shall be attached to this Contract and made a part hereof as if fully set forth herein.

II. Term of Contract

The term of this contract shall commence on October 1, 2010 and shall terminate on September 30, 2012, a date which is two years (2) following commencement. This Contract is renewable by the City for two additional two-year terms by mutual agreement of the parties on the same terms and conditions.

III. Statement of Engineering Services

- a. The Engineer shall provide all certifications ("Engineer of Record" function), surveys, calculations, drawings, and other documents required for special permits and authorizations from various government bodies or agencies having jurisdiction over the project;
- b. The Engineer shall prepare a scaled diagram showing the dates of completion of various design phases and scheduled completion of working drawings and specifications and submit for review and approval by the designated representative of the City for the specific project (the "City Representative");
- c. The Engineer shall verify and evaluate technical proposals furnished by the construction contractor if requested by the City and provide such amplifications and explanations that may be necessary to clarify the intent of the drawings and specifications;
- d. The Engineer shall furnish consultation and advice as requested by the City during the construction of a project, including Construction Administration services/inspection (unless otherwise stipulated in a specific amendment attached hereto and made a part hereof);
- e. The Engineer shall furnish all other engineering services including, without limitation, those specified hereinafter and those required for the completion of specific projects as described in amendments to this contract;
 - 1. Site Visits/Special Permits. The Engineer shall visit the site and shall initiate and hold such conferences with representatives of the City and other agencies, boards or government bodies having jurisdiction over the area the project covers and take such other action as may be necessary to obtain permits and authorizations (except the construction permits) and other data upon which to develop the design and preliminary sketches showing the contemplated project;

2. Preliminary Sketches and Opinion of Probable Construction Costs. The preliminary sketches shall include plans, elevations and sections development in such detail and with such descriptive specifications as will clearly indicate the scope of work, and make possible a reasonable opinion of the construction cost and satisfy the requirements of permitting and regulatory agencies having jurisdictions. An opinion of probable construction costs shall be prepared;

3. Working Drawings and Specifications. After the preliminary sketches and opinion of probable costs have been approved, the Engineer shall proceed with the preparation of working drawings and specifications as required by the City Representative in such sequence and at such times as required by the City such that the construction work can be initiated promptly, procurement of materials made without delay and continuous prosecution of the work promoted, all in strict accordance with the approved design schedule as provided in paragraph III b above. Working drawings and specifications shall be revised as necessary and as required by the City Representative. After the City Representative has approved working drawings and specifications, the Engineer shall furnish such number of sets of the approved specifications, as may be required by the City Representative;

4. Original Drawings – Final Plans. Upon approval of final plans the Engineer shall deliver to the City one set of original drawings, in such medium and on such materials, as may be required by the City Representative, suitable for blueprinting, showing approved constructed requirements (not of "as-built" construction unless otherwise stipulated), provided, however, that should this contract be terminated by the City, the Engineer shall deliver to the City one set of originals as they exist at the time of termination. Such plans as are delivered shall become and remain the property of the City. Plans will be drawn in AutoCAD format unless otherwise directed by the City;

5. Revision of Final Drawings and Specifications. The Engineer shall, without additional fee, correct and revise the drawings, specifications, or other materials furnished under this contract, if the City Representative finds that such revisions are necessary to correct errors or deficiencies for which the Engineer is responsible;

6. Bidding. The Engineer shall perform all necessary engineering services required in connection with the competitive bidding for construction of the project and the preparation of all documents required thereof, including preparation of documents for separate bid packages for multiple contractors if so required by City Representative.

IV. Responsibility of the Engineer

The Engineer shall be responsible for the professional and technical accuracy and the coordination of all engineering analysis, drawings, specifications and other work or materials furnished by the Engineer under this contract. The Engineer shall without additional cost or fee to the City, correct or revise any errors or deficiencies in his performance.

V. Reuse of Documents.

The City shall have unlimited rights, for the benefit of the City in all drawings, designs, specifications, notes and other Engineer's work produced in the performance of this contract, or in contemplation thereof, and all as-built drawings produced after completion of the work, including the right to use same on any other City work without additional cost to the City. All documents including drawings and specifications prepared by Engineer pursuant to this Contract are Instruments of Service in respect of the Project. They are not intended or represented to be suitable for reuse by City or others for any other project. Reuse for another project without written verification or adaption by Engineer for the specific purpose intended will be at City's risk. Any such verification or adaption will entitle Engineer to further compensation at rates to be agreed upon by City and Engineer in an Amendment to this Contract. A reproducible set of plans and specifications shall be delivered to and become the property of the City upon completion of the Project by the Engineer.

VI. Expert Witness

The Engineer shall serve as an expert witness for the City in any legal proceedings regarding this project if the City so requests. The expert witness fee for Engineer shall be negotiated at the time the Engineer is called as an expert and shall be set forth in an Amendment to this Contract.

VII. Compensation

The Engineer shall be paid a lump sum fee as full compensation for all services, labor and material required thereby, and for all expenditures which may be made and expenses incurred except as are otherwise expressly provided herein. This fee will be negotiated for each project to be completed and set forth in an Amendment to this Contract, except to the extent that hourly rates and standard rates shall be consistent with **Exhibit "A"** attached hereto.

VIII. Method of Payment

The Engineer shall submit a monthly statement for professional services rendered and expenses incurred to date of the statement. The statements will be based

upon Engineer's estimate of the proportion of the total services actually completed at the time of billing to the total services to be performed. Such estimates are to be prepared by the Engineer and accompanied by such supporting data as may be required by the City Representative.

Within thirty (30) days of acceptance by the City Representative of the work for which Engineer has submitted the monthly statement of professional services, the Engineer will be paid the unpaid balance of any money due for work covered by said statement.

IX. City Representative

The work will be under the direction of the authorized City Representative who shall have final decision authority for all phases of the work, including general direction, review, and approval of the work.

Neither the City Representative's review, approval or acceptance of, nor payment for, any of the services required under this contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and the Engineer shall be and remain liable to the City for all costs of any kind which were incurred by the City as a result of the Engineer's negligent performance of the services furnished under this Contract.

X. Modifications to Scope of Work/Change Orders

The City Representative may at any time, by written order, and without notice to the sureties, make changes within the general scope of the Contract and the work and service to be performed. If any such changes cause an increase or decrease in the Engineer's cost, or the time required for performance of this Contract, an equitable adjustment shall be made and the Contract shall be modified in writing accordingly. Any claim by the Engineer for adjustment under this clause must be asserted in writing within thirty (30) days from the date of receipt by the Engineer of the notification of change unless the City Representative grants a further period of time before the date of final payment under the contract. The Engineer shall proceed with the prosecution of the work as changed. Except as otherwise provided in this Contract, no charge for any extra work or material will be allowed.

XI. Subcontractors and Outside Associates and Consultants

Any subcontractors and outside associates or consultants required by the Engineer in connection with the services covered by the Contract will be limited to such individuals or firms as are specifically identified in an Amendment to this Contract. Any substitution in such subcontractors, associates, or consultants will be subject to the prior written approval of the City Representative.

XII. Insurance

The Engineer shall not commence any work in connection with this Contract until they have obtained all of the following types of insurance. Approval by the City of any policy of insurance shall not, however, relieve the Engineer from its responsibilities to provide the insurance coverage required herein.

The Engineer shall furnish policies and certificates of insurance to the City for review and approval. The certificates shall clearly indicate that the Engineer has obtained insurance of the type, amount and classification required by these provisions. No work shall be commenced until City has approved the policies. This Contract may be terminated by the City without penalty or expense, if any policies requested hereunder are not provided to and approved by the City within ninety (90) days of the date hereof.

The City shall be named as an additional insured on the Comprehensive General Liability policy and the Automobile Liability policy. The policy shall contain language requiring thirty (30) days prior notification to the City of any changes in or cancellations of coverage.

Insurers licensed to do business in the State of Florida shall issue all insurance policies, and any insuring company is required to have a minimum rating of A-, Class X in the Best Key Rating Guide published by A.M. Best & Company, Inc.

A. Worker's Compensation The Engineer shall secure and maintain during the contract period, all worker's compensation insurance in the amount required by Florida law for themselves and their employees, and shall require the same coverage for consultants or subsidiaries, if any, and their employees, covering this project, without exclusion of any class of employee.

B. Liability

1. Comprehensive General. The Engineer shall secure and maintain during this contract period, one million and 00/100 dollars (\$1,000,000.00) single limit comprehensive general liability insurance, covering themselves, their employees, agents, consultants or subsidiaries and their employees or agents. Public liability coverage shall include blanket contractual insurance, and shall make express reference to the Engineer's hold-harmless provision in Paragraph XII E.(1) and/or E.(2) of this Contract.

2. Automobile Liability. The Engineer shall secure and maintain during this contract period, one million and 00/100 dollars (\$1,000,000.00) single limit comprehensive automobile liability insurance, covering himself, his employees, agents, consultants or subsidiaries, and their employees or agents, for claims for damages for personal injury and property damage. Such policy shall include coverage for claims by

any person as a result of an offense directly or indirectly related to the employment of such person by the Engineer or by any other persons. Public Liability coverage shall also include automobiles, whether owned, non-owned, or hired. It shall include blanket contractual insurance, and shall make express reference to the Engineer's hold-harmless provision in Paragraph XII E.(1) and/or E.(2) of this Contract.

3. **Professional Liability.** The Engineer shall secure and maintain during the contract period and for at least three years thereafter, professional liability insurance coverage with minimum coverage limits of one million and 00/100 dollars (\$1,000,000.00), with a maximum deductible of fifty thousand and 00/100 dollars (\$50,000.00) per claim. Such policy shall cover all of the Engineer's professional liabilities whether occasioned by the Engineer, their agents, employees, consultants or subsidiaries or their agents or employees, arising out of services performed under or in accordance with this Contract. The Engineer shall immediately inform their carrier and the City of any contractual agreements that may alter their professional liability under this agreement. The Engineer will furnish copies of the policy and any changes or amendments thereto, immediately, to the City prior to the commencement of any work. The proposed policy shall be provided to the City and is subject to the City's approval.

C. **Personal Property** The Engineer shall secure and maintain during the contract period, adequate insurance coverage for their own personal property and for the personal property of their employees and agents, and shall require the same coverage for their subsidiaries or consultants and their employees and agents. Such coverage shall include, but not be limited to, motor vehicles, whether licensed or unlicensed, mobile equipment, whether licensed or unlicensed, and temporary or portable shelters or offices.

D. **Notice** The Engineer shall immediately report in writing to the City, any incident that might reasonably be expected to result in any claim under any of the coverages mentioned herein.

The Engineer shall immediately report in writing to the City's designated insurance Risk Manager any option for modification in the original professional liability coverage offered by the insurer that may inure to the benefit of the City the additional expense of such option, if any, shall, if exercised by the City, constitute a reimbursable expense to the Engineer.

E. **Indemnity**

1. **Liability.** The Engineer shall indemnify and hold the City harmless from all claims for personal injury and property damages that may arise from and be the proximate result of errors, omissions, or negligent acts of the Engineer or its consultants, employees or agents, during the performance of services under this Contract. The indemnification and hold harmless shall apply to all claims, damages, injuries, liabilities, losses and expenses, including attorneys' fees and costs.

Notwithstanding this indemnification and not by any way of waiver of such indemnification, the Engineer shall obtain and retain throughout the term of the project, insurance coverage described herein.

2. **Personal Property.** The Engineer shall save the City harmless from the claims of any person for loss, loss of use or damage to the personal property of the Engineer, its agents, employees, consultants or subsidiaries, during the contract period; such save harmless agreement shall include a waiver by the Engineer's Personal Property Insurance Company of any subrogation against the City for any loss occurring under the Engineer's Personal Property Insurance on the job site. The save harmless shall apply to all claims, damages, injuries, liabilities, losses and expenses, including attorneys' fees and costs.

XIII. Successors and Assigns

City and Engineer each binds himself and his partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements and obligations of this Contract.

Neither City nor Engineer shall assign, sublet or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Contract without the written consent of the other. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Contract.

XIV. Termination

a. The performance of work under this Contract may be terminated by the City in accordance with this clause in whole, or from time to time in part, whenever the City Representative shall determine that such termination is in the best interest of the City. Any such termination shall be effected by delivery to the Engineer of a Notice of Termination specifying the extent to which performance of work under the Contract is terminated, and the date upon which such termination becomes effective.

b. After receipt of a Notice of Termination, and except as otherwise directed by the City Representative, the Engineer shall:

1. Stop work under the Contract on the date and to the extent specified in the Notice of Termination.
2. Place no further orders or subcontracts for materials, services or facilities, except as may be necessary for completion of such portion of the work under the Contract as it is not terminated.

3. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination.
4. Assign to the City in the manner, at the times and to the extent directed by the City Representative, all of the right, title, and interest of the Engineer under the orders and subcontracts so terminated, in which case the City shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
5. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the City Representative, to the extent the City may require which approval or ratification shall be final for all the purposes of this clause.
6. Transfer title and deliver to the City in the manner, at the times, and to the extent, if any, directed by the City Representative.
 - a. The fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the work terminated by the Notice of Termination; and
 - b. the completed or partially completed plans, drawings, information, and other property which, if the contract has been completed, would have been required to be furnished to the City.
7. Complete performance of such part of the work as shall not have been terminated by the Notice of Termination.

c. After receipt of a Notice of Termination, the Engineer shall submit to the City's Representative his termination claim, in the form and with certification prescribed by the City Representative. Such claim shall be submitted promptly but in no event later than thirty (30) days from the effective date of termination, unless one or more extensions in writing are granted by the City Representative, upon request of the Engineer made in writing within such thirty (30) days period or authorized extension thereof. Upon failure of the Engineer to submit his termination claim within the time allowed, the City Representative may determine on the basis of information available to him, the amount, if any, due to the Engineer by reason of the termination and shall thereupon pay to the Engineer the amount so determined.

d. Subject to the provisions of Paragraph (c), the Engineer and the City Representative may agree upon the whole or any part of the amount or amounts to be

paid the Engineer by reason of the total or partial termination of work pursuant to this clause, the total or partial termination of work pursuant to this clause, which amount or amounts may include a reasonable allowance for profit on work done; provided, that such agreed amount or amounts exclusive of settlement costs, shall not exceed the total contract price as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated. The Contract shall be amended accordingly and the Engineer shall be paid the agreed amount. Nothing in Paragraph (e) of this clause prescribing the amount to be paid to the Engineer in the event of failure of the Engineer and the City Representative to agree upon the whole amount to be paid to the Engineer by reason of the termination of work pursuant to this clause, shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to the Engineer pursuant to this Paragraph (d).

e. In the event of the failure of the Engineer and the City Representative to agree as provided in Paragraph (d), upon the whole amount to be paid to the Engineer by reason of the termination of work pursuant to this clause, the City Representative shall pay to the Engineer the amounts determined by the City Representative as follows, but without duplication of any amounts agreed upon in accordance with Paragraph (d):

1. For completed work and services accepted by the City, the price or prices specified in the contract for such work, less any payments previously made.
2. The total of:
 - (a) The costs incurred in the performance of the work and service terminated, including initial costs and preparatory expenses allocable thereto, but exclusive of any costs attributable to the work and services paid or to be paid for under Paragraph (e)(1) hereof;
 - (b) The cost of settling and paying claims arising out of the termination of work or services under subcontracts or orders as provided in Paragraph (b)(5) above, which are properly chargeable to the terminated portion of the contract exclusive of amounts paid or payable on account of work or services delivered or furnished by subcontractors prior to the effective date of termination, which amounts shall be included in the costs payable under (a) above; and
 - (c) A sum, as profit on (a) above, determined by the City Representative to be fair and reasonable.

f. In the event the contract is terminated because of Engineer's default, the City may take over the work and services and complete the same by contract or otherwise, and the Engineer shall be liable to the City for any increased cost of the project.

XVI. Covenant Against Contingent Fees

The Engineer warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission percentage, brokerage or contingent fee excepting bona fide employees or established commercial or selling agencies maintained by the Engineer for the purpose of securing business. For breach or violation of this warranty, the City in its discretion shall have the right to cancel this contract without liability or, to remain a party to this contract and deduct from the Engineer's compensation (project fee), the full amount of such commission percentage, brokerage, or contingent fee.

XVII. Controlling Law, Attorney's Fees and Costs

This Contract is to be governed by the laws of the State of Florida. Venue for any litigation between the parties to this Contract shall be in Volusia County, Florida. The prevailing party shall recover against the other party all attorneys' fees and costs incurred from any and all disputes and/or litigation including appeals that arise from this Contract. **This contract is subject to the limitations as set forth in Florida Statute 287.055.**

XVIII. Modifications to Contract

This Contract, together with any exhibits, amendments and schedules constitutes the entire contract between City and Engineer and supersedes all prior written or oral understandings. This Contract and any exhibits, amendments and schedules may only be amended, supplemented, modified or cancelled by a written instrument duly executed by the parties hereto.

XIX. Equal Opportunity

During the performance of this Contract, the Engineer agrees as follows:

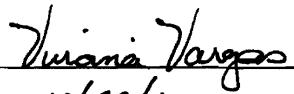
The Engineer will not discriminate against any employee or applicant for employment because of race, creed, color or national origin. The Engineer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of

compensation; and selection for training, including apprenticeship. The engineer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

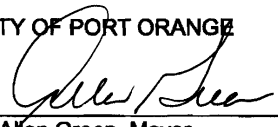
IN WITNESS WHEREOF, the parties have made and executed this contract, the day and year first above written.

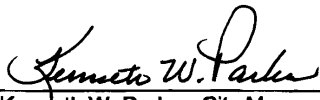
Zev Cohen & Associates, Inc.

By: 
Authorized Representative

Attest: 
Date: : 10/29/10

CITY OF PORT ORANGE

By: 
Allen Green, Mayor

Attest: 
Kenneth W. Parker, City Manager

Date: November 9, 2010

City of Port Orange Professional Engineering Services
RFSQ 10-06
October 19, 2010

<u>Category of Employee</u>	<u>Hourly Rate</u>	<u>Multiplier</u>	<u>Billable Rates</u>
Principal	\$45.00	3.0	\$135.00
Department Director	\$42.00	3.0	\$126.00
Senior Professional Engineer	\$40.00	3.0	\$120.00
Senior Planner	\$40.00	3.0	\$120.00
Senior Biologist/Environmental Scientist	\$36.00	3.0	\$108.00
Professional Engineer	\$36.00	3.0	\$108.00
Registered Landscape Architect	\$36.00	3.0	\$108.00
GIS Analyst	\$36.00	3.0	\$108.00
Project Manager	\$40.00	3.0	\$120.00
Senior Designer	\$30.00	3.0	\$90.00
Engineer II	\$30.00	3.0	\$90.00
Environmental Scientist II	\$28.00	3.0	\$84.00
Landscape Architect II	\$28.00	3.0	\$84.00
Planner II	\$28.00	3.0	\$84.00
GIS Specialist	\$28.00	3.0	\$84.00
Engineer I	\$25.00	3.0	\$75.00
Environmental Scientist I	\$25.00	3.0	\$75.00
Designer	\$23.00	3.0	\$69.00
Landscape Architect I	\$23.00	3.0	\$69.00
Planner I	\$23.00	3.0	\$69.00
CADD Manager	\$30.00	3.0	\$90.00
Senior CADD Technician	\$25.00	3.0	\$75.00
CADD Technician	\$22.00	3.0	\$66.00
Construction Administration Manager	\$28.00	3.0	\$84.00
Construction Administration Technician	\$21.00	3.0	\$63.00
IT Manager	\$25.00	3.0	\$75.00
Certified Arborist	\$25.00	3.0	\$75.00
Landscape Designer	\$20.00	3.0	\$60.00
Engineering Technician	\$18.00	3.0	\$54.00
Biological Technician	\$15.00	3.0	\$45.00
Technical Assistant	\$15.00	3.0	\$45.00
Senior Clerical	\$15.00	3.0	\$45.00
Clerical	\$13.00	3.0	\$39.00

EXHIBIT "A"

Zev Cohen & Associates



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: Yes

SUBJECT: 2015-2016 Renewal of Pollution Liability Insurance Policy, Including a Waiver of Formal Bidding

DEPARTMENT: Administrative Services

RECOMMENDED MOTION: Move to waive formal bidding procedures and approve a one-year renewal of the contract with Aspen Specialty Insurance Company for Pollution Liability Insurance, in the amount of \$32,136, and to authorize the Mayor and City Clerk to execute all documents necessary for this renewal.

SUMMARY: The City's current Pollution Liability insurance coverage with Aspen Specialty Insurance Company expires on 6/21/2015. The current carrier has quoted a renewal price of \$32,136, which is 2.5% over the current price of \$31,337.16. Brown & Brown has obtained quotes from other firms and has advised that two other vendors could not compete with Aspen's renewal pricing, and one additional vendor declined to quote.

Pursuant to Section 2-257 of the City Code of Ordinances, the Council may waive formal bidding procedures for insurance coverage. Aspen Specialty Insurance Company has provided a renewal price within market norms, meeting the City's specifications for coverage at \$32,136 for one year of \$1M per occurrence and \$1M annual aggregate coverage. Aspen is an A rated insurance company.

Project No.: Funding Account No.: 504-1000-519.45-10

ATTACHMENTS:

DiChiara, Paula
Steinebach, Donna
Harden, David

Created/Initiated - 04/17/2015
Approved - 05/27/2015
Final Approval - 05/27/2015



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: Yes

SUBJECT: Stormwater Maintenance Progress

DEPARTMENT: Public Works

RECOMMENDED MOTION: Accept the stormwater maintenance program update report.

SUMMARY: In February 2015, City Council requested regular updates regarding stormwater maintenance efforts. The attached PowerPoint slides provides an update on the progress of our stormwater facility maintenance program.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Stormwater Maintenance Update	Stormwater Maintenance Progress 5-21-15.pptx
----	-------------------------------	--

Fenwick, Robin
Adumuah, Branford
Rosen, Alan
Harden, David

Created/Initiated - 05/21/2015
Approved - 05/21/2015
Approved - 05/22/2015
New - 05/14/2015

Storm Water Maintenance Progress Report

May 7, 2015 - May 21, 2015

**Branford N. Adumuah
Public Works Director**



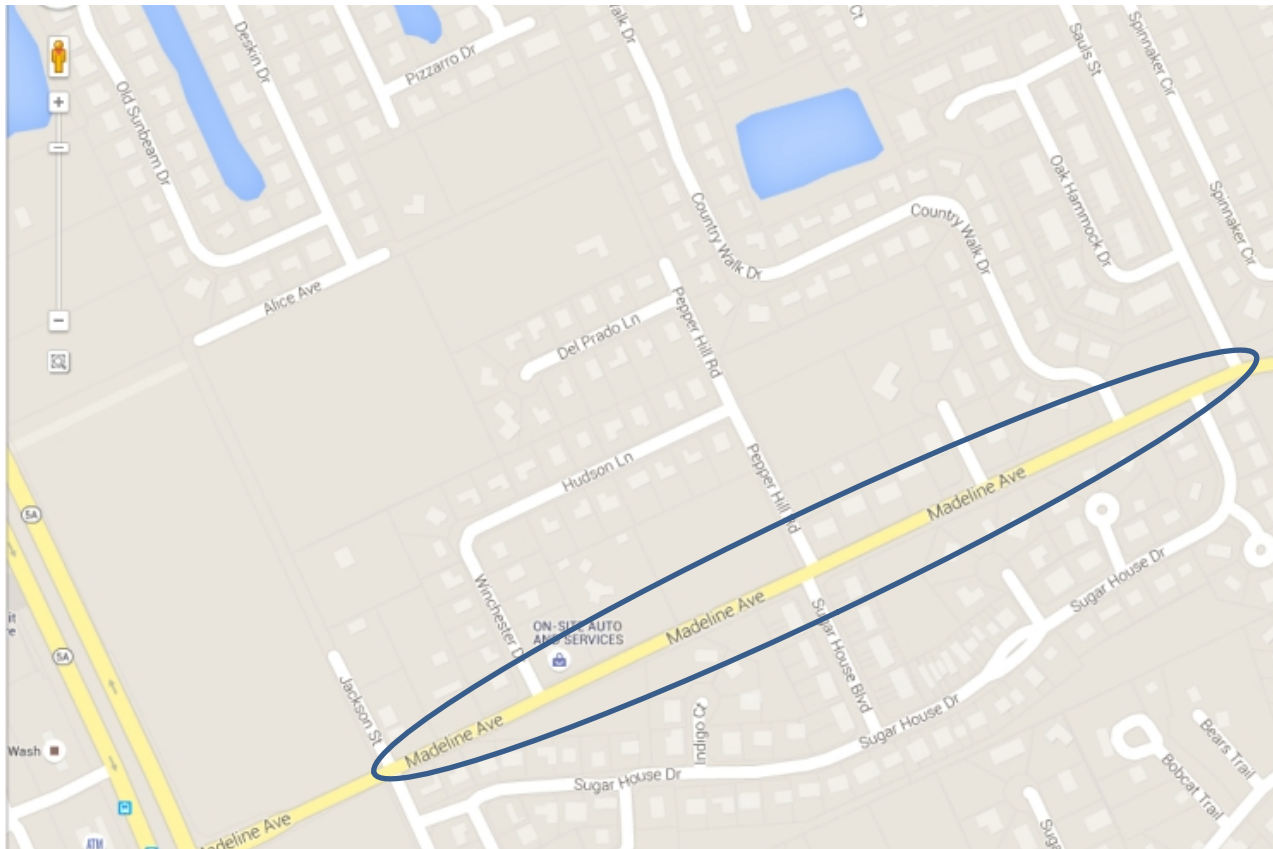
Catch Basin and Pipe Repairs

- Storm water drainage catch basin was repaired at 65 Raintree Drive. The metal around the grate was loose and caving in creating a safety hazard.
- Perforated storm water drainage pipe was repaired at 5821 Southport to improve storm water conveyance.



Ditch Clearing

Approximately 335 linear feet of storm water drainage ditch was cleared on the north side of Madeline Avenue from Jackson Street to Sauls Street. Menzi Muck equipment was down for repairs. There were many utility obstructions. Lots of hand clearing work was done.



Ditch Clearing

Location	Section	From	To	Days	Feet	Hours	Comments
Madeline Ave. From Jackson St. to Sauls St. (North Side of Madeline)	2	5/7/15	5/21/15	3	335	12	Menzi Muck equipment down for repairs. Lots of hand clearing work. Many utility obstructions.
Madeline Ave. From Jackson St. to Sauls St. (South Side of Madeline)	2	4/29/15	5/7/15	7	3,015	39	
Madeline Ave Ditch			4/17/15		2,864		
West Ridge Ditch			4/9/15		2,230		
Ocean Ave & Halifax Dr			4/3/15		271		
Horizon Canal (I19 to B19)			3/20/15		5,640		
Riverside (US1 to Outfall			2/6/15		757		
Ocean Ave to Alexander			1/9/15		505		
Alexander from RR to US1			1/9/15		1,502		
Jackson to Samms Ave			1/9/15		1,306		
Oak St - Jackson to Dunlawton			1/9/15		1,639		
Jackson St to Oak St			1/9/15		1007		
3 rd St to 2 nd St			1/9/15		588		
5 th St to 2 nd St			12/16/14		473		
Deep Forest Ditch			12/12/14		1,675		
Spruce Creek Rd			12/4/14		1,655		
Charles & 5 th St			11/21/14		596		
Cambridge Canal			11/21/14		2,427		
Cambridge Canal			11/14/14		986		
Cambridge Canal			11/7/14		6,664		
Foxboro to Control Structure			10/31/14		640		
Cambridge Canal			10/31/14		3,733		
2 nd St Canal			10/24/14		1,025		
Total Feet Cleared					41,523		



This table will be updated bi-weekly to show accumulated progress.



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Resolution No. 15-31 - Parks and Recreation Donation Acceptance and Exchange Agreement Policy

DEPARTMENT: City Attorney

RECOMMENDED MOTION: Move to adopt Resolution 15-31 to provide for a structure for receiving donations for Parks and Recreation programs and facilities..

SUMMARY: The City has recently been approached by multiple co-sponsorship groups offering cash or materials towards improvements of City recreational facilities in exchange for future co-sponsorship fees. In essence, this transaction would operate much like a pre-payment.

The City has adopted a parks and recreation donation policy (Resolution 11-5), however this policy does not contemplate the type of long term pre-payment arrangements that are being requested by certain co-sponsorship groups.

The attached resolution is proposed to specifically establish the criteria and guidelines for pre-payment agreements in order to provide for uniform application of this policy to any and all co-sponsorship groups seeking such an arrangement. The proposed resolution incorporates the parameters generally agreed to by City Council during the May 26, 2015 Work Session.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Resolution No. 15-31	Reso 15-31 w. Ex A 5.27.15.pdf
----	----------------------	--------------------------------

Fenwick, Robin
Roberts, Margaret
Harden, David

Created/Initiated - 05/14/2015
Approved - 05/27/2015
Final Approval - 05/27/2015

RESOLUTION NO. 15-31

A RESOLUTION OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, REPLACING AND SUPERSEDING RESOLUTION 11-5 REGARDING ACCEPTANCE OF DONATIONS; ESTABLISHING POLICY PROVIDING FOR CREDIT FOR CO-SPONSORSHIP GROUPS AND CLUBS IN EXCHANGE FOR PUBLIC IMPROVEMENTS TO RECREATIONAL FACILITIES; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Parks and Recreation Department finds it necessary to establish criteria and guidelines for accepting cash, material, and labor as donations or otherwise; and

WHEREAS, the City Council has decided to give credit for public improvements made to parks and recreation facilities on a dollar-for-dollar basis towards certain parks and recreation fees in order to encourage co-sponsorship groups and clubs to invest in the parks and recreation facilities; and

WHEREAS, the facility improvements shall benefit all parks and recreation programs; and

WHEREAS, Section 50-34 of the City of Port Orange Code of Ordinances provides that the City Council may, by resolution, establish rental fees and charges for recreation facilities and equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

SECTION 1. The City of Port Orange hereby adopts the Parks and Recreation Donation Acceptance and Exchange Agreement Policy, attached as **Exhibit "A."**

SECTION 2. All resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed to the extent of such conflict. This resolution expressly supersedes Resolution 11-5.

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

SECTION 4. This resolution shall become effective immediately upon final passage by the City Council.

MAYOR ALLEN GREEN

ATTEST:

Robin L. Fenwick, CMC, City Clerk

Adopted on the day of _____, 2015

Reviewed and Approved: _____
Assist. City Attorney

EXHIBIT “A”

Parks and Recreation Donation Acceptance and Exchange Agreement Policy

The Purpose of this policy is to provide standard procedures for the Parks and Recreation Department to accept and account for donations and exchanges.

Definitions

Cash Donation – Cash given to the City for a specific purpose.

Material Donation – A product or service donated to the City.

Exchange Transaction (Trades) – Cash, material, and/or labor given to the City in exchange for credit towards applicable parks and recreation fees. Trades may be for credit towards applicable fees, sponsorships, recognitions, or services.

Statement of Policy

Applicability

The provisions of this policy apply directly to the Parks and Recreation Department.

Procedure

In accordance with the adopted policy, the City Manager or his designee shall have the authority to accept donations on behalf of the City for use by the Parks and Recreation Department for purposes including, but not limited to, scholarships, fee waivers, park improvements, and sponsorships in a value of \$10,000 or less. Any donation that exceeds \$10,000 in value or requires an exchange agreement extending beyond one year in duration will require City Council approval.

The Parks and Recreation Director shall maintain a current database of all donations and trades along with the date of acceptance and corresponding values and shall provide the Finance Director with annual updates. Value of items received in trade shall be verified in any reasonable, responsible manner, usually with a reliable, unrelated, third party source. Notice will be provided to the Finance Department immediately upon receipt of capital items identifying: date item received; verified fair value at time of receipt; location of the item to be used in City Operations; defects or contingencies associated with the item, if any; and purpose and intended use of the traded item.

Any co-sponsorship group or club seeking an exchange transaction shall be required to enter into a written agreement with City prepared by the City Attorney’s Office. The agreement shall detail the cash, material and/or labor to be granted to the City in exchange for credit towards applicable parks and recreation fees on a dollar-for-dollar basis; however, no such agreement shall extend beyond a term of thirty (30) years. The parks and recreation fees in place as of the effective date of the agreement shall not be increased for a period of (5) years, as applied to the group or club

entering the agreement. The City Attorney's Office may include such other terms and conditions as are deemed reasonably necessary to protect the City and to comply with federal, state, and local laws.

As required by generally accepted accounting practices, all donations and exchange transactions received will be recorded as revenue. After notification of the donation and/or trade material receipt, the Finance department will prepare a budget resolution to appropriate the revenue and corresponding expense. The Parks and Recreation department will not expend donated funds or provide exchange transactions until the budget appropriation has occurred. For donated cash and materials the Parks and Recreation department will provide a written acknowledgment to the donor.

Annually, the City Manager shall report to the City Council all donations received during the City's fiscal year.



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Police Athletic League Exchange Agreement

DEPARTMENT: Parks & Recreation

RECOMMENDED MOTION: Move to accept the \$16,000 donation and approve the cosponsor fee waiver for six years and freeze the current rate for the Police Athletic League's co-sponsor fees and allow the Mayor and City Clerk to execute the associated documents.

SUMMARY: PAL would like to donate \$16,000 for new scoreboards on the three basketball courts in the Port Orange Gym. In return for their donation they would like their co-sponsor fees waived for six years and that their fee will be frozen from increases for five years. The scoreboards in the gyms are 20 years old and in the opinion of the Parks and Recreation Department, are in need of replacement.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	PAL letter	2015donationscoreboards.pdf
2.	PAL Exchange Agreement	Police Athletic League Donation Exchange.pdf

Lovallo, Susan
Lovallo, Susan
Riehm, Tracey
Roberts, Margaret
Harden, David

Created/Initiated - 04/10/2015
Approved - 05/28/2015
Approved - 05/28/2015
Approved - 05/28/2015
New -



Police Athletic League of Port Orange

4545 Clyde Morris Boulevard • Port Orange, Florida 32129

Phone
(386) 506-5877

Fax
(386) 756-5351

April 8, 2015

Susan L. Lovallo, CPRP
Parks and Recreation Director
City of Port Orange
1000 City Center Circle
Port Orange, FL 32129

Dear Susan,

The Port Orange Police Athletic League has agreed to a donation/exchange of \$16,000. These funds will be used for the purchase and installation of three new scoreboards.

These funds will also cover co-sponsor and player fees until 2020 as well as the \$2,000 in co-sponsor fees for 2021. The Board has agreed to this only with the contingency that it is understood and agreed that there will be no increase in co-sponsor and player fees through 2021. Please advise if this is agreeable to Port Orange City Council and PAL will process payment expeditiously.

Sincerely,

A handwritten signature in blue ink, appearing to read "William Schulz", is written over the typed name and title.

William Schulz
Chairman



CITY OF PORT ORANGE DONATION EXCHANGE TRANSACTION AGREEMENT

THIS AGREEMENT is entered into this ____ day of _____, 2015 by and between the **CITY OF PORT ORANGE, FLORIDA**, a Florida municipal corporation, whose principal address is 1000 City Center Circle, Port Orange, Florida 32129 (the "City") and **THE POLICE ATHLETIC LEAGUE OF PORT ORANGE, INC.**, a Florida nonprofit corporation whose principal address is 4545 Clyde Morris Boulevard, Port Orange, Florida 32129 (the "League"). The City and the League are hereinafter collectively referred to as the "Parties."

WHEREAS, the League has an overall objective to provide quality activities and interaction between law enforcement, community adult leaders, and juveniles in the community; and

WHEREAS, the League provides for organized youth athletic activities for the city's residents; and

WHEREAS, the City owns and maintains the gymnasium located within the City Center Municipal Complex at 1000 City Center Circle, Port Orange, Florida, commonly known as the "Gym"; and

WHEREAS, the League desires to provide cash for new scoreboards for the Gym and in exchange receive a waiver of co-sponsorship fees pursuant to Resolution 15-31, and as more specifically described herein; and

WHEREAS, the City Council has determined that this Agreement is in the best interest of the citizens of Port Orange.

NOW, THEREFORE, the Parties agree as follows:

1. Term. The term of this Agreement shall be for a period of six (6) years, commencing on the date this Agreement is executed by the last authorized signature and continuing until May 31, 2021.

2. For and in consideration of payment by the League to the City in the amount of Sixteen Thousand and 00/100 Dollars (\$16,000.00) within ten (10) days of the effective date of this Agreement, the City agrees to grant the Association a credit of equal amount which may be used towards the payment of annual co-sponsor fees, currently at a rate of Two Thousand Dollars (2,000.00) for half year activities and Four Thousand Dollars (\$4,000.00) for year-round activities beginning in Fiscal Year 2016. (The term Fiscal Year shall be defined as that one year period beginning on October 1 and continuing until the September 30.) The League shall be responsible for any increase in annual co-sponsorship fees; however, no annual co-sponsorship fee increase shall be applied to the League within five (5) years of the effective date of this Agreement. The City shall annually account for the funds applied for payment of the co-sponsor fees at the annual rate established by the City Council pursuant to resolution, as may be amended from time to time. Upon depletion of the credited amount or expiration of this Agreement, whichever occurs first, the City shall invoice the Association for the shortfall.

3. Any and all proposed improvements shall be reviewed and approved by the City prior to the commencement of work. All improvements constructed or installed at the Gymnasium shall become the sole, exclusive property of the City.

4. The League shall adhere to safety practices and equipment standards for all participants for each game day. The League shall immediately notify the City of any defects or potential dangerous conditions observed within the Gymnasium. The Parks and Recreation Director shall have the authority to cancel any and all activities to be held at the Gymnasium due to safety concerns. In the event that the Gymnasium is closed due to safety concerns, the City shall not be obligated to provide a replacement or substitute facility for League games or practices to be held.

5. In addition to this Agreement, on or before October 1 of each year League shall enter into a Co-Sponsorship Agreement in substantially the same format as the Co-Sponsorship Agreement entered into on January 14, 2015. The annual Co-Sponsorship Agreement shall become a part of this Agreement

as if entered into contemporaneously herewith. Failure to do so shall constitute a material breach of this Agreement. In the event of a conflict between the terms of this Agreement and the Co-Sponsorship Agreement, this Agreement shall control.

6. Termination for Default. Either party may terminate this Contract, without further obligation, for the default of the other party or its agents or employees with respect to any agreement or provision contained herein.

7. Examination of Records. The League agrees that the City, or any duly authorized representative, shall, until the expiration of five (5) years after the termination of this Agreement, have access to and the right to examine and copy any pertinent books, documents, papers and records of the League involving transactions relating to this Agreement. The period of access for records, books, documents and papers which may relate to any arbitration, litigation, or other settlement of claims arising out of the performance of this Agreement shall continue until any appeals, arbitration, litigation or claims shall have been finally disposed of.

8. Public Records Compliance: The League shall comply with public records laws as set forth in Section 119, Florida Statutes, and shall specifically: (a) keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service; (b) provide the public with access to public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed the cost provided in Section 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (d) meet all requirements for retaining public records and transfer to the City, at no cost, all public records in possession of the League upon termination of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City in a format that is compatible with the information technology

systems of the City. Failure on the part of the League to comply with public records laws shall constitute a breach of this Agreement.

9. Assignability of Agreement. Neither this Agreement, nor any part hereof, may be assigned by the League to any other party without the express written approval of the City Council.

10. Contract Administration. The Parks and Recreation Director shall perform contract administration of this Contract. For notice provisions, see the paragraph below entitled "Notice."

11. Liability for Loss or Damage. The League shall be liable for any loss of, or damage to, City property caused by the negligence, recklessness, or intended wrongful misconduct of League, his/its agents, servants and employees and shall indemnify and save the City harmless against all actions, proceedings, claims, demands, costs, damages and expenses, including attorney's fees, by reason of any suit or action brought for any actual or alleged injury to or death of any person or damage to property other than City property, resulting from the performance of this Agreement by the League, its agents, servants and employees. The League shall submit a full written report to the Administrative Services Director and Parks and Recreation Director within twenty-four (24) hours following the occurrence of such damage, loss or injury.

12. Non-discrimination. During the performance of this Contract, the League agrees as follows:

a. The League will not discriminate against any employee or applicant for employment because of race, religion, color, sex, disability, marital status, age or national origin, except where such is a bona-fide occupational qualification reasonably necessary to the normal operation of the League. The League agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. The League agrees and fully supports and complies with the Americans with Disabilities Act of 1990.

b. The League shall state in all solicitations or advertisements for employees placed by or on behalf of the League that the League is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient compliance with this provision. The League shall include the provisions of the foregoing subparagraphs (a), (b), and (c) in every purchase order of over \$10,000 so that the provisions will be binding upon each vendor.

13. Integration. This Agreement and any documents incorporated herein by reference shall constitute the whole agreement between the Parties. There are no promises, terms, conditions or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations, or agreements, written or verbal, between the Parties hereto, and shall expressly supersede the previous agreement between the Parties entered into on January 3, 2012.

14. Previous Agreement. This Agreement shall expressly supersede and replace the previous agreement between the Parties entered into on January 3, 2012.

15. Notice. For the purposes of this Agreement, notices shall be sent as follows:

City: City of Port Orange
Attention: City Manager
1000 City Center Circle
Port Orange, Florida 32129
(386) 506-5501

Copy to: City of Port Orange
Attention: Parks and Recreation Director
1000 City Center Circle
Port Orange, Florida 32129
(386) 506-5850

League: The Police Athletic League of Port Orange, Inc.
Attention: President
4545 Clyde Morris Boulevard
Port Orange, Florida 32129
(386) 506-5870

Any notice or other communication given under this Agreement shall be in writing and delivered by hand, sent by facsimile (provided acknowledgement of receipt thereof is delivered to the sender), sent by certified, registered mail, or sent by any nationally recognized overnight courier service to the addresses provided herein. The Parties may, from time to time and at any time, change their respective addresses and each will have the right to specify as its address any other address by at least ten (10) days prior written notice to the other party.

16. Contract Construction. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The delivery by facsimile or e-mail of an executed copy of this Agreement shall be deemed valid as if an original signature was delivered. No contract shall be formed between the League and the City until this Agreement is signed by, notarized, and attested to on behalf of each party.

17. Authority to Sign. Each party signing this Agreement warrants that he or she is duly authorized to do so and to bind the respective party to this Agreement.

[Remainder Left Blank]

Witnesses:

**THE POLICE ATHLETIC LEAGUE OF PORT ORANGE,
INC.**

Printed Name: _____

By: _____
Gerald M. Monahan, Jr., President

Printed Name: _____

Date: _____

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Gerald M. Monahan, Jr., as President of The Police Athletic League of Port Orange, Inc., a Florida nonprofit corporation, and who:

[Notary: Please select one]

☐ is personally known to me; or
☐ has produced _____ as identification.

Notary Public, State of Florida

Printed, typed or stamped name, commission and expiration:

Witnesses:

CITY OF PORT ORANGE

Printed Name: _____ By: _____
Allen Green, Mayor

Printed Name: _____ Date: _____

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Allen Green, as Mayor of the City of Port Orange, a Florida municipal corporation, on behalf of the city, and who is personally known to me.

Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

Witnesses:

ATTEST:

Printed Name: _____ By: _____
Robin L. Fenwick, CMC, City Clerk

Printed Name: _____ Date: _____

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Robin L. Fenwick, as City Clerk of the City of Port Orange, a Florida municipal corporation, on behalf of the city, and who is personally known to me.

Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

[CA 004118]



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Port Orange Youth Football Association "Pop Warner" Exchange Agreement

DEPARTMENT: Parks & Recreation

RECOMMENDED MOTION: Move to approve the agreement between the City and Pop Warner and extend their use agreement terms by waiving co-sponsor fees for thirty years and authorize the Mayor and City Clerk to execute the associated documents.

SUMMARY: Pop Warner has received a grant from Daytona Beach Racing and Recreational Facilities District totaling \$146,400.00 for capital improvements to the football field and complex at Coraci Park. The funds will be allocated over the next two years and will be used for the grandstand installation, site work, inclement weather pavilions, storage areas etc. Pop Warner has received a donation of the grandstands from Daytona International Speedway. In addition, they are requesting that the city extend its current contract to reflect the new donations and extend the contract for thirty years based on the additional donations being spent on improvements to the complex either by direct material donation or monetary donation.

Pop Warner will provide the additional funding needed for the renovation either directly to the city or pay for services directly. All improvements become property of the City of Port Orange upon completion.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Pop Warner Letter	Partnership Extension 2015.pdf
2.	POYFA Exchange Agreement	.pdf

Lovallo, Susan
Lovallo, Susan
Riehm, Tracey
Roberts, Margaret
Harden, David

Created/Initiated - 04/07/2015
Approved - 05/28/2015
Approved - 05/28/2015
Approved - 05/28/2015
New -



PORT ORANGE POP WARNER FOOTBALL & CHEER ASSOCIATION

President

Marc Campbell

Vice President

Bobby Ball

Treasurer

Frank Baranowski

Secretary

Michelle Waddell

Football

Commissioner

Brad Byers

Cheer Director

Penny Howell

Board of Directors

Michael Hourican

Sheri Savino

Dee Vanlandingham

Marteen Creecy

Jill Tandy

Paul Bellas

Address

1648 Taylor Rd.
Box 414
Port Orange, FL
32128

Telephone Number

POYFA
386.304.8399

Website

www.poyfa.com

February 20, 2015

Honorable Mayor Allen Green and City Council Members,

On February 17, 2015, we had the pleasure of meeting with Interim City Manager David Harden and Parks and Recreation Director Susan Lovallo to discuss the possibility of expanding the work we have already begun at Coraci Park. We were advised that we would need to bring our proposal to the City Council for discussion and approval. The following outlines the request I would like to present to you on March 3, 2015 at your regular City Council meeting.

As you know, we have provided youth football in Port Orange in cooperation with the City of Port Orange Parks & Recreation Department for 25 years.

Port Orange Youth Football Association (POYFA) is a local, non-profit organization, and is a 100% volunteer run organization. We are a Pop Warner Little Scholars affiliate, serving the Port Orange and South Daytona communities. POYFA is comprised of more than 500 families, participants and fans that live in the Port Orange area. **We are the only national youth sports organization that requires scholastic aptitude to participate**, Pop Warner and POYFA are committed to developing the area's youth football and cheer participants on and off the field.

POYFA has been awarded a grant from the Daytona Beach Racing and Recreational Facilities District totaling \$146,400. We will receive \$100,000 in disbursement in 2015 and the remaining \$46,400 in 2016.

As an organization, we are willing to donate up to \$100,000 cash and in addition to cash, in-kind contributions for portions of the design and construction of the improvements immediately, to equip the field for play for the 2015 football season. This equipment would become the property of the City of Port Orange. In addition, we will add items as needed to complete the football field as funds become available. In return, we ask that we have exclusive rights to the west game field of Coraci Park for the purpose of conducting youth football games on each Saturday during the months of August through December each year, as well as a maximum of six (6) additional days each year, those dates to be agreed to in advance between the Association and the City's Parks & Recreation Director. In return, we are asking that this donation serve as an exchange for our annual \$2,000 co-sponsor fee and be credited each year until paid.

I sincerely hope we are able to continue this successful partnership and come to an agreement. The result would prove to be a win, win for both of us. We, POYFA, will continue to improve our home field, the families of Port Orange benefit from the

improvements to Coraci Park, and the City of Port Orange will benefit from the families that will be visiting Port Orange on Saturday's to play football and cheer during the fall months for years to come.

Below is a list of items we feel are needed to complete the west field at Coraci Park for our 2015 season.

- Grandstand seating donated by Daytona International Speedway, to include seats, structure, ramps, foundations, electric/PA system, etc. (400-600 seats, final determination based on the design and constructability)
- Press box (with sound system)
- Grandstand signage/mural with "Donor Wall"
- Asphalt/Concrete apron on both sides of the field for guests
- Storage Building to serve both the City of Port Orange and POYFA
- All-weather Pavillion to serve all guests and participants at the park (near the west field)
- Restrooms to serve all guests and participants at the park (near the west field)
- Concessions to serve all guests and participants at the park (near the west field)
- Miscellaneous fence modifications/additions
- Miscellaneous landscaping/sod
- Any utility changes/additions to support the improvements

In advance, thank you for your consideration, but more importantly, thank you for helping us take the necessary steps to better our participants and teams at POYFA. If you have any questions, please do not hesitate to call me at 386.295.4317.

Sincerely Yours,

Marc D. Campbell

President,
Marc D. Campbell

CC: POYFA Board
David Harden, Interim City Manager
Susan Lovallo, Parks & Recreation Director



CITY OF PORT ORANGE DONATION EXCHANGE TRANSACTION AGREEMENT

THIS AGREEMENT is entered into this ____ day of _____, 2015 by and between the **CITY OF PORT ORANGE, FLORIDA**, a Florida municipal corporation, whose principal address is 1000 City Center Circle, Port Orange, Florida 32129 (the “City”) and **PORT ORANGE YOUTH FOOTBALL ASSOCIATION, INC.**, a Florida nonprofit corporation whose principal address is 1648 Taylor Road, Suite 414, Port Orange, Florida 32124 (the “Association”). The City and the Association are hereinafter collectively referred to as the “Parties.”

WHEREAS, the Association was formed to provide young men and women the opportunity to participate in sports, especially football and cheerleading; and

WHEREAS, the Association is an affiliate of Pop Warner Little Scholars, Inc. (“Pop Warner”);

WHEREAS, the Association provides youth football in Port Orange in cooperation with the City of Port Orange Parks and Recreation Department; and

WHEREAS, the City owns and maintains a sports complex located at 5200 Coraci Boulevard, Port Orange, Florida, commonly known as “Coraci Park”; and

WHEREAS, the Association desires to make various improvements to Coraci Park over the next three years in exchange for credit towards certain parks and recreation fees pursuant to Resolution 15-31, and as more specifically described herein; and

WHEREAS, the City Council has determined that this Agreement is in the best interest of the citizens of Port Orange.

NOW, THEREFORE, the Parties agree as follows:

1. Term. The term of this Agreement shall be for a period of thirty (30) years, commencing on the date this Agreement is executed by the last authorized signature and continuing until May 31, 2045.

2. For and in consideration of cash, material, labor, in-kind contributions, or a combination thereof totaling Two Hundred Forty-Six Thousand Four Hundred and 00/100 Dollars (\$246,400.00) granted to the City by the Association within three (3) years of the effective date of this Agreement to complete the improvements set forth in paragraph 3 below, the City agrees to grant the Association a credit of equal amount which may be used towards the payment of annual co-sponsor fees by the Association, in accordance with the terms and conditions herein. The City also agrees to grant the Association access and use of the west game field of Coraci Park for the purpose of conducting youth football games on each Saturday during the months of August through December each year, as well as a maximum of six (6) additional days each year, those dates to be agreed to in advance between the Association and the City's Parks and Recreation Director.

3. The Association has agreed to finance, construct, or install the following improvements at Coraci Park:

- a. Grandstand seating donated by Daytona International Speedway, to include seats, structure, ramps, foundations, and electric/PA system.
- b. Press Box
- c. Grandstand signage/mural recognizing donors
- d. Asphalt/Concrete apron on both sides of the field for guests
- e. Storage building
- f. All-weather Pavilion
- g. Restrooms
- h. Concession stand
- i. Fencing

j. Landscaping

k. Utilities modifications to serve improvements

4. The Parties agree that the credit referenced in paragraph 2 above shall be applied first to the annual co-sponsorship fees, currently at a rate of Two Thousand Dollars (2,000.00) for half year activities and Four Thousand Dollars (\$4,000.00) for year-round activities beginning in Fiscal Year 2014. (The term Fiscal Year shall be defined as that one year period beginning on October 1 and continuing until the September 30.) The Association shall be responsible for any increase in annual co-sponsorship fees; however, no annual co-sponsorship fee increase shall be applied to the Association within five (5) years of the effective date of this Agreement. The City shall annually account for the funds applied for payment of the co-sponsor fees at the annual rate established by the City Council pursuant to resolution, as may be amended from time to time. Upon depletion of the credited amount or expiration of this Agreement, whichever occurs first, the City shall invoice the Association for the shortfall.

5. Any and all proposed improvements shall be reviewed and approved by the City prior to the commencement of work. The Association shall provide sufficient evidence of the value of any improvements constructed or installed by the Association. All improvements constructed or installed at Coraci Park shall become the sole, exclusive property of the City.

6. The Association shall stripe the end zones and yardage markers prior to each game day.

7. The Association shall provide up to three portable restrooms, one of which shall be handicap accessible, each game day for use by sports participants and spectators, unless or until more permanent facilities are put in place.

8. The Association shall provide for trash removal during and at the end of each game day.

9. The Association shall adhere to safety practices and equipment standards for all participants for each game day. The Association shall immediately notify the City of any defects or potential dangerous conditions observed at Coraci Park. The Parks and Recreation Director shall have the authority

to cancel any and all activities held at Coraci Park due to safety concerns. In the events that the fields at Coraci Park are closed due to safety concerns, the City shall not be obligated to provide replacement or substitute fields for Association games or practices to be held.

10. In addition to this Agreement, on or before October 1 of each year Association shall enter into a Co-Sponsorship Agreement in substantially the same format as the Co-Sponsorship Agreement entered into on January 26, 2015. The annual Co-Sponsorship Agreement shall become a part of this Agreement as if entered into contemporaneously herewith. Failure to do so shall constitute a material breach of this Agreement. In the event of a conflict between the terms of this Agreement and the Co-Sponsorship Agreement, this Agreement shall control.

11. The Association shall maintain its affiliation in good standing with Pop Warner Little Scholars, Inc. for the duration of this Agreement.

12. Termination for Default. Either party may terminate this Contract, without further obligation, for the default of the other party or its agents or employees with respect to any agreement or provision contained herein.

13. Examination of Records. The Association agrees that the City, or any duly authorized representative, shall, until the expiration of five (5) years after the termination of this Agreement, have access to and the right to examine and copy any pertinent books, documents, papers and records of the Association involving transactions relating to this Agreement. The period of access for records, books, documents and papers which may relate to any arbitration, litigation, or other settlement of claims arising out of the performance of this Agreement shall continue until any appeals, arbitration, litigation or claims shall have been finally disposed of.

14. Public Records Compliance: The Association shall comply with public records laws as set forth in Section 119, Florida Statutes, and shall specifically: (a) keep and maintain public records that ordinarily and necessarily would be required by the City in order to perform the service; (b) provide the

public with access to public records on the same terms and conditions that the City would provide the records and at a cost that does not exceed the cost provided in Section 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (d) meet all requirements for retaining public records and transfer to the City, at no cost, all public records in possession of the Association upon termination of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the City in a format that is compatible with the information technology systems of the City. Failure on the part of the Association to comply with public records laws shall constitute a breach of this Agreement.

15. Assignability of Agreement. Neither this Agreement, nor any part hereof, may be assigned by the Association to any other party without the express written approval of the City Council.

16. Contract Administration. The Parks and Recreation Director shall perform contract administration of this Contract. For notice provisions, see the paragraph below entitled "Notice."

17. Liability for Loss or Damage. The Association shall be liable for any loss of, or damage to, City property caused by the negligence, recklessness, or intended wrongful misconduct of Association, his/its agents, servants and employees and shall indemnify and save the City harmless against all actions, proceedings, claims, demands, costs, damages and expenses, including attorney's fees, by reason of any suit or action brought for any actual or alleged injury to or death of any person or damage to property other than City property, resulting from the performance of this Agreement by the Association, its agents, servants and employees. The Association shall submit a full written report to the Administrative Services Director and Parks and Recreation Director within twenty-four (24) hours following the occurrence of such damage, loss or injury.

18. Non-discrimination. During the performance of this Contract, the Association agrees as follows:

a. The Association will not discriminate against any employee or applicant for employment because of race, religion, color, sex, disability, marital status, age or national origin, except where such is a bona-fide occupational qualification reasonably necessary to the normal operation of the Association. The Association agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. The Association agrees and fully supports and complies with the Americans with Disabilities Act of 1990.

b. The Association shall state in all solicitations or advertisements for employees placed by or on behalf of the Association that the Association is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient compliance with this provision. The Association shall include the provisions of the foregoing subparagraphs (a), (b), and (c) in every purchase order of over \$10,000 so that the provisions will be binding upon each vendor.

19. Integration. This Agreement and any documents incorporated herein by reference shall constitute the whole agreement between the Parties. There are no promises, terms, conditions or obligations other than those contained herein, and this Agreement shall supersede all previous communications, representations, or agreements, written or verbal, between the Parties hereto, and shall expressly supersede the previous agreement between the Parties entered into on September 23, 2014.

20. Previous Agreement. This Agreement shall expressly supersede and replace the previous agreement between the Parties entered into on September 23, 2014.

21. Notice. For the purposes of this Agreement, notices shall be sent as follows:

City: City of Port Orange

Attention: City Manager
1000 City Center Circle
Port Orange, Florida 32129
(386) 506-5501

Copy to: City of Port Orange
Attention: Parks and Recreation Director
1000 City Center Circle
Port Orange, Florida 32129
(386) 506-5850

Association: Port Orange Youth Football Association, Inc.
Attention: President
1648 Taylor Road, Suite 414
Port Orange, Florida 32124
(386) 304-8399

Any notice or other communication given under this Agreement shall be in writing and delivered by hand, sent by facsimile (provided acknowledgement of receipt thereof is delivered to the sender), sent by certified, registered mail, or sent by any nationally recognized overnight courier service to the addresses provided herein. The Parties may, from time to time and at any time, change their respective addresses and each will have the right to specify as its address any other address by at least ten (10) days prior written notice to the other party.

22. Contract Construction. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The delivery by facsimile or e-mail of an executed copy of this Agreement shall be deemed valid as if an original signature was delivered. No contract shall be formed between the Association and the City until this Agreement is signed by, notarized, and attested to on behalf of each party.

23. Authority to Sign. Each party signing this Agreement warrants that he or she is duly authorized to do so and to bind the respective party to this Agreement.

Witnesses:

PORT ORANGE YOUTH FOOTBALL ASSOCIATION, INC.

Printed Name: _____ By: _____
Marc Campbell, President

Printed Name: _____ Date: _____

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Marc Campbell, as President of Port Orange Youth Football Association, Inc., a Florida nonprofit corporation, and who:

[Notary: Please select one]

☐ is personally known to me; or
☐ has produced _____ as identification.

Notary Public, State of Florida

Printed, typed or stamped name, commission and expiration:

Witnesses:

CITY OF PORT ORANGE

Printed Name: _____ By: _____
Allen Green, Mayor

Printed Name: _____ Date: _____

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Allen Green, as Mayor of the City of Port Orange, a Florida municipal corporation, on behalf of the city, and who is personally known to me.

Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

Witnesses:

ATTEST:

Printed Name: _____ By: _____
Robin L. Fenwick, CMC, City Clerk

Printed Name: _____ Date: _____

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by Robin L. Fenwick, as City Clerk of the City of Port Orange, a Florida municipal corporation, on behalf of the city, and who is personally known to me.

Notary Public, State of Florida
Printed, typed or stamped name, commission and expiration:

[CA 004118]



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 06/02/2015

Consent item: No

SUBJECT: Monthly Financial Report for April 2015

DEPARTMENT: Finance

RECOMMENDED MOTION: Accept the financial report as presented

SUMMARY: Financial report for the month ended April 30, 2015 is attached.

Project	Funding Account
No.:	No.:

ATTACHMENTS:

1.	Financial Report-April 2015	Monthly Financial Report APR-15 - Final.pdf
----	-----------------------------	---

Fenwick, Robin
Riehm, Tracey

Created/Initiated - 05/27/2015
Final Approval - 05/28/2015



**The City of Port Orange
Finance Department**

MEMORANDUM

TO: David Harden, Interim City Manager
FROM: Tracey Riehm, Finance Director
DATE: May 27, 2015
SUBJECT: **Highlights of the April 2015 Financial Report**

Attached are interim financial reports and highlights of activity for the City's five major funds for the period ending April 30, 2015, which represents 58% of the fiscal year. Also attached are the financial reports from Cypress Head Golf Course and the YMCA. Detailed reports for all funds are available on the City's website at: http://www.port-orange.org/finance/?p=budget_and_financial_reports. Highlights of these funds are as follows:

GENERAL FUND (Fund 001)

Revenues: During the first seven months of the current fiscal year, the General Fund received a total of \$20,208,493 in revenues, which is 62% of general fund revenues for the year. \$19,248,175 was operating revenue and \$960,318 were contributions from the enterprise funds. These revenues include \$10,009,748 or 95% of the annual estimated ad valorem tax revenue. The majority of ad valorem taxes are collected in the first quarter of the fiscal year. General fund revenues are 62% of the budget compared with 63% at this point last year, however after allowing for the budgeted use of appropriated equity, the percent collected increases to 66%. Charges for services account for 51% of the overall increase in revenue of \$312,585 compared with this time last year.

Expenditures: The first seven months operating expenditures amounted to \$17,320,079 or 53% of the estimated expenditures for the year, with an additional encumbered amount of \$1,289,458. Actual expenditures are \$1,533,366 more than at this time last year.

Projected Fund Balance: The General Fund currently has a projected unassigned fund balance at fiscal year-end of \$13.9 million, which includes \$4.8 million of emergency reserve.

Please also see the attached financial statement for additional detail.

BUILDING SPECIAL REVENUE FUND (Fund 109)

Revenues: During the first seven months of the current fiscal year, the Building Special Revenue Fund received \$672,101 in operating and non-operating revenues. This equates to 71% of the annual budget, and is \$1,729 (0.3%) more than last year. Revenues in this fund are typically received in a sporadic nature. Last month the Building Special Revenue fund was behind the prior year by \$49,803 or 9%.

Expenditures: Year-to-date expenditures in the Building Special Revenue fund are \$548,620 or 56% of estimated expenditure for the year. On a percent of budget basis, year-to-date expenditures are 2% higher than at this time last year; with actual expenditures at \$80,119 more than at this time last year.

Year to date, the Building Special Revenue Fund's net position has increased by \$123,481.

Please also see the attached financial statement for additional detail.

WATER & SEWER FUND (Fund 401)

Revenues: The Water and Sewer Fund collected \$12,850,319 in operating revenues during the first seven months, which is 51% of projected revenues for the year. This is \$38,353 less than last year, but \$233,274 more than in 2013.

Expenses: The first seven month's operating expenses excluding depreciation amounted to \$7,437,341 or 50% of estimated expenses for the year, with an additional \$1,526,308 encumbered. Non-operating activity reports a net loss of \$15,027 compared to a net loss of \$145,152 at this time last year. Currently, the water and sewer fund has an operating profit of \$5,397,951, but after transfers the fund is posting a loss of \$441,159, which is \$80,331 greater than at this time last year.

The attached financial statement provides additional detail.

SOLID WASTE FUND (Fund 410)

Revenues: The Solid Waste Fund's first seven months of operating and non-operating revenues were \$ 3,695,766, which is 55% of the annual budget and \$24,205 more than last year.

Expenses: The Solid Waste Fund's first seven month's operating expenses excluding depreciation total \$3,305,262 or 50% of estimated expenses for the year, with an additional encumbered amount of \$3,025,440. The Solid Waste fund currently has operating income before transfers of \$390,504 and a change in net position of \$277,410 after allowing for transfers in lieu of taxes. The increase in net position is \$49,711 lower than at this time last year.

The attached financial statement provides additional detail.

DRAINAGE UTILITY FUND (Fund 412)

Revenues: The Drainage Utility Fund's operating revenues for seven months amount to \$3,578,544, or 94% of the annual budget and \$20,386 more than at this time last year. Increased revenue in the first half of the year represents the collection of Drainage fees by the non-advalorem method.

Expenses: For the first seven months operating expenses totaled \$873,627 which is 50% of the annual budget and \$37,055 more than last year. An additional \$84,669 is encumbered. After allowing for non-operating expenses, transfers in lieu of taxes and debt service payment transfers, the Drainage fund reported an increase in net position of \$2,298,984 which is \$1,458,766 more than at this time last year.

The attached financial statement provides additional detail.

YMCA REPORT

The financial reports for the period ending April 30, 2015 for the YMCA are attached.

GOLF COURSE REPORT

The financial report for the period ending April 30, 2015 for the Cypress Head Golf Course is attached. Detailed statements are available in the Finance Department.

IN SUMMARY:

As appropriations lapse at the end of each year, City Council re-appropriates funding for open purchase orders and existing funded projects. Total budget projections as they are presented in the attached reports incorporate current year appropriations plus prior year carryover pertaining to open and in process projects. Available liquid equity has been evaluated and is adequate to meet or exceed revenue policies as established by City Council.

Should you have any questions as they relate to this report or its attachments, please feel free to contact me.

Thank you,

Tracey Riehm
Finance Director

City of Port Orange									
Revenue Comparison - General Fund (001)									
Period Ending: April 30 (58% of the Fiscal Year)									
Sub Activity	2013		FYTD13 % of Total	2014		FYTD14 % of Total	2015		FYTD15 % of Budget
	FYTD Actual	Audited Annual Receipts		FYTD Actual	Unaudited Annual Receipts		FYTD Actual	Total Current Budget	
ADVALOREM TAXES	9,930,974	10,314,613	96%	9,971,283	10,360,132	96%	10,009,748	10,482,626	95%
SALES & USE TAXES	0	678,287	0%	0	717,597	0%	0	676,307	0%
UTILITY SERVICE TAXES	2,230,696	4,599,253	49%	2,452,767	5,002,091	49%	2,496,353	4,741,600	53%
COMMUNICATIONS SERVICE TX	878,396	2,075,119	42%	837,246	1,972,034	42%	795,008	1,919,331	41%
LOCAL BUSINESS TAX	53,991	145,390	37%	38,915	122,860	32%	36,666	145,390	25%
FEES & PERMITS	1,161,490	2,985,926	39%	1,241,772	3,200,700	39%	1,304,654	3,001,600	43%
INTER GOVT	2,079,965	4,545,322	46%	2,209,055	4,784,473	46%	2,325,980	4,715,508	49%
CHARGES FOR SERVICE	1,400,062	2,370,853	59%	1,281,907	2,273,583	56%	1,440,976	2,328,501	62%
FINES & FORFEITS	75,947	144,421	53%	82,475	165,185	50%	92,957	123,700	75%
MISC REVENUE	398,629	626,226	64%	814,271	1,208,274	67%	745,833	1,029,017	72%
INTERFUND TRANSFER	86,095	150,082	57%	0	65	0%	0	0	0%
CONTRB FROM ENTERPRISE FD	1,004,899	1,722,684	58%	966,217	1,656,372	58%	960,318	1,646,259	58%
APPROPRIATED EQUITY	0	0	0%	0	0	0%	0	1,903,224	0%
GENERAL FUND REVENUE:	\$19,301,144	\$30,358,176	64%	\$19,895,908	\$31,463,366	63%	\$20,208,493	\$32,713,063	62%

City of Port Orange									
Expense Comparison - General Fund (001)									
Period Ending: April 30 (58% of the Fiscal Year)									
Department Description	2013		FYTD13 % of Total	2014		FYTD14 % of Total	2015		FYTD15 % of Budget
	FYTD Actual	Audited Annual Expenditures		FYTD Actual	Unaudited Annual Expenditures		FYTD Actual	Total Current Budget	
NON DEPARTMENTAL	1,177,826	2,061,306	57%	990,403	2,264,450	44%	2,269,085	3,604,472	63%
MAYOR & COUNCIL	117,351	191,560	61%	126,491	198,686	64%	121,821	202,322	60%
CITY MANAGER	314,301	516,348	61%	258,330	476,171	54%	221,873	475,424	47%
LEGAL SERVICES	235,702	469,526	50%	245,882	515,978	48%	250,327	615,571	41%
CITY CLERK	136,952	248,094	55%	130,347	255,705	51%	154,517	282,537	55%
FINANCE	355,791	686,937	52%	416,174	740,966	56%	473,485	960,543	49%
PERSONNEL	211,093	358,191	59%	140,032	276,184	51%	182,928	329,009	56%
COMMUNITY DEVELOPMENT	708,246	1,292,172	55%	707,187	1,298,459	54%	696,986	1,393,840	50%
FIRE SERVICES	4,165,890	7,617,193	55%	4,252,644	8,268,579	51%	4,215,596	8,073,883	52%
POLICE	5,794,783	10,868,012	53%	6,071,926	11,095,306	55%	6,221,330	11,665,466	53%
PUBLIC WORKS	1,008,663	1,874,039	54%	982,182	1,875,210	52%	1,079,530	2,118,947	51%
PARKS MAINTENANCE	861,513	1,659,830	52%	997,284	1,830,748	54%	921,975	1,937,071	48%
RECREATION	283,497	629,992	45%	309,841	684,616	45%	322,566	767,701	42%
ATHLETICS	190,706	335,950	57%	154,538	287,958	54%	185,983	269,619	69%
POGTV	6,153	9,501	65%	3,452	6,313	55%	2,077	16,658	12%
GENERAL FUND EXPENSES:	\$15,568,467	\$28,818,651	54%	\$15,786,713	\$30,075,329	52%	\$17,320,079	\$32,713,063	53%
Excess of Revenue over(under) Expenditures	\$3,732,677	\$1,539,525		\$4,109,195	\$1,388,037		\$2,888,414	\$0	

CITY OF PORT ORANGE									
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE									
BUDGET AND ACTUAL - BUILDING SPECIAL REVENUE FUND (109)									
Period Ending: April 30 (58 % of the Fiscal Year)									
	FY2013			FY2014			FY2015		
	FYTD Actual	Audited Annual	%	FYTD Actual	Unaudited Annual	%	FYTD Actual	Budgeted Annual	%
Revenues									
Permits and fees	723,959	1,598,360	45%	665,443	1,176,045	57%	661,697	936,200	71%
Miscellaneous			0%		83	0%			0%
Total operating revenues	723,959	1,598,360	45%	665,443	1,176,128	57%	661,697	936,200	71%
Expenditures									
General government:									
Planning and community development	457,814	827,244	55%	468,501	863,069	54%	548,620	976,330	56%
Total operating expenses - w/o depreciation	457,814	827,244	55%	468,501	863,069	54%	548,620	976,330	56%
Operating income (loss)	266,145	771,116	35%	196,942	313,059	63%	113,077	(40,130)	-282%
Non-operating revenues (expenses)									
Interest earnings	717	3,929		4,929	3,180		10,404	7,000	
Other income (expense)									
Interest and amortization expense									
Total nonoperating revenue (expenses)	717	3,929	0%	4,929	3,180	0%	10,404	7,000	0%
Income (loss) before contributions and transfers	266,862	775,045	34%	201,871	316,239	64%	123,481	(33,130)	-373%
Appropriated Fund Balance								33,130	
Transfers									
Transfers in									
Transfers (out) - In Lieu of Tax									
Transfers (out) - Debt Service									
Change in net position	266,862	775,045		201,871	316,239		123,481	-	

CITY OF PORT ORANGE									
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE									
BUDGET AND ACTUAL - UTILITIES OPERATING FUND (401)									
Period Ending: April 30 (58 % of the Fiscal Year)									
	FY2013			FY2014			FY2015		
	FYTD Actual	Audited Annual	%	FYTD Actual	Unaudited Annual	%	FYTD Actual	Budgeted Annual	%
Operating revenues									
Charges for services:									
Water sales	5,651,371	10,834,898	52%	5,594,766	10,957,095	51%	5,689,398	11,165,689	51%
Hydrant rentals	30,132	35,095	86%	46,379	35,235	132%	30,016	38,800	77%
Sewer charges	6,579,260	12,197,415	54%	6,620,124	12,893,433	51%	6,694,543	12,945,185	52%
Connections service, and cut-off charges	349,609	692,830	50%	538,239	938,612	57%	422,411	891,308	47%
Other revenues	6,674	47,161	14%	89,164	85,816	104%	13,951	16,253	86%
Total operating revenues	12,617,045	23,807,399	53%	12,888,672	24,910,191	52%	12,850,319	25,057,235	51%
Operating expenses									
Personal services	3,074,024	5,410,793	57%	3,207,583	5,627,336	57%	3,248,252	6,160,493	53%
Contractual services (Professional & Other) ¹	260,711	2,197,427	12%	215,501	846,422	25%	466,865	1,256,833	37%
Utilities	651,891	1,107,419	59%	725,642	1,290,937	56%	784,006	1,216,800	64%
Maintenance and repairs	227,882	1,316,685	17%	160,267	336,518	48%	155,634	782,787	20%
Other supplies and expenses	2,270,827	3,022,657	75%	2,363,828	4,172,977	57%	2,782,584	5,451,607	51%
Total operating expenses - w/o depreciation	6,485,335	13,054,981	50%	6,672,821	12,274,190	54%	7,437,341	14,868,520	50%
Operating income (loss)	6,131,710	10,752,418	57%	6,215,851	12,636,001	49%	5,412,978	10,188,715	53%
Non-operating revenues (expenses)									
Interest earnings	3,051	60,624		28,100	15,233		66,512	54,500	
Other income (expense)	(402,334)	165,670		(165,795)	20,115		(76,519)	(377,188)	
Interest and amortization expense	(9,845)	(1,463,932)		(7,456)	(167,270)		(5,020)	(259,793)	
Total nonoperating revenue (expenses)	(409,129)	(1,237,638)	33%	(145,152)	(131,922)	110%	(15,027)	(582,481)	3%
Income (loss) before contributions and transfers	5,722,582	9,514,780	60%	6,070,699	12,504,079	49%	5,397,951	9,606,234	56%
Appropriated Fund Balance								403,667	
Transfers									
Transfers in	103,831			-					
Transfers (out) - In lieu of tax	(756,357)	(1,296,611)		(744,402)	(1,276,118)		(735,317)	(1,260,543)	
Transfers (out) - debt service ²	(5,752,851)	-		(5,687,125)	-		(5,103,793)	(8,749,358)	
Change in net position	(682,796)	8,218,169		(360,828)	11,227,961		(441,159)	-	

¹ Contractual Services for FY14 Unaudited and FY15 amounts include both Professional Services and Other Contractual Services. FY13 and FYTD14 Actual amounts include only Other Contractual Services

² Proprietary Debt Service transfers zero out as part of the year-end funds consolidation process.

Note: minor variances in totals may exist due to rounding

CITY OF PORT ORANGE									
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE									
BUDGET AND ACTUAL - SOLID WASTE OPERATING FUND (410)									
Period Ending: April 30 (58 % of the Fiscal Year)									
	FY2013			FY2014			FY2015		
	FYTD Actual	Audited Annual	%	FYTD Actual	Unaudited Annual	%	FYTD Actual	Budgeted Annual	%
Operating revenues									
Charges for services:									
Waste Disposal Fees	3,599,634	6,660,470	54%	3,645,980	6,943,255	53%	3,669,607	6,676,695	55%
Other revenues	22,548	63,193	36%	18,381	41,749	44%	10,709	67,100	16%
Total operating revenues	3,622,182	6,723,663	54%	3,664,361	6,985,004	52%	3,680,316	6,743,795	55%
Operating expenses									
Personal services	124,695	203,426	61%	118,239	226,705	52%	101,218	223,214	45%
Contractual services (Professional & Other) ¹	2,786,056	5,963,238	47%	2,849,225	5,781,209	49%	2,888,217	5,876,413	49%
Utilities	101	982	10%	111	383	29%	494	720	69%
Maintenance and repairs	660	10,331	6%	735	914	80%	796	2,250	35%
Other supplies and expenses	231,766	56,421	411%	262,977	445,628	59%	314,537	567,361	55%
Total operating expenses (w/o depreciation)	3,143,277	6,234,398	50%	3,231,286	6,454,839	50%	3,305,262	6,669,958	50%
Operating income (loss)	478,905	489,265	98%	433,075	530,165	82%	375,054	73,837	508%
Non-operating revenues (expenses)									
Interest earnings	1,216	5,848		7,200	6,580		15,450	14,000	
Other income (expense)									
Interest and amortization expense									
Total nonoperating revenue (expenses)	1,216	5,848	21%	7,200	6,580	109%	15,450	14,000	110%
Income (loss) before contributions and transfers	480,121	495,113	97%	440,275	536,745	82%	390,504	87,837	445%
Appropriated Fund Balance								106,038	
Transfers									
Transfers in									
Transfers (out) - In lieu of taxes	(137,809)	(236,242)		(113,154)	(193,978)		(113,094)	(193,875)	
Transfers (out) - debt service									
Change in net position	342,312	258,871		327,121	342,767		277,410	-	

¹ Contractual Services for FY14 Unaudited and FY15 amounts include both Professional Services and Other Contractual Services. FY13 and Dec FYTD14 amounts include only Other Contractual Services

Note: minor variances in totals may exist due to rounding

CITY OF PORT ORANGE									
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE									
BUDGET AND ACTUAL - STORMWATER OPERATING FUND (412)									
Period Ending: April 30 (58 % of the Fiscal Year)									
	FY2013			FY2014			FY2015		
	FYTD Actual	Audited Annual	%	FYTD Actual	Unaudited Annual	%	FYTD Actual	Budgeted Annual	%
Operating revenues									
Charges for services:									
Drainage Fees	3,559,704	3,801,857	94%	3,558,031	3,805,631	93%	3,578,544	3,799,800	94%
Other revenues			0%	127	127	100%			0%
Total operating revenues	3,559,704	3,801,857	94%	3,558,158	3,805,758	93%	3,578,544	3,799,800	94%
Operating expenses									
Personal services	397,123	707,798	56%	394,531	721,017	55%	393,922	847,280	46%
Contractual services (Professional & Other) ¹	31,668	580,320	5%	37,193	96,655	38%	56,408	198,698	28%
Utilities	-	6,195	0%	-	-	0%	-	-	0%
Maintenance and repairs	65,730	103,569	63%	39,135	93,594	42%	86,747	119,691	72%
Other supplies and expenses	332,942	69,362	480%	365,712	581,301	63%	336,550	567,501	59%
Total operating expenses (w/o depreciation)	827,464	1,467,244	56%	836,572	1,492,567	56%	873,627	1,733,170	50%
Operating income (loss)	2,732,240	2,334,613	117%	2,721,586	2,313,191	118%	2,704,917	2,066,630	131%
Non-operating revenues (expenses)									
Interest earnings	6,004	17,005		13,540	15,357		20,391	26,700	
Other income (expense)	(13,467)			(923,192)	500,000		(88,627)	(1,936,655)	
Interest and amortization expense		(485,994)			(28,289)			(142,456)	
Total nonoperating revenue (expenses)	(7,463)	(468,989)	2%	(909,653)	487,068	-187%	(68,236)	(2,052,411)	3%
Income (loss) before contributions and transfers	2,724,777	1,865,624	146%	1,811,934	2,800,259	65%	2,636,681	14,219	18543%
Appropriated Fund Balance								1,167,548	
Transfers									
Transfers in					-		847,500	850,000	
Transfers (out) - In Lieu of Tax	(110,733)	(189,828)		(108,661)	(186,277)		(111,907)	(191,841)	
Transfers (out) - Debt Service	(861,152)	(83,454)		(863,055)	(83,520)		(1,073,290)	(1,839,926)	
Change in net position	1,752,893	1,592,342		840,218	2,530,462		2,298,984	-	

¹ Contractual Services for FY14 Unaudited and FY15 amounts include both Professional Services and Other Contractual Services. FY13 and Dec FYTD14 amounts include only Other Contractual Services

² Proprietary Debt Service transfers zero out as part of the year-end funds consolidation process. The remaining balance of Transfer (Out) - Debt Service represents governmental debt.

Note: minor variances in totals may exist due to rounding

Financial Reports
for period ending
April 30, 2015
Provided by
YMCA

Volusia Flager YMCA
Statement of Operating Revenue and Expenses
April 30, 2015
Port Orange

	MONTH ACTUAL	MONTH BUDGET	MONTH VARIANCE	MONTH LAST YEAR	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	% YTD VARIANCE	YTD LAST YEAR	ANNUAL BUDGET
01 CONTRIBUTIONS	26,732	26,000	732	26,391	56,972	54,800	2,172	3.96%	53,227	75,800
03 SPECIAL EVENTS	15	150	(135)	120	5,738	5,650	88	1.56%	5,800	27,900
08 UNITED WAY	3,466	3,466	0	3,411	13,864	13,864	0	0.00%	13,644	41,263
10 GRANTS	3,039	2,240	799	3,441	9,208	10,210	(1,002)	-9.82%	10,320	30,495
11 MEMBERSHIP	115,194	130,471	(15,277)	128,013	469,410	507,485	(38,075)	-7.50%	508,414	1,530,045
13 PROGRAM FEES	50,574	39,142	11,432	40,522	181,869	173,346	8,523	4.92%	164,696	616,215
14 SALE OF SUPPLIES	1,192	1,450	(258)	1,062	9,817	5,100	4,717	92.50%	5,575	22,000
16 LATE FEES & MISC IN	227	0	227	0	712	0	712	0.00%	0	0
19 TO/FROM RESERVE FUN	(420)	0	(420)	0	(2,559)	0	(2,559)	0.00%	0	0
TOTAL REVENUE	200,021	202,919	(2,899)	202,959	745,031	770,455	(25,424)	-3.30%	761,677	2,343,718
21 SALARIES AND WAGES	65,963	70,192	4,229	65,944	295,300	321,318	26,018	8.10%	281,692	919,778
22 EMPLOYEE BENEFITS	4,011	4,478	468	4,002	17,829	21,299	3,469	16.29%	15,803	59,332
23 PAYROLL TAXES & WC	5,000	7,377	2,377	6,343	27,200	33,757	6,558	19.43%	26,194	96,652
24 CONTRACT SERVICES	10,820	4,361	(6,459)	5,075	17,621	15,138	(2,483)	-16.40%	13,381	55,811
25 SUPPLIES	5,601	3,192	(2,409)	5,982	18,257	13,267	(4,990)	-37.61%	16,005	38,800
26 TELEPHONE	1,716	1,017	(699)	1,337	4,687	4,329	(358)	-8.26%	4,011	13,248
27 POSTAGE & SHIPPING	0	83	83	218	12	333	321	96.40%	278	1,000
28 FACILITY COSTS	39,637	38,838	(799)	35,904	160,615	167,817	7,202	4.29%	159,478	503,165
29 EQUIPMENT COSTS	4,560	6,252	1,692	10,428	20,296	25,245	4,949	19.60%	26,996	71,425
30 PROGRAM EXPENSES	5,358	5,349	(8)	12,367	17,051	28,105	11,054	39.33%	28,007	73,381
31 MARKETING/PROMOTION	46	50	5	71	112	550	439	79.73%	276	1,250
32 TRAVEL AND MILEAGE	0	144	144	190	153	575	422	73.46%	362	1,825
33 CONFERENCE/TRAINING	138	25	(113)	475	584	420	(164)	-39.12%	1,429	1,115
34 FUNDRAISING EXPENSE	(155)	0	155	0	324	0	(324)	0.00%	0	1,000
35 NAT'L & OTHER DUES	2,505	2,505	0	2,237	10,022	10,242	220	2.15%	9,041	31,095
37 FINANCING COSTS	0	33	33	0	0	132	132	100.00%	0	396
38 INSURANCE	2,244	2,244	0	3,814	8,977	8,977	0	0.00%	15,252	27,111
39 MISC EXPENSE	0	0	0	0	0	0	0	0.00%	537	3,879
40 DEPRECIATION/AMORT	2,834	2,372	(462)	2,927	11,036	9,487	(1,550)	-16.33%	10,787	28,460
48 METRO SERVICES	29,525	29,525	0	26,992	112,101	112,101	0	0.00%	113,995	341,011
TOTAL EXPENSES	179,803	178,037	(1,766)	184,307	722,175	773,091	50,916	6.59%	723,528	2,269,734
NET FROM OPERATIONS	20,218	24,882	(4,664)	18,653	22,856	(2,636)	25,492	-967.16%	38,149	73,984

Financial Report
for period ending
April 30, 2015
provided by
Golf Course

The Golf Club at Cypress Head
Comparative Income Statement
For the Seven Months Ending April 30, 2015 (58% of FY)

	MTD Prior Year	YTD Prior Year	Audited Prior Year	Percent of Total	MTD Actual	YTD Actual	Annual Budget	Percent of Total
REVENUES								
Green Fees & Cart Fees	120,705	700,015	1,051,059	67%	112,721	713,943	782,295	91%
Merchandise	8,153	43,848	72,272	61%	14,999	47,325	48,222	98%
Other Pro Shop	759	7,083	8,445	84%	329	6,655	7,112	94%
Range	4,265	23,062	35,287	65%	1,936	16,885	38,615	44%
Food and Beverage	31,108	184,442	287,748	64%	22,714	182,961	192,398	95%
Membership Initiation Fees	0	0	250		0	0	0	
Other Operating Revenues	4,284	24,584	38,076	65%	3,877	24,901	28,192	88%
TOTAL REVENUE	169,272	983,034	1,493,137	66%	156,577	992,669	1,096,834	91%
COST OF SALES								
Merchandise	5,840	31,509	49,275	64%	14,165	35,237	33,711	105%
Food & Beverage	12,765	71,191	112,519	63%	8,641	72,510	69,374	105%
TOTAL COGS	18,605	102,700	161,794	63%	22,806	107,747	103,085	105%
COGS - Merchandise %	71.6%	71.9%	68.2%	105.4%	94.4%	74.5%	69.9%	106.5%
COGS - Food %	41.1%	38.8%	39.3%	98.7%	38.0%	39.8%	36.1%	110.3%
PAYROLL								
Course and Grounds	22,834	159,559	271,543	59%	26,953	170,251	290,141	59%
Carts, Range, Starters, Etc.	5,421	41,036	65,268	63%	3,834	39,870	41,564	96%
Pro Shop	4,521	30,460	53,393	57%	4,859	32,904	29,218	113%
Food and Beverage	13,223	86,139	142,814	60%	10,230	94,267	114,321	82%
General and Administrative	9,909	72,380	120,964	60%	7,563	73,341	125,375	58%
Marketing	4,019	27,670	47,276	59%	4,199	29,905	47,684	63%
TOTAL PAYROLL	59,927	417,243	701,259	59%	57,640	440,537	648,303	68%

The Golf Club at Cypress Head
Comparative Income Statement
For the Seven Months Ending April 30, 2015 (58% of FY)

	MTD	YTD	Audited	Percent	MTD	YTD	Annual	Percent
	Prior Year	Prior Year	Prior Year	of Total	Actual	Actual	Budget	of Total
OPERATING EXPENSES								
Course and Grounds	11,295	108,247	192,508	56%	12,770	107,095	193,815	55%
Carts, Range, Starters, Etc.	6,727	54,037	91,506	59%	11,550	75,092	84,536	89%
Pro Shop	742	8,527	9,935	86%	143	7,007	8,797	80%
Food and Beverage	4,666	24,321	36,098	67%	5,814	26,261	19,941	132%
General and Administrative	15,215	127,865	201,262	64%	18,562	129,841	171,762	76%
Marketing	1,701	13,015	21,090	62%	1,479	13,651	35,150	39%
TOTAL OPERATING EXPENSES	40,345	336,011	552,399	61%	50,318	358,947	514,001	70%
TOTAL EXPENSES	118,877	855,955	1,415,452	60%	130,763	907,231	1,265,389	72%
OTHER INCOME (EXPENSE)								
MANAGEMENT FEES	(7,225)	(50,575)	(86,700)	58%	(7,370)	(51,487)	(88,440)	58%
Depreciation & Amortization	(535)	(3,745)	(3,147)	119%	(535)	(3,745)	(6,540)	57%
TOTAL OTHER INCOME (EXPENSE)	(7,760)	(54,320)	(89,847)	60%	(7,904)	(55,231)	(94,980)	58%
NET INCOME	42,635	72,759	(12,162)	-598%	17,909	30,207	(263,535)	-11%
Paid Rounds	4,434	24,596			3,936	25,909	27,380	95%
Annual Pass Rounds	496	3,234			426	2,970	3,233	92%
Other Rounds	268	1,950			244	1,772	2,007	88%
Total Rounds	5,198	29,780			4,606	30,651	32,620	94%
Revenue/Paid Rounds	\$ 38.18	\$ 39.97			\$ 39.78	\$ 38.31	\$ 40.06	96%
Revenue/Total Rounds	\$ 32.56	\$ 33.01			\$ 33.99	\$ 32.39	\$ 33.62	96%