

POLK CITY

March 20, 2017

City Commission Meeting
Polk City Government Center
123 Broadway Blvd., SE

7:00 P.M.

CALL TO ORDER – Mayor Joe LaCascia

INVOCATION – Pastor Walter Lawlor, New Life Community Church

PLEDGE OF ALLEGIANCE – Mayor Joe LaCascia

ROLL CALL – City Manager Patricia Jackson

APPROVE CONSENT AGENDA

PRESENTATIONS AND RECOGNITIONS

PUBLIC COMMENT – ITEMS NOT ON AGENDA (limit comments to 3 minutes)

AGENDA

1. Competitive Florida Mini Grant Application
2. Public Hearing for FY 2017-2018 Community Development Block Grant Project
3. Presentation of the Financial Statements for the year ending September 30, 2016 by Brynjulfson Certified Public Accountants PA
4. Purchase of 2017 F-150 Pick-up Truck Purchase
5. Discussion – Vacancy of City Commission Seat #3

CITY MANAGER ITEMS

1. FY 2016-2017 CDBG Project Update

CITY ATTORNEY ITEMS

COMMISSIONER ITEMS

Vice Mayor Harris
Commissioner Blethen
Commissioner Kimsey
Commissioner Prestage
Mayor LaCascia

ANNOUNCEMENTS

ADJOURNMENT

CONSENT AGENDA
March 20, 2017

MAY ALL BE APPROVED BY ONE VOTE OF COMMISSION TO ACCEPT CONSENT AGENDA. Commission Members may remove a specific item below for discussion, and add it to the regular agenda under New or Unfinished Business, whichever category best applies to the subject.

A. CITY CLERK

1. Accept minutes – February 20, 2017 - Regular City Commission Meeting

B. REPORTS

1. Building Report – February 2017
2. Code Enforcement Report – February 2017
3. Finance Report – February 2017
4. Library Report – February 2017
5. Sheriff's Office Report – February 2017
6. Utilities Report – February 2017

C. OTHER

Please note: Pursuant to Section 286.0105, Florida Statutes, if a person decides to appeal any decision made by the City Commission with respect to any matter considered during this meeting, he or she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the American with Disabilities Act, a person with disabilities needing any special accommodations to participate in city meetings should contact the Office of the City Clerk, Polk City Government Center, 123 Broadway, Polk City, Florida 33868 Telephone (863) 984-1375. The City of Polk City may take action on any matter during this meeting, including items that are not set forth within this agenda.

Minutes of the City Commission meetings may be obtained from the City Clerk's office. The minutes are recorded, but are not transcribed verbatim. Persons requiring a verbatim transcript may arrange with the City Clerk to duplicate the recordings, or arrange to have a court reporter present at the meeting. The cost of duplication and/or court reporter will be at the expense of the requesting party.



Polk City City Commission Agenda Form

Meeting Date: February 20, 2017
 Item Number: Consent Agenda

Subject: Accept minutes for: -February 20, 2017 - Regular City Commission Meeting	
Department: Administrative	
Summary:	
Requested Commission Action: Approval of Minutes	
Financial Impact: None	
Attachments: X	Supporting Documents Reviewed X
Submitting Department Head: Patricia Jackson, City Manager	Date: 3/16/2017
Approved by City Manager:	Date:

CITY COMMISSION MINUTES

February 20, 2017

Mayor Joe LaCascia called the meeting to order at 7:00 p.m.

Walter Lawlor, New Life Community Church, gave the invocation.

Those present recited the Pledge of Allegiance led by Mayor Joe LaCascia.

ROLL CALL – Assistant to the City Manager Sheandolen Dunn

Present: Mayor Joe LaCascia, Vice Mayor Wanda Harris, Commissioner Mike Blethen, Commissioner Keith Prestage, Attorney Thomas Wilkes and City Manager Patricia Jackson

Absent: City Attorney Thomas Cloud

APPROVE CONSENT AGENDA

Motion by Commissioner Prestage to approve the Consent Agenda; motion was seconded by Vice Mayor Harris. **Motion carried unanimously.**

PRESENTATIONS AND RECOGNITIONS

Resolution 2017-01 - Florida Association of City Clerks Commemorating its 45th Anniversary

City Manager Jackson provided an overview of Resolution 2017-01.

Motion by Vice Mayor Harris to approve Resolution 2017-01; this motion was seconded by Commissioner Prestage.

Vote: Commissioner Blethen – aye; Vice Mayor Harris – aye; Commissioner Kimsey – aye; Mayor LaCascia – aye; Commissioner Prestage – aye

Motion carried unanimously.

PUBLIC COMMENT

Sandra Cutts (315 Central Avenue) – inquired about the status of the tennis/basketball courts completion.

City Manager Jackson responded the project will be completed by the end of March.

Susan Ketterman (583 Markhem Loop) –inquired about tenants for the new plaza next door to Hungry Howies.

Mayor LaCascia responded that is a private enterprise and the City does not know the tenants scheeuled to occupy the strip mall.

ORDER OF BUSINESS

Republic Services – Solid Waste and Recycling Collection Franchise Agreement

Mayor LaCascia stated the City entered into a Solid Waste and Recycling Collection Franchise Agreement with Republic Services effective January 1, 2014, for a period of three years. The current agreement expires January 1, 2018. The City has received a request from Republic Services to extend the agreement for one (1) additional term of three (3) years. There is not a request for an increase in fees, and the poly carts will remain the property of Republic Services.

City Staff is recommending extending the current Solid Waste and Recycling Collection Franchise Agreement with Republic Services for one additional term of three years.

Motion by Vice Mayor Harris to extend the current Solid Waste and Recycling Collection Franchise Agreement with Republic Services for one additional term of three years; this motion was seconded by Commissioner Prestage.

No Discussion.

Vote: Commissioner Blethen – aye; Vice Mayor Harris – aye; Mayor LaCascia – aye; Commissioner Prestage – aye; Commissioner Kimsey - aye

Motion passed unanimously.

PUBLIC HEARING – Option Contract for Sale and Purchase – Bryant Property located at 9835 North State Road 33, Polk City

Mayor LaCascia provided history on the property and the City's plan for this property, if purchased.

Mayor LaCascia opened the public hearing.

Laura Lambert (452 Meandering Way), Russ Cederholm (648 Meandering Way)

Mayor LaCascia closed the public hearing.

Motion by Commissioner Prestage to approve the Option Contract for Sale and Purchase of the Bryant Property; this motion was seconded by Vice Mayor Harris.

The following persons spoke against Polk City purchasing the Bryant Property:

Sandra Cutts – (315 Central Avenue), Milly Supplee (305 Motorcoach Drive S), Nancy Peterson (315 Central Avenue), Mike Vlaskos (618 Gordon Road), George Clampet (423 Nolane Lane), Ted Borsje' (210 Bayberry Drive), Rod Benedickson (153 Laynewade Road), James Dove (547 Narrow Pond), Darlene Cutts (204 Pine Avenue), Amanda Bennett (204 Pine Avenue, Doug Atwood (609 Sayge Drive), Arthur Pereira (741 Meandering Way), Lisa Shifflett (234 Bayberry Drive), Charles Erwin (190 Laynewade Road), Laura Lambert (452 Meandering Way), Russ Cederholm (648 Meandering Way)

After lengthy discussion and hearing concerns from the public, it was the consensus of the Commission to table this item.

Motion by Commissioner Prestage to table the Option Contract for Sale and Purchase of the Bryant Property; this motion was seconded by Commissioner Kimsey.

Vote: Commissioner Blethen – aye; Vice Mayor Harris – aye; Mayor LaCascia – aye; Commissioner Kimsey – aye; Commissioner Prestage – aye

Motion carried unanimously.

PRWC Combined Project Implementation Agreement

Mayor LaCascia provided a brief overview of the Polk Regional Water Cooperative. The City Commission will consider an Agreement for participation in Phase I of a Polk Regional Water Cooperative project.

Commissioner Kimsey inquired as to whether other cities approved this Agreement.

City Manager Jackson stated out of seventeen cities in Polk County, two have tabled and one has declined.

City Manager Jackson further explained that this plan will be in place as an alternative water supply. All the cities in Polk County had to come up with an alternative water supply. In 2006, all the cities started meeting to come up with a different project to handle the alternative water supply. Polk City adopted by Resolution for water supply in 2006. The Legislature created the Central Florida Water Initiative, which covers five counties to look at regional issues that face these five counties as they all share the same bodies of water. Polk County has five rivers, but Polk City does not get any benefit because it goes to 38 other counties in Florida, so this is a regional problem. Polk County wanted to be certain it was not left out of this equation. Thus, the Cooperative was formed and can provide access to more funding from the Legislature than from SWFWMD. Seventeen municipalities are a part of the Cooperative. Our permit has been reduced since 2009. Polk City is at a deficit of 1.68%, which is .78

MGD (million gallons a day) in the deficit. If we go to SWFWMD to get water, the first question would be is Polk City a member of the Cooperative. If Polk City is not, we have to stand in line and get the water when SWFWMD deems fit. Polk City wants to have a seat at the table to protect its interest. We are trying to come up with Regional Projects that will benefit Polk City. SWFWMD gives the cooperative so much money and we will guarantee \$40 million for this cooperative as we reach certain levels.

Phase I will be to look at the three projects chosen, determining if they are feasible in order to move to Phase II. Under Phase II the City will determine which project, if any, that the City will participate in. We can either pay our portion up front of phase I or we do nothing and choose to participate in a project of Phase II, then we would be required to pay our proportionate share of the cost of Phase I. Either you pay for it now or you wait see what Phase I comes up with.

Lengthy Discussion ensued.

Motion by Commissioner Prestage to approve the PRWC Combined Project Implementation Agreement; this motion was seconded by Vice Mayor Harris.

Vote: Vice Mayor Harris – aye; Mayor LaCascia – aye; Commissioner Kimsey – nay; Commissioner Prestage – aye; Commissioner Blethen – nay

Motion carried 3/2.

PRWC Conservation Project Implementation Agreement

City Manager Jackson provided a brief explanation on the PRWC Conservation Project Implementation Agreement.

Motion by Commissioner Prestage to approve the PRWC Conservation Project Implementation Agreement; this motion was seconded by Vice Mayor Harris.

Vote: Commissioner Prestage – aye; Commissioner Blethen - aye; Mayor LaCascia – aye; Vice Mayor Harris – aye; Commissioner Kimsey – aye

Motion carried unanimously.

PRWC Conservation Project Agreement

City Manager Jackson provided a brief explanation on the PRWC Conservation Project Agreement.

Motion by Commissioner Prestage to approve the Conservation Project Agreement; this motion was seconded by Commissioner Harris.

Vote: Mayor LaCascia – aye; Vice Mayor Harris – aye; Commissioner Blethen – aye; Commissioner Kimsey – aye; Commissioner Prestage – aye

Motion carried unanimously.

CITY MANAGER ITEMS

FRDAP – Amendment to the grant to purchase more materials such as signs, bike racks, etc.

CDBG – Handicapped accessible front door is now operational.

Architectural Drawings - for the library should be received by March.

CITY ATTORNEY ITEMS

Attorney Wilkes discussed the Windermere Railroad sale.

COMMISSIONER ITEMS

Vice Mayor Harris – Thanked everyone for coming.

Commissioner Blethen – Expressed frustration with amount of paper received for City Commission packet.

Commissioner Kimsey – The City is not trying to hide anything

Commissioner Prestage –Very disheartened by the behavior expressed by so many citizens during tonight’s meeting. Submitted letter of resignation to the City Commission. Thanked the City Commission for the opportunity to serve Polk City.

Mayor LaCascia – On behalf of the City Commission, accepted Commissioner Prestage’s resignation.

ANNOUNCEMENTS - None

ADJOURNMENT – 9:55 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

CONSENT AGENDA
February 20, 2017

MAY ALL BE APPROVED BY ONE VOTE OF COMMISSION TO ACCEPT CONSENT AGENDA. Commission Members may remove a specific item below for discussion, and add it to the regular agenda under New or Unfinished Business, whichever category best applies to the subject.

A. CITY CLERK

- 1 Accept minutes – January 16, 2017 - City Commission Regular Meeting

B. REPORTS

1. Building Report – January 2017
2. Code Enforcement Report – January 2017
3. Finance Report – January 2017
4. Library Report – January 2017
5. Sheriff's Office Report – January 2017
6. Utilities Report – January 2017

C. OTHER



Polk City City Commission Agenda Form

Meeting Date: March 20, 2017

Item Number: Consent Agenda

Subject: Departmental Monthly Reports	
Department: Various Departments	
Summary: Monthly Department Reports for Building, Code Enforcement, Finance, Library, Sheriff's Office and Utilities	
Requested Commission Action: Approval of Department Reports via Consent Agenda	
Financial Impact: None	
Attachments: X	Supporting Documents Reviewed X
Submitting Department Head: Patricia Jackson, City Manager	Date: 3/16/2017
Approved by City Manager:	Date:

Polk City Permits Added

2/1/17 - 2/28/17

<u>Worktype & Permit Number</u>	<u>Address</u>	<u>Declared Value</u>	<u>Date Added</u>
1 & 2 FAMILY			
370521	8804 ASHLAND AVE POLK CITY	\$200,000.00	02/23/2017
368710	8819 ASHLAND AVE POLK CITY	\$200,000.00	02/14/2017
369018	611 CITRUS GROVE BLVD N POLK CITY	\$121,000.00	02/15/2017
368741	8730 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/14/2017
370526	8741 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/23/2017
367764	8818 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/08/2017
367796	8853 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/08/2017
370529	8859 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/23/2017
367752	8863 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/08/2017
370528	8869 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/23/2017
368758	8938 HINSDALE HEIGHTS DR POLK CITY	\$200,000.00	02/14/2017
371174	791 TEABERRY TRL POLK CITY	\$240,000.00	02/27/2017
		<u>2,361,000.00</u>	
DEMOLITION/RESIDENTIAL			
366583	311 RUBENS CIR POLK CITY	\$600.00	02/01/2017
		<u>\$600.00</u>	
ELECTRIC STAND ALONE/COMMERCL			
366575	123 BROADWAY BLVD SE POLK CITY	\$2,450.00	02/01/2017
		<u>\$2,450.00</u>	
MECH HEATING, VENTILATION, A/C			
368928	444 NOLANE LN POLK CITY	\$5,490.00	02/14/2017
		<u>\$5,490.00</u>	
RESIDENTIAL ADDITION/REMODEL			
367373	398 NOLANE LN POLK CITY	\$2,000.00	02/06/2017
		<u>\$2,000.00</u>	
RE-ROOF RESIDENTIAL			
370131	598 MARKLEN LOOP POLK CITY	\$1,200.00	02/21/2017
		<u>\$1,200.00</u>	
SCREEN CAGE/SCREEN ROOM			
371400	8804 HINSDALE HEIGHTS DR POLK CITY	\$3,120.00	02/28/2017
		<u>\$3,120.00</u>	
WINDOW/DOOR/EMERGENCY SHUTTERS			
368521	419 EDGEWATER DR POLK CITY	\$15,376.00	02/13/2017
		<u>\$15,376.00</u>	
		<u>2,391,236.00</u>	

17 SFR to date

Code Enforcement Report

February 2017

DATE	ADDRESS	VIOLATION	STATUS
2/7/2017	7622 Berkley Road	Unauthorized Business-Residential Area	2.7.17 Sent letter of Violation to property owner. Property in compliance
2/14/2017	Hwy 33 (Fleetwing Parking Lot)	Abandoned Vehicle For Sale	2.14.2017 Called owner of vehicle to remove from location. 2.15.2017 Vehicle removed and in compliance.
2/27/2017	117 Pine Avenue	Unsecured Structure, Fallen Tree Limbs and Excessive Overgrowth.	02.28.17 Sent letter of Violation to property owner.
2/28/2017	718 3rd Street	Junk Surrounding Home, Derelict Vehicles	02.28.2017 Sent letter of Violation to property owner. Property in compliance pending one vehicle repair.

POLK CITY
GENERAL FUND
BALANCE SHEET
AS OF: 02/28/2017

Account Id	Account Description	2017
Assets		
01-101-100	Cash - Checking	1,246,332.36
01-101-800	Cash - Impact Fee Account	245,587.55
01-101-911	USDA - Loan Payments - Sinking Fund	51,044.32
01-101-931	USDA - Reserves	102,090.00
01-101-990	Van Fleet Cycling Challenge	859.09
01-102-100	Cash on Hand	575.00
01-115-105	Accounts Receivable - Invoicing	4,075.96
01-115-120	Accounts Receivable - Local Bus Licenses	1,826.58
01-117-100	Allowance for Bad Debt	-13,249.30
01-117-200	Allowance for Uncollectible A/R	-3,179.50
01-131-500	Due from Enterprise Fund	747.39
01-153-302	Restricted Cash - New Local Opt Gas Tax	96,990.66
01-153-303	Restricted Cash - Building and Codes	1,000.00
01-160-902	Reserve Account	177,764.59
01-160-903	Reserve Acct - Emergencies & Contingency	62,924.00
	Total	1,975,388.70
ACCOUNTS RECEIVABLE		
01-115-100	Accounts Receivable - Utilities	22,284.03
01-115-130	Accounts Receivable - Readiness to Serve	4,165.27
	Total ACCOUNTS RECEIVABLE	26,449.30
	Total Assets	2,001,838.00
Liabilities & Fund Balance		
01-202-100	Accounts Payable	385.12
01-202-900	Customer Deposits	3,200.00
01-207-800	Due to Enterprise Fund	347.75
01-208-300	Due to County - Impact Fees	72,374.00
01-208-305	Due to County - Public Srv Tax	4,251.47
01-208-310	Due to DCA - Bldg Permit Surcharge	696.80
01-208-320	Due to Dept of Business - License Fees	696.80
01-208-330	Due to PCSO - Police Education Revenue	64.00
01-217-200	Accrued Sales Tax	45.00
01-218-200	FRS Retirement Payable	-441.30
01-218-320	Supplemental Insurance Payable	299.24
01-218-400	Dental Plan Payable	404.65
01-218-410	Vision Plan Payable	152.84
01-243-100	Encumbrances Payable	-12,663.60
	Total Liabilities	69,812.77
01-245-100	Reserved for Encumbrances	12,663.60
01-271-100	Fund Balance Unreserved	1,919,361.63
	Total Fund Balance	1,932,025.23
	Total Liabilities & Fund Balance	2,001,838.00

GENERAL FUND
BALANCE SHEET
AS OF: 02/28/17

March 1, 2017
03:30 PM

POLK CITY
Statement of Revenue and Expenditures

Page No: 1

Revenue Account Range: 01-000-00		to 01-999-999		Include Non-Anticipated: Yes		Year To Date As Of: 02/28/17		
Expend Account Range: 01-000-000		to 01-999-999		Include Non-Budget: No		Current Period: 02/01/17 to 02/28/17		
Print Zero YTD Activity: No								
Revenue Account	Description	Prior Yr Rev	Anticipated	Current Rev	YTD Revenue	Cancel	Excess/Deficit	% Real
01-311-100	Ad Valorem Taxes	14,248.32	550,828.00	17,952.77	463,694.79	0.00	87,133.21-	84
01-312-300	9th Cent Gas Tax	2,286.50	13,568.00	1,122.77	3,449.33	0.00	10,118.67-	25
01-312-400	Local Option Gas Tax	6,454.73	77,425.00	6,672.29	25,827.30	0.00	51,597.70-	33
01-312-410	New Local Option Gas Tax	3,995.92	47,147.00	4,298.96	16,012.63	0.00	31,134.37-	34
	Account Total	12,737.15	138,140.00	12,094.02	45,289.26	0.00	92,850.74-	33
01-314-100	Electric - Utility Tax	6,420.79	74,847.00	6,244.59	24,999.04	0.00	49,847.96-	33
01-314-300	Water - Utility Tax	0.00	43,773.00	4,634.75	19,667.76	0.00	24,105.24-	45
01-314-301	Water - Utility Tax - Readiness to Serve	0.00	4,904.00	3,859.39	3,977.33	0.00	926.67-	81
01-314-400	Gas - Utility Tax	373.76	3,300.00	404.45	1,428.37	0.00	1,871.63-	43
	Account Total	6,794.55	126,824.00	15,143.18	50,072.50	0.00	76,751.50-	39
01-315-100	Communications Services Tax	12,365.60	140,000.00	14,391.66	57,788.04	0.00	82,211.96-	41
01-316-100	Local Business Licenses	246.11-	11,800.00	20.94	30.35	0.00	11,769.65-	0
01-322-100	Building Permits	3,805.25	30,000.00	11,805.88	23,254.81	0.00	6,745.19-	78
01-322-101	Bldg Permit - Plan Checking	3,354.00	15,000.00	6,697.50	12,381.86	0.00	2,618.14-	83
01-322-102	Bldg Permit - Admin Fee	180.00	1,500.00	320.00	820.00	0.00	680.00-	55
01-322-103	Bldg Permit - Electrical	575.00	5,200.00	1,500.00	2,970.00	0.00	2,230.00-	57
01-322-104	Bldg Permit - Plumbing	575.00	5,000.00	1,375.00	2,825.00	0.00	2,175.00-	56
01-322-105	Bldg Permit - Mechanical	375.00	4,900.00	1,500.00	3,145.00	0.00	1,755.00-	64
01-322-107	Bldg Permit - Cert of Occupancy	30.00	1,000.00	270.00	1,140.00	0.00	140.00	114
01-322-108	Bldg Permit - Inspections	975.00	20,000.00	7,490.00	32,445.00	0.00	12,445.00	162
	Account Total	9,869.25	82,600.00	30,958.38	78,981.67	0.00	3,618.33-	96
01-323-100	Electric - Franchise Fee	0.00	55,000.00	0.00	9,282.14	0.00	45,717.86-	17
01-323-300	Solid Waste - Franchise Fee	2,250.00	30,149.00	2,250.00	10,306.33	0.00	19,842.67-	34
	Account Total	2,250.00	85,149.00	2,250.00	19,588.47	0.00	65,560.53-	23
01-324-100	Police - Public Safety Impact Fee	0.00	0.00	6,449.90	10,964.83	0.00	10,964.83	0

POLK CITY
Statement of Revenue and Expenditures

Revenue Account	Description	Prior Yr Rev	Anticipated	Current Rev	YTD Revenue	Cancel	Excess/Deficit	% Real
01-324-110	Fire/Rescue - Public Safety Impact Fee	1,980.20	17,822.00	4,441.20	6,856.97	0.00	10,965.03-	38
01-324-610	Parks & Recreation Impact Fee	2,080.32	18,723.00	11,441.76	18,722.88	0.00	0.12-	100
01-324-710	Public Facilities Impact Fee	3,496.02	31,464.00	19,228.11	31,464.18	0.00	0.18	100
	Account Total	7,556.54	68,009.00	41,560.97	68,008.86	0.00	0.14-	100
01-331-510	CDBG	0.00	15,402.00	0.00	0.00	0.00	15,402.00-	0
01-331-700	FRDAP Grants	0.00	50,000.00	0.00	0.00	0.00	50,000.00-	0
	Account Total	0.00	65,402.00	0.00	0.00	0.00	65,402.00-	0
01-334-201	Justice Assistance Grant (JAG)	0.00	5,113.00	0.00	0.00	0.00	5,113.00-	0
01-335-120	MRS - State Sales Tax	4,709.38	57,116.00	4,700.10	23,494.37	0.00	33,621.63-	41
01-335-122	SRS - 8th Cent. Motor Fuel Tax	1,463.00	17,832.00	1,467.40	7,335.07	0.00	10,496.93-	41
01-335-123	MRS - Municipal Fuel Tax	0.61	7.00	0.61	3.06	0.00	3.94-	44
01-335-140	Mobile Home License	356.75	5,000.00	231.83	3,475.04	0.00	1,524.96-	70
01-335-150	Alcoholic Beverage License	0.00	1,028.00	0.00	0.00	0.00	1,028.00-	0
01-335-180	Half-Cent Sales Tax	9,103.51	100,496.00	9,450.49	32,897.03	0.00	67,598.97-	33
	Account Total	15,633.25	181,479.00	15,850.43	67,204.57	0.00	114,274.43-	37
01-337-100	Library Coop Funding	0.00	28,712.00	18,014.30	18,014.30	0.00	10,697.70-	63
01-340-400	Solid waste	0.00	251,735.00	21,766.64	105,657.06	0.00	146,077.94-	42
01-340-700	Stormwater Utility Fees	0.00	18,194.00	1,552.26	14,174.89-	0.00	32,368.89-	78-
	Account Total	0.00	269,929.00	23,318.90	91,482.17	0.00	178,446.83-	34
01-344-900	FDOT Maintenance Agreement	3,562.15	16,303.00	4,075.96	7,638.11	0.00	8,664.89-	47
01-347-100	Library Income	522.60	6,500.00	419.85	2,142.81	0.00	4,357.19-	33
01-351-200	Fines, Penalties, and Forfeitures	0.00	200.00	423.98	1,476.32	0.00	1,276.32	738
01-359-200	Non Sufficient Funds	0.00	0.00	30.00	30.00	0.00	30.00	0
01-359-300	Late Fees	0.00	126.00	10.50	63.00	0.00	63.00-	50
	Account Total	0.00	126.00	40.50	93.00	0.00	33.00-	74

POLK CITY
Statement of Revenue and Expenditures

Revenue Account	Description	Prior Yr Rev	Anticipated	Current Rev	YTD Revenue	Cancel	Excess/Deficit	% Real
01-361-100	Interest Income	0.00	62.00	0.00	154.49	0.00	92.49	249
01-362-100	Activity Center Rentals	100.00	500.00	450.00	850.00	0.00	350.00	170
01-362-200	Donald Bronson Community Center Rentals	560.74	2,000.00	300.00	1,050.00	0.00	950.00-	52
	Account Total	660.74	2,500.00	750.00	1,900.00	0.00	600.00-	76
01-365-100	Sales of Surplus Property	0.00	500.00	0.00	519.80	0.00	19.80	104
01-366-101	Private Donations - Christmas	0.00	1,000.00	0.00	1,200.00	0.00	200.00	120
01-366-102	Private Donations - Halloween	0.00	700.00	0.00	1,250.00	0.00	550.00	179
01-366-104	Private Donations - Music Festival	0.00	1,500.00	2,750.00	2,750.00	0.00	1,250.00	183
01-366-110	Private Donations - Library	29.05	600.00	35.50	86.00	0.00	514.00-	14
	Account Total	29.05	3,800.00	2,785.50	5,286.00	0.00	1,486.00	67
01-369-100	Misc. Income	115.66	1,000.00	105.00	186.30	0.00	813.70-	19
01-369-102	Misc Income - Collection Allowance	38.23	2,000.00	270.97	2,584.24	0.00	584.24	129
01-369-120	Misc Income - Christmas	0.00	100.00	0.00	80.00	0.00	20.00-	80
01-369-130	Misc Income - Halloween	0.00	60.00	0.00	100.00	0.00	40.00	167
01-369-140	Misc Income - City Wide Yard Sale	135.00	100.00	0.00	0.00	0.00	100.00-	0
01-369-150	Misc Income - Music Festival	0.00	0.00	40.00	40.00	0.00	40.00	0
01-369-500	Refund of State Gas Tax	0.00	250.00	0.00	0.00	0.00	250.00-	0
	Account Total	288.89	3,510.00	415.97	2,990.54	0.00	519.46-	84
01-381-400	Transfer From Enterprise Fund	0.00	25,000.00	0.00	0.00	0.00	25,000.00-	0
01-381-900	Cash Carry Forward	0.00	161,000.00	0.00	0.00	0.00	161,000.00-	0
	Account Total	0.00	186,000.00	0.00	0.00	0.00	186,000.00-	0
	GENERAL FUND Revenue Total	86,271.98	1,973,486.00	200,467.31	982,356.05	0.00	991,129.95-	50

Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-000-000	GENERAL FUND EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-500-000	GENERAL FUND EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-511-100	LEGISLATIVE - PERSONNEL EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-511-120	Regular Salary - Wages - Legislative	451.25	5,415.00	451.25	2,256.25	0.00	3,158.75	42

POLK CITY
Statement of Revenue and Expenditures

Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-511-160	Bonuses and Gift Certificates - Legislat	0.00	2,331.00	0.00	2,165.65	0.00	165.35	93
01-511-210	Fica Taxes - Legislative	34.52	491.00	34.52	338.25	0.00	152.75	69
01-511-240	Worker's Compensation - Legislative	0.00	15.00	0.00	12.45	0.00	2.55	83
01-511-300	LEGISLATIVE - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-511-310	Professional Services - Legislative	0.00	450.00	0.00	0.00	0.00	450.00	0
01-511-400	Travel and Training - Legislative	38.00	4,500.00	120.00	220.00	0.00	4,280.00	5
01-511-480	Promo Activities & Legal Ads - Legislati	250.00	2,500.00	0.00	454.27	0.00	2,045.73	18
01-511-490	Other Current Charges - Legislative	0.00	2,500.00	0.00	0.00	0.00	2,500.00	0
01-511-510	Office Supplies - Legislative	0.00	200.00	0.00	94.00	0.00	106.00	47
01-511-520	Operating Supplies - Legislative	0.00	1,000.00	54.69	54.69	0.00	945.31	5
01-511-540	Books, Pub., Sub., & Memberships - Legis	0.00	5,840.00	100.00	4,604.00	0.00	1,236.00	79
Department Total		773.77	25,242.00	760.46	10,199.56	0.00	15,042.44	40
01-512-100	EXECUTIVE - PERSONNEL EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-512-120	Regular Salary - Wages - Executive	9,077.52	119,500.00	9,077.51	43,967.59	0.00	75,532.41	37
01-512-130	Other Salaries and Wages - Executive	400.00	4,800.00	369.24	1,846.20	0.00	2,953.80	38
01-512-140	Overtime - Executive	0.00	837.00	0.00	395.51	0.00	441.49	47
01-512-160	Bonuses and Gift Certificates - Executiv	0.00	12,650.00	0.00	12,344.32	0.00	305.68	98
01-512-210	Fica Taxes - Executive	713.92	11,552.00	710.88	4,593.93	0.00	6,958.07	40
01-512-220	Retirement Contribution - Executive	1,487.42	19,879.00	1,515.72	7,625.64	0.00	12,253.36	38
01-512-230	Life & Health Insurance - Executive	1,554.50	20,889.00	1,815.10	8,768.29	0.00	12,120.71	42
01-512-240	Worker's Compensation - Executive	0.00	310.00	0.00	287.81	0.00	22.19	93
01-512-300	EXECUTIVE - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-512-400	Travel and Training - Executive	20.00	3,200.00	20.00	777.85	0.00	2,422.15	24
01-512-470	Printing and Reproduction - Executive	0.00	250.00	0.00	0.00	0.00	250.00	0
01-512-480	Promo Activities & Legal Ads - Executive	0.00	1,000.00	0.00	69.84	0.00	930.16	7
01-512-490	Other Current Charges - Executive	231.73	2,500.00	60.00	1,291.11	0.00	1,208.89	52
01-512-510	Office Supplies - Executive	49.42	550.00	24.92	287.90	0.00	262.10	52
01-512-520	Operating Supplies - Executive	113.41	300.00	0.00	1.86	0.00	298.14	1
01-512-540	Books, Pub., Sub., & Memberships - Execu	0.00	1,200.00	14.99	671.12	0.00	528.88	56
Department Total		13,647.92	199,417.00	13,608.36	82,928.97	0.00	116,488.03	42
01-513-300	CITY CLERK - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-513-400	Travel and Training - City Clerk	0.00	2,500.00	0.00	0.00	0.00	2,500.00	0
01-513-470	Printing and Reproduction - City Clerk	0.00	3,000.00	0.00	950.00	0.00	2,050.00	32
01-513-490	Other Current Charges - City Clerk	0.00	3,000.00	0.00	0.00	0.00	3,000.00	0
01-513-492	Recording & Other Fees - City Clerk	0.00	600.00	0.00	0.00	0.00	600.00	0
01-513-510	Office Supplies - City Clerk	113.41	800.00	71.95	68.59	0.00	731.41	9

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Statement of Revenue and Expenditures

Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-513-520	Operating Supplies - City Clerk	0.00	200.00	0.00	0.00	0.00	200.00	0
01-513-540	Books, Pub., Sub., & Memberships - City	0.00	725.00	0.00	175.00	0.00	550.00	24
	Department Total	113.41	10,825.00	71.95	1,193.59	0.00	9,631.41	11
01-514-300	LEGAL COUNSEL - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-514-310	Professional Services - Legal Counsel	5,341.79	55,000.00	4,632.75	9,259.19	0.00	45,740.81	17
01-514-480	Promo Activities & Legal Ads - Legal Cou	276.58	6,000.00	117.25	1,920.46	0.00	4,079.54	32
	Department Total	5,618.37	61,000.00	4,750.00	11,179.65	0.00	49,820.35	18
01-515-300	COMPREHENSIVE PLANNING - OPERATING EXPEN	0.00	0.00	0.00	0.00	0.00	0.00	0
01-515-310	Professional Services - Comp Planning	0.00	18,000.00	0.00	4,500.00	0.00	13,500.00	25
01-515-312	Professional Services-Other- Comp Planni	0.00	3,500.00	0.00	1,750.00	0.00	1,750.00	50
	Department Total	0.00	21,500.00	0.00	6,250.00	0.00	15,250.00	29
01-516-100	FINANCE AND ACCOUNTING - PERSONNEL EXPE	0.00	0.00	0.00	0.00	0.00	0.00	0
01-516-120	Regular Salary - wages - Fin & Acctng	4,230.67	53,224.00	4,229.54	18,964.68	0.00	34,259.32	36
01-516-140	Overtime - Fin & Acctng	0.00	920.00	0.00	481.77	0.00	438.23	52
01-516-210	Fica Taxes - Fin & Acctng	307.78	4,142.00	307.17	1,460.10	0.00	2,681.90	35
01-516-220	Retirement Contribution - Fin & Acctng	206.64	3,931.00	318.07	1,438.38	0.00	2,492.62	37
01-516-230	Life & Health Insurance - Fin & Acctng	763.08	10,285.00	887.39	4,327.75	0.00	5,957.25	42
01-516-240	Worker's Compensation - Fin & Acctng	0.00	210.00	0.00	124.53	0.00	85.47	59
01-516-300	FINANCE AND ACCOUNTING - OPERATING EXPEN	0.00	0.00	0.00	0.00	0.00	0.00	0
01-516-310	Professional Services - Fin & Acctng	0.00	0.00	0.00	945.95	0.00	945.95	0
01-516-400	Travel and Training - Fin & Acctng	0.00	3,321.00	0.00	0.00	0.00	3,321.00	0
01-516-470	Printing and Reproduction - Fin & Acctng	0.00	500.00	0.00	308.94	0.00	191.06	62
01-516-510	Office Supplies - Fin & Acctng	176.58	1,200.00	314.64	346.59	0.00	853.41	29
01-516-520	Operating Supplies - Fin & Acctng	0.00	1,000.00	0.00	55.97	0.00	944.03	6
01-516-540	Books, Pub., Sub., & Memberships - Fin &	0.00	300.00	35.00	35.00	0.00	265.00	12
	Department Total	5,684.75	79,033.00	6,091.81	28,489.66	0.00	50,543.34	36
01-517-700	DEBT SERVICE PAYMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0
01-517-710	Principal - Debt Service Pmts	0.00	43,700.00	0.00	0.00	0.00	43,700.00	0
01-517-720	Interest - Debt Service Pmts	0.00	58,389.00	0.00	0.00	0.00	58,389.00	0
	Department Total	0.00	102,089.00	0.00	0.00	0.00	102,089.00	0

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Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-521-300	LAW ENFORCEMENT - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-521-305	Contract Labor - Law Enf	0.00	95,454.00	0.00	47,727.00	0.00	47,727.00	50
01-521-440	Rentals and Leases - Law Enf	48.37	582.00	48.24	193.60	0.00	388.40	33
01-521-460	Repairs and Maintenance - Law Enf	0.00	500.00	0.00	0.00	0.00	500.00	0
01-521-520	Operating Supplies - Law Enf	0.00	100.00	0.00	0.00	0.00	100.00	0
01-521-529	Operating Supplies - JAG Grant - Law Enf	4,632.70	5,113.00	0.00	0.00	0.00	5,113.00	0
	Department Total	4,681.07	101,749.00	48.24	47,920.60	0.00	53,828.40	47
01-524-100	BUILDING AND ZONING - PERSONNEL EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-524-120	Regular Salary - Wages - Bldg & Zoning	3,509.24	47,476.00	3,509.24	18,066.10	0.00	29,409.90	38
01-524-140	Overtime - Bldg & Zoning	0.00	0.00	0.00	447.86	0.00	447.86	0
01-524-210	Fica Taxes - Bldg & Zoning	259.34	3,632.00	259.10	1,436.62	0.00	2,195.38	40
01-524-220	Retirement Contribution - Bldg & Zoning	254.78	3,570.00	263.90	1,360.51	0.00	2,209.49	38
01-524-230	Life & Health Insurance - Bldg & Zoning	769.52	10,363.00	895.29	4,348.96	0.00	6,014.04	42
01-524-240	Worker's Compensation - Bldg & Zoning	0.00	117.00	0.00	582.96	0.00	465.96	498
01-524-300	BUILDING AND ZONING - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-524-310	Professional Services - Bldg & Zoning	7,472.64	42,000.00	0.00	16,548.75	0.00	25,451.25	39
01-524-311	Engineering Services - Bldg & Zoning	0.00	1,000.00	0.00	0.00	0.00	1,000.00	0
01-524-400	Travel and Training - Bldg & Zoning	0.00	500.00	0.00	0.00	0.00	500.00	0
01-524-510	Office Supplies - Bldg & Zoning	0.00	200.00	0.00	354.99	0.00	154.99	178
01-524-520	Operating Supplies - Bldg & Zoning	0.00	100.00	0.00	0.00	0.00	100.00	0
	Department Total	12,265.52	108,958.00	4,927.53	43,146.75	0.00	65,811.25	40
01-529-300	CODE ENFORCEMENT - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-529-400	Travel and Training - Code Enf	0.00	500.00	0.00	0.00	0.00	500.00	0
01-529-464	Vehicle Fuel - Code Enf	0.00	250.00	0.00	0.00	0.00	250.00	0
01-529-480	Promo Activities & Legal Ads - Code Enf	0.00	150.00	0.00	0.00	0.00	150.00	0
01-529-490	Other Current Charges - Code Enf	0.00	100.00	0.00	0.00	0.00	100.00	0
01-529-510	Office Supplies - Code Enf	0.00	100.00	0.00	0.00	0.00	100.00	0
01-529-520	Operating Supplies - Code Enf	0.00	100.00	0.00	0.00	0.00	100.00	0
	Department Total	0.00	1,200.00	0.00	0.00	0.00	1,200.00	0
01-534-300	REFUSE/SANITATION - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-534-341	Refuse Disposal - Residential - Refuse/s	0.00	121,256.00	10,201.80	45,785.28	0.00	75,470.72	38
01-534-342	Refuse Disposal - Commercial - Refuse/sa	9,674.36	79,740.00	6,687.15	26,709.57	0.00	53,030.43	34
	Department Total	9,674.36	200,996.00	16,888.95	72,494.85	0.00	128,501.15	36

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Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-538-300	STORMWATER - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-538-311	Engineering Services - Stormwater	0.00	5,000.00	0.00	0.00	0.00	5,000.00	0
01-538-315	Inmate Labor - Stormwater	0.00	5,750.00	0.00	2,874.84	0.00	2,875.16	50
01-538-400	Travel and Training - Stormwater	0.00	500.00	0.00	0.00	0.00	500.00	0
01-538-460	Repairs and Maintenance - Stormwater	0.00	14,000.00	0.00	1,616.38	0.00	12,383.62	12
01-538-492	Recording & Other Fees - Stormwater	100.00	500.00	0.00	100.00	0.00	400.00	20
01-538-540	Books, Pub., Sub., & Memberships - Storm	0.00	366.00	0.00	500.00	0.00	134.00-	137
Department Total		100.00	26,116.00	0.00	5,091.22	0.00	21,024.78	19
01-539-300	GEN GOV'T BUILDINGS - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-539-310	Professional Services - Gen Gov't Bldgs	180.00	14,000.00	3,742.59	6,689.82	0.00	7,310.18	48
01-539-312	Professional Services - Other - Gen Gov'	0.00	600.00	0.00	300.00	0.00	300.00	50
01-539-315	Inmate Labor - Gen Gov't Bldgs	0.00	5,750.00	0.00	2,874.84	0.00	2,875.16	50
01-539-411	City Hall - Communication - Gen Gov't Bld	2,109.31	12,700.00	1,052.18	5,263.98	0.00	7,436.02	41
01-539-414	Bronson Community Center-Communications	275.84	1,680.00	137.79	689.27	0.00	990.73	41
01-539-431	City Hall - Utilities - Gen Gov't Bldgs	1,116.35	12,800.00	715.48	4,347.28	0.00	8,452.72	34
01-539-432	Activity Center - Utilities - Gen Gov't	133.99	2,800.00	119.73	459.48	0.00	2,340.52	16
01-539-433	Public Works - utilities - Gen Gov't Bld	243.68	2,200.00	133.87	594.75	0.00	1,605.25	27
01-539-434	Bronson Community Center-Utilities	151.34	6,250.00	294.81	1,152.80	0.00	5,097.20	18
01-539-440	Rentals and Leases - Gen Gov't Bldgs	712.92	6,600.00	670.18	2,315.75	0.00	4,284.25	35
01-539-461	City Hall - Repairs & Maint - Gen Gov't	4.98	4,500.00	0.00	3,192.13	0.00	1,307.87	71
01-539-462	Activity Center - Repairs & Maint - Gen	14.18	800.00	0.00	57.70	0.00	742.30	7
01-539-463	Public Works - Repairs & Maint - Gen Gov	62.58	1,000.00	0.00	20.85	0.00	979.15	2
01-539-464	Bronson Community Center-Repairs & Maint	200.00-	2,000.00	0.00	37.17	0.00	1,962.83	2
01-539-490	Other Current Charges - Gen Gov't Bldgs	0.00	500.00	0.00	58.85	0.00	441.15	12
01-539-521	City Hall - Operating Supplies - Gen Gov	71.72	1,200.00	99.79	465.95	0.00	734.05	39
01-539-522	Activity Center - Operating Supplies - G	0.00	300.00	20.88	48.11	0.00	251.89	16
01-539-523	Public Works - Operating Supplies - Gen	0.00	300.00	0.00	0.00	0.00	300.00	0
01-539-524	Bronson Community Center-Operty Supplies	0.00	1,300.00	20.88	48.12	0.00	1,251.88	4
01-539-600	GEN GOV'T BUILDINGS - CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
01-539-620	Buildings - Gen Gov't Bldgs	0.00	12,500.00	12,500.00	12,500.00	0.00	0.00	100
01-539-631	City Hall - Improv. O/T Bldgs - Gen Gov'	0.00	27,413.00	471.90	12,356.90	0.00	15,056.10	45
01-539-632	Activity Center - Improv. O/T Bldgs - Ge	0.00	20,000.00	0.00	0.00	0.00	20,000.00	0
Department Total		4,876.89	137,193.00	19,980.08	53,473.75	0.00	83,719.25	39
01-541-100	ROADS & STREETS - PERSONNEL EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-541-120	Regular Salary - Wages - Roads & Streets	4,935.85	139,100.00	6,192.35	30,125.47	0.00	108,974.53	22

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Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-541-140	Overtime - Roads & Streets	0.00	1,602.00	0.00	751.61	0.00	850.39	47
01-541-210	Fica Taxes - Roads & Streets	372.17	10,762.00	466.00	2,439.59	0.00	8,322.41	23
01-541-220	Retirement Contribution - Roads & Street	361.27	9,805.00	407.38	2,130.07	0.00	7,674.93	22
01-541-230	Life & Health Insurance - Roads & Street	1,642.34	32,406.00	1,900.00	9,232.27	0.00	23,173.73	28
01-541-240	Worker's Compensation - Roads & Streets	0.00	11,736.00	0.00	4,366.85	0.00	7,369.15	37
01-541-300	ROADS & STREETS - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-541-311	Engineering Services - Roads & Streets	0.00	800.00	0.00	0.00	0.00	800.00	0
01-541-315	Inmate Labor - Roads & Streets	0.00	18,249.00	0.00	8,624.56	0.00	9,624.44	47
01-541-400	Travel and Training - Roads & Streets	0.00	300.00	0.00	0.00	0.00	300.00	0
01-541-410	Communication Services - Roads & Streets	50.09	540.00	0.00	92.97	0.00	447.03	17
01-541-430	Utilities - Roads & Streets	1,793.84	25,000.00	1,798.96	8,657.52	0.00	16,342.48	35
01-541-460	Repairs and Maintenance - Roads & Street	296.62	8,000.00	0.00	86.23	0.00	7,913.77	1
01-541-461	Repairs & Maintenance-Equipment - Roads	91.25	4,000.00	45.61	822.93	0.00	3,177.07	21
01-541-464	Vehicle Fuel - Roads & Streets	232.52	5,000.00	292.88	1,063.58	0.00	3,936.42	21
01-541-465	Vehicle Maintenance - Roads & Streets	0.00	4,500.00	0.00	1,346.33	0.00	3,153.67	30
01-541-493	Equipment Rental - Roads & Streets	0.00	1,000.00	0.00	0.00	0.00	1,000.00	0
01-541-510	Office Supplies - Roads & Streets	219.02	250.00	0.00	30.64	0.00	219.36	12
01-541-520	Operating Supplies - Roads & Streets	253.66	10,000.00	51.23	852.12	0.00	9,147.88	9
01-541-524	Chemicals - Roads & Streets	0.00	500.00	0.00	0.00	0.00	500.00	0
01-541-530	Road Materials & Supplies - Roads & Stre	531.20	6,500.00	0.00	1,630.64	0.00	4,869.36	25
01-541-540	Books, Pub., Sub., & Memberships - Roads	0.00	0.00	14.99	44.97	0.00	44.97	0
01-541-600	ROADS & STREETS - CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
01-541-630	Improvements Other than Building - Roads	0.00	122,147.00	0.00	3,948.00	0.00	118,199.00	3
01-541-640	Machinery & Equipment - Roads & Streets	0.00	22,400.00	0.00	0.00	0.00	22,400.00	0
	Department Total	10,779.83	434,597.00	11,169.40	76,246.35	0.00	358,350.65	18
01-571-100	LIBRARY - PERSONNEL EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-571-120	Regular Salary - Wages - Library	4,284.64	51,400.00	3,799.36	18,426.46	0.00	32,973.54	36
01-571-140	Overtime - Library	0.00	950.00	0.00	673.01	0.00	276.99	71
01-571-210	Fica Taxes - Library	320.54	4,005.00	277.80	1,469.50	0.00	2,535.50	37
01-571-220	Retirement Contribution - Library	311.06	3,176.00	228.16	1,205.84	0.00	1,970.16	38
01-571-230	Life & Health Insurance - Library	1,629.40	21,839.60	1,752.22	8,601.68	0.00	13,237.92	39
01-571-240	Worker's Compensation - Library	0.00	150.00	0.00	115.81	0.00	34.19	77
01-571-300	LIBRARY - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-571-310	Professional Services - Library	0.00	800.00	520.00	200.00	0.00	600.00	25
01-571-312	Professional Services - Other - Library	0.00	3,200.00	520.00	520.00	0.00	2,680.00	16
01-571-400	Travel and Training - Library	140.00	1,200.00	0.00	51.09	0.00	1,148.91	4
01-571-410	Communication Services - Library	339.74	2,200.00	169.62	848.86	0.00	1,351.14	39
01-571-430	Utilities - Library	276.45	5,000.00	199.80	916.12	0.00	4,083.88	18

POLK CITY
Statement of Revenue and Expenditures

Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-571-460	Repairs and Maintenance - Library	0.00	1,000.00	135.00	182.11	0.00	817.89	18
01-571-480	Promo Activities & Legal Ads - Library	37.20	1,500.00	0.00	628.34	0.00	871.66	42
01-571-510	Office Supplies - Library	135.20	950.00	141.68	551.99	0.00	398.01	58
01-571-520	Operating Supplies - Library	93.06	9,400.00	84.47	625.16	0.00	8,774.84	7
01-571-540	Books, Pub., Sub., & Memberships - Libra	75.00	800.00	0.00	224.19	0.00	575.81	28
01-571-600	LIBRARY - CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
01-571-630	Improvements Other than Building - Libra	0.00	0.00	0.00	920.09	0.00	920.09	0
01-571-660	Books, Pub.& Library Materials - Library	631.46	13,000.00	531.29	3,506.07	0.00	9,493.93	27
	Department Total	8,273.75	120,570.60	7,319.40	39,666.32	0.00	80,904.28	33
01-572-300	PARKS - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-572-310	Professional Services	0.00	0.00	60.00	240.00	0.00	240.00	0
01-572-315	Inmate Labor - Parks	0.00	5,750.00	0.00	2,874.86	0.00	2,875.14	50
01-572-430	Utilities - Parks	119.59	8,000.00	2,169.58	4,472.09	0.00	3,527.91	56
01-572-460	Repairs and Maintenance - Parks	183.90	58,000.00	0.00	29,554.20	0.00	28,445.80	51
01-572-520	Operating Supplies - Parks	0.00	1,200.00	20.86	48.07	0.00	1,151.93	4
01-572-600	PARKS - CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
01-572-630	Improvements Other than Building - Parks	0.00	11,000.00	0.00	0.00	0.00	11,000.00	0
	Department Total	303.49	83,950.00	2,250.44	37,189.22	0.00	46,760.78	44
01-574-300	SPECIAL EVENTS - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-574-310	Professional Services - Spec Events	0.00	800.00	0.00	1,203.00	0.00	403.00	150
01-574-440	Rentals and Leases - Spec Events	0.00	1,300.00	0.00	475.04	0.00	824.96	37
01-574-470	Printing and Reproduction - Spec Events	80.00	900.00	196.45	406.45	0.00	493.55	45
01-574-480	Promo Activities & Legal Ads - Spec Even	0.00	200.00	0.00	100.75	0.00	99.25	50
01-574-520	Operating Supplies - Spec Events	36.05	6,000.00	0.00	3,019.73	0.00	2,980.27	50
	Department Total	116.05	9,200.00	196.45	5,204.97	0.00	3,995.03	57
01-590-300	NON-DEPARTMENTAL - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-590-310	Professional Services - Non-Dept	0.00	5,318.00	0.00	0.00	0.00	5,318.00	0
01-590-311	Engineering Services - Non-Dept	0.00	5,000.00	0.00	0.00	0.00	5,000.00	0
01-590-312	Professional Services - Other - Non-Dept	0.00	5,000.00	0.00	2,015.05	0.00	2,984.95	40
01-590-320	Accounting and Auditing - Non-Dept	5,016.00	13,682.00	3,663.00	9,546.93	0.00	4,135.07	70
01-590-450	Liability Insurance - Non-Dept	8,221.62	32,209.00	7,124.50	35,336.50	0.00	3,127.50	110
01-590-528	Postage - Non-Dept	0.00	3,000.00	0.00	125.70	0.00	2,874.30	4
01-590-900	NON-DEPARTMENTAL - OTHER USES	0.00	0.00	0.00	0.00	0.00	0.00	0
01-590-940	Reserves - Unrestricted Reserves - Non-D	0.00	22,477.00	0.00	0.00	0.00	22,477.00	0

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POLK CITY
Statement of Revenue and Expenditures

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Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
01-590-941	Reserves - Emergencies & Contingencies -	0.00	0.00	0.00	2,211.19	0.00	2,211.19	0
01-590-991	Aids to Private Organizations - Non-Dept	0.00	500.00	0.00	0.00	0.00	500.00	0
01-590-992	Unemployment Claims - Non-Dept	0.00	2,500.00	1,375.00	1,375.00	0.00	1,125.00	55
01-590-995	Refund of Overpayments	94.90	0.00	0.00	0.00	0.00	0.00	0
01-590-996	Bad Debt - Non-Dept	0.00	3,000.00	0.00	0.00	0.00	3,000.00	0
01-590-999	Other - Non-Operating Charges - Non-Dept	29.12	5,500.00	165.00	428.35	0.00	5,071.65	8
	Department Total	13,361.64	98,186.00	12,327.50	51,038.72	0.00	47,147.28	52
	GENERAL FUND Expend Total	90,270.82	1,821,821.60	100,390.57	571,714.18	0.00	1,250,107.42	31

Fund	Description	Prior Revenue	Curr Revenue	YTD Revenue	Prior Expended	Curr Expended	YTD Expended	Total Available Revenues
01	GENERAL FUND	86,271.98	200,467.31	982,356.05	90,270.82	100,390.57	571,714.18	410,641.87

POLK CITY
Statement of Revenue and Expenditures

Fund	Description	Prior Revenue	Curr Revenue	YTD Revenue	Prior Expended	Curr Expended	YTD Expended	Total Available Revenues
	Final Total	86,271.98	200,467.31	982,356.05	90,270.82	100,390.57	571,714.18	410,641.87

POLK CITY
ENTERPRISE FUND
BALANCE SHEET
AS OF: 02/28/2017

Account Id	Account Description	2017
Assets		
05-101-100	Cash - Checking	739,480.82
05-101-710	Cash - Enterprise Fund Capital Imprvmnts	52,898.45
05-101-800	Cash - Sewer Impact Fee Account	527,752.63
05-101-900	Cash - Water Impact Fee Account	287,393.29
05-101-913	DEP Loan - Sinking Fund	72,586.70
05-101-914	Fifth Third Bank - Sinking Fund	378,372.76
05-101-915	Tax Exempt Leasing - Sinking Fund	33,270.14
05-101-920	Cash - Customer Deposits	246,265.68
05-101-934	Fifth Third Bank - Reserves	610,967.73
05-101-935	Fifth Third Bank - Renewal & Replacement	150,000.00
05-115-105	Accounts Receivable - Invoicing	733.00
05-117-100	Allowance for Bad Debt	-46,609.45
05-117-200	Allowance for Uncollectible A/R	-89,082.18
05-131-100	Due from General Fund	347.75
05-159-100	Deferred Outflows - Related to Pension	17,792.38
05-160-902	Reserve Account	225,392.00
05-160-903	Reserve Acct - Emergencies & Contingency	48,044.00
05-160-904	Reserve Acct - CIP Purchases	25,778.78
05-161-900	Fixed Assets - Land	2,730,735.50
05-164-100	Utility Plant in Service	12,073,316.62
05-164-900	Improvements Other than Buildings	-33,331.74
05-164-910	Improvements Other than Buildings - MOSN	33,331.74
05-166-900	Equipment & Furniture	278,988.69
05-167-900	Accumulated Depreciation - Equipment	-3,196,588.95
	Total	15,167,836.34
ACCOUNTS RECEIVABLE		
05-115-100	Accounts Receivable - Utilities	91,005.00
05-115-130	Accounts Receivable - Readiness to Serve	109,736.30
	Total ACCOUNTS RECEIVABLE	200,741.30
	Total Assets	15,368,577.64
Liabilities & Fund Balance		
05-202-100	Accounts Payable	9,220.00
05-202-320	Fountain Park Impact Fee - Sewer	33,075.00
05-202-321	Fountain Park Impact Fee - Water	8,190.00
05-202-900	Customer Deposits	246,265.68
05-203-100	Accumulated Interest Payable	72,919.88
05-203-600	SRF Loan	2,418,116.67
05-203-700	Fifth Third Bank 2011 Revenue Note	9,270,000.00
05-203-750	Tax Exempt Leasing Loan	108,201.89
05-203-900	Unamortized Bond Premiums	-133,730.00
05-207-400	Due to General Fund	747.39
05-225-100	Deferred Inflows - Related to Pension	9,998.18
05-234-100	L-T-D - Current Portion	352,096.02

05-234-901	Less: Current Portion of LTD	-352,096.02
05-235-900	Net Pension Liability	29,017.95
05-243-100	Encumbrances Payable	-44,813.23
	Total Liabilities	12,027,209.41
05-245-100	Reserved for Encumbrances	44,813.23
05-250-100	Contributed Capital	598,715.40
05-255-100	Change in Fund Balance	36,514.20
05-271-100	Fund Balance Unreserved	1,936,843.81
05-271-200	Net Asset Adjustment Account	-10,071.23
05-272-100	Retained Earnings	734,552.82
	Total Fund Balance	3,341,368.23
	Total Liabilities & Fund Balance	15,368,577.64

ENTERPRISE FUND
BALANCE SHEET
AS OF: 02/28/17

POLK CITY
Statement of Revenue and Expenditures

Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
05-533-120	Regular Salary - Wages - Water Oper	4,678.83	60,824.00	4,674.61	22,024.81	0.00	38,799.19	36
05-533-140	Overtime - Water Oper	0.00	1,170.00	0.00	353.52	0.00	816.48	30
05-533-210	Fica Taxes - Water Oper	350.70	4,744.00	349.91	1,762.94	0.00	2,981.06	37
05-533-220	Retirement Contribution - Water Oper	339.68	4,663.00	351.54	1,824.87	0.00	2,838.13	39
05-533-230	Life & Health Insurance - Water Oper	1,481.91	20,321.00	1,716.38	8,566.98	0.00	11,754.02	42
05-533-240	Worker's Compensation - Water Oper	0.00	210.00	0.00	142.59	0.00	67.41	68
05-533-300	WATER OPERATIONS - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
05-533-305	Contract Labor - Water Oper	0.00	231,250.00	0.00	96,354.18	0.00	134,895.82	42
05-533-310	Professional Services - Water Oper	0.00	4,100.00	0.00	1,109.90	0.00	2,990.10	27
05-533-311	Engineering Services - Water Oper	0.00	25,000.00	0.00	190.00	0.00	24,810.00	1
05-533-312	Professional Services - Other - Water Op	5,439.22	20,000.00	466.76	745.76	0.00	19,254.24	4
05-533-315	Inmate Labor - Water Oper	0.00	11,499.00	0.00	5,749.70	0.00	5,749.30	50
05-533-400	Travel and Training - Water Oper	0.00	500.00	0.00	0.00	0.00	500.00	0
05-533-410	Communication Services - Water Oper	69.81	1,500.00	70.88	336.35	0.00	1,163.65	22
05-533-431	Mt. Olive WTP - Utilities - Water Oper	747.96	6,600.00	0.00	1,713.43	0.00	4,886.57	26
05-533-432	Commonwealth WTP - Utilities - Water Ope	105.94	4,650.00	18.00	108.19	0.00	4,541.81	2
05-533-433	V.Matt Williams WTP - Utilities - Water	580.06	11,000.00	660.87	3,584.50	0.00	7,415.50	33
05-533-460	Repairs and Maintenance - Water Oper	93.60	30,000.00	57.11	10,692.41	0.00	19,307.59	36
05-533-461	Mt. Olive WTP - Repairs and Maint - Wate	0.00	0.00	386.67	571.64	0.00	571.64	0
05-533-462	Commonwealth WTP - Repairs and Maint - W	0.00	22,000.00	0.00	6.95	0.00	21,993.05	0
05-533-463	V.Matt Williams WTP - Repairs and Maint	2,523.02	35,000.00	0.00	13.90	0.00	34,986.10	0
05-533-464	Vehicle Fuel - Water Oper	37.47	6,600.00	81.83	235.87	0.00	6,364.13	4
05-533-465	Vehicle Maintenance - Water Oper	0.00	4,000.00	0.00	2,413.02	0.00	1,586.98	60
05-533-470	Printing and Reproduction - Water Oper	0.00	600.00	0.00	0.00	0.00	600.00	0
05-533-492	Recording & Other Fees - Water Oper	0.00	2,500.00	0.00	0.00	0.00	2,500.00	0
05-533-493	Equipment Rental - Water Oper	0.00	4,000.00	0.00	0.00	0.00	4,000.00	0
05-533-510	Office Supplies - Water Oper	35.55	500.00	0.00	250.10	0.00	249.90	50
05-533-520	Operating Supplies - Water Oper	2,448.83	20,000.00	4,821.76	13,739.89	0.00	6,260.11	69
05-533-540	Books, Pub., Sub., & Memberships - Water	0.00	2,500.00	210.86	210.86	0.00	2,289.14	8
05-533-600	WATER OPERATIONS - CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
05-533-640	Machinery & Equipment - Water Oper	0.00	7,500.00	0.00	0.00	0.00	7,500.00	0
05-533-700	WATER OPERATIONS - DEBT SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0
05-533-710	Principal - Water Oper	0.00	69,529.00	0.00	0.00	0.00	69,529.00	0
05-533-720	Interest - Water Oper	0.00	100,966.00	0.00	48,973.72	0.00	51,992.28	49
05-533-733	Mandated Reserve - Water Oper	570.50	0.00	0.00	0.00	0.00	0.00	0
	Department Total	19,503.08	713,726.00	13,867.18	221,676.08	0.00	492,049.92	31
05-535-300	SEWER OPERATIONS - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
05-535-305	Contract Labor - Sewer Oper	0.00	231,250.00	0.00	96,354.17	0.00	134,895.83	42

POLK CITY
Statement of Revenue and Expenditures

Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
05-535-310	Professional Services - Sewer Oper	0.00	2,500.00	0.00	690.00	0.00	1,810.00	28
05-535-311	Engineering Services - Sewer Oper	3,500.00	18,000.00	0.00	2,105.00	0.00	15,895.00	12
05-535-312	Professional Services - Other - Sewer Op	0.00	14,000.00	0.00	0.00	0.00	14,000.00	0
05-535-315	Inmate Labor - Sewer Oper	0.00	11,499.00	0.00	5,749.70	0.00	5,749.30	50
05-535-400	Travel and Training - Sewer Oper	0.00	500.00	0.00	0.00	0.00	500.00	0
05-535-410	Communication Services - Sewer Oper	59.55	900.00	59.53	297.68	0.00	602.32	33
05-535-411	Cardinal Hill WWTP - Comm Svcs - Sewer	89.84	1,000.00	38.97	156.03	0.00	843.97	16
05-535-412	Mt. Olive WWTP - Comm Svcs - Sewer Oper	198.50	2,400.00	198.45	992.30	0.00	1,407.70	41
05-535-430	Utilities - Sewer Oper	394.74	3,300.00	229.81	1,260.03	0.00	2,039.97	38
05-535-431	Cardinal Hill WWTP - Utilities - Sewer O	1,341.62	18,000.00	1,571.88	7,521.65	0.00	10,478.35	42
05-535-432	Mt. Olive WWTP - Utilities - Sewer Opera	828.69	10,000.00	696.06	3,263.34	0.00	6,736.66	33
05-535-440	Rentals and Leases - Sewer Oper	0.00	0.00	1,169.35	4,033.05	0.00	4,033.05	0
05-535-460	Repairs and Maintenance - Sewer Oper	1,414.72	70,000.00	9,261.70	28,336.45	0.00	41,663.55	40
05-535-461	Cardinal Hill - Repairs and Maint - Sewe	0.00	20,000.00	0.00	120.91	0.00	19,879.09	1
05-535-464	Vehicle Fuel - Sewer Oper	37.51	5,000.00	81.86	236.02	0.00	4,763.98	5
05-535-465	Vehicle Maintenance - Sewer Oper	0.00	3,400.00	0.00	2,429.66	0.00	970.34	71
05-535-492	Recording & Other Fees - Sewer Oper	0.00	1,500.00	0.00	0.00	0.00	1,500.00	0
05-535-493	Equipment Rental - Sewer Oper	0.00	4,000.00	0.00	0.00	0.00	4,000.00	0
05-535-510	Office Supplies - Sewer Oper	31.95	550.00	0.00	31.95	0.00	518.05	6
05-535-520	Operating Supplies - Sewer Oper	139.86	2,000.00	130.13	251.68	0.00	1,748.32	13
05-535-600	SEWER OPERATIONS - CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
05-535-640	Machinery & Equipment - Sewer Oper	0.00	13,317.00	0.00	0.00	0.00	13,317.00	0
05-535-641	Cardinal Hill - Mach & Equip - Sewer Ope	0.00	7,500.00	0.00	0.00	0.00	7,500.00	0
05-535-700	SEWER OPERATIONS - DEBT SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0
05-535-710	Principal - Sewer Oper	0.00	282,566.00	0.00	0.00	0.00	282,566.00	0
05-535-720	Interest - Sewer Oper	0.00	388,848.00	165,635.03	165,635.03	0.00	223,212.97	43
05-535-733	Mandated Reserve - Sewer Oper	1,929.50	0.00	0.00	0.00	0.00	0.00	0
	Department Total	9,966.48	1,112,030.00	179,072.77	319,464.65	0.00	792,565.35	29
05-536-000		0.00	0.00	0.00	0.00	0.00	0.00	0
05-590-300	NON-DEPARTMENTAL - OPERATING EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0
05-590-310	Professional Services - Non-Dept	0.00	0.00	0.00	4,723.97	0.00	4,723.97	0
05-590-312	Professional Services - Other - Non-Dept	0.00	24,300.00	0.00	95.51	0.00	24,204.49	0
05-590-320	Accounting and Auditing - Non-Dept	10,184.00	13,880.00	7,437.00	19,383.07	0.00	5,503.07	140
05-590-420	Education Reimbursement - Non-Dept	0.00	27,306.00	0.00	0.00	0.00	27,306.00	0
05-590-440	Rentals and Leases - Non-Dept	1,103.01	4,074.00	468.91	1,416.06	0.00	2,657.94	35
05-590-450	Liability Insurance - Non-Dept	8,221.63	45,841.00	7,124.50	35,042.50	0.00	10,798.50	76
05-590-492	Recording & Other Fees - Non-Dept	0.00	2,300.00	0.00	0.00	0.00	2,300.00	0
05-590-528	Postage - Non-Dept	0.00	3,000.00	0.00	0.00	0.00	3,000.00	0

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Statement of Revenue and Expenditures

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Expend Account	Description	Prior Yr Expd	Budgeted	Current Expd	YTD Expended	Cancel	Balance	% Expd
05-590-600	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00	0.00	0
05-590-630	Improvements Other than Bldg - Non-Dept	0.00	34,638.00	958.10	958.10	0.00	33,679.90	3
05-590-900	NON-DEPARTMENTAL - OTHER USES	0.00	0.00	0.00	0.00	0.00	0.00	0
05-590-920	Transfer to General Fund - Non-Dept	0.00	25,000.00	0.00	0.00	0.00	25,000.00	0
05-590-930	Transfer to Water Impact Fee Reserves	0.00	34,940.00	0.00	0.00	0.00	34,940.00	0
05-590-931	Transfer to Sewer Impact Fee Reserves	0.00	78,300.00	0.00	0.00	0.00	78,300.00	0
05-590-992	Unemployment Claims - Non-Dept	0.00	1,500.00	0.00	0.00	0.00	1,500.00	0
05-590-994	Bank Fees - Non-Dept	0.00	1,550.00	0.00	0.00	0.00	1,550.00	0
05-590-995	Refund of Overpayments - Non-Dept	4,622.38	0.00	0.00	0.00	0.00	0.00	0
05-590-996	Bad Debt - Non-Dept	0.00	40,000.00	0.00	0.00	0.00	40,000.00	0
05-590-999	Other - Non-Operating Charges - Non-Dept	828.68	0.00	0.00	150.00-	0.00	150.00	0
Department Total		24,959.70	336,629.00	15,988.51	61,469.21	0.00	275,159.79	18
ENTERPRISE FUND Expend Total		54,429.26	2,162,385.00	208,928.46	602,609.94	0.00	1,559,775.06	28

Fund	Description	Prior Revenue	Curr Revenue	YTD Revenue	Prior Expended	Curr Expended	YTD Expended	Total Available Revenues
05	ENTERPRISE FUND	54,421.00	351,498.24	895,562.23	54,429.26	208,928.46	602,609.94	292,952.29

POLK CITY
Statement of Revenue and Expenditures

Fund	Description	Prior Revenue	Curr Revenue	YTD Revenue	Prior Expended	Curr Expended	YTD Expended	Total Available Revenues
	Final Total	54,421.00	351,498.24	895,562.23	54,429.26	208,928.46	602,609.94	292,952.29

Library Reports 10/2016 - 09/2017

	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Totals
Circulation													
Adult Books	926	964	933	974	998								4,795
Juvenile Books	730	633	518	501	808								3,190
DVD'S	1024	992	936	898	982								4,832
Total Circulation	2680	2589	2387	2373	2788								12,817
New Borrowers													
In City	5	15	7	12	12								51
In County	1	1	4	3	7								16
Total New Borrowers	6	16	11	15	19								67
Number of Programs													
Adult	1	1	0	1	1								4
Juvenile	1	2	2	2	2								9
Young Adult	1	1	0	1	1								4
Total Programs	3	4	2	4	4								17
Program Attendance													
Adult	7	7	98	12	9								133
Juvenile	60	17	163	19	12								271
Young Adult	10	8	28	2	9								57
Total Attendance	77	32	289	33	30								461
Reference Questions													
Phone Calls	237	254	213	292	201								1,197
Number of Computer Users													
	425	436	349	378	315								1,903
Total Patrons													
	1613	1484	1566	1324	1383								7,370

NOTE: Books By Mail check outs are now included in the monthly total.

**POLK COUNTY SHERIFF'S OFFICE
DEPARTMENT OF LAW ENFORCEMENT**

STATISTICAL DATA

West

Division

March 7, 2017

Northwest

District

To: Patricia Jackson , City Manager
 From: Deputy Christina Poindexter #7376
 Subject: Statistical report for February, 2017.

ACTIVITY	
FELONY ARREST	0
AFFIDAVITS FELONY	0
MISDEMEANOR ARREST	0
AFFIDAVITS MISDEMEANOR	0
OUT OF COUNTY/STATE WARRANT ARRESTS	0
PROCAP WARRANT ARREST	0
TOTAL ARRESTS	0
SEARCH WARRANTS	0
FIELD INTERROGATION REPORTS	0
TRAFFIC CITATIONS	0
INTELLIGENCE REPORTS	0
STOLEN PROPERTY RECOVERED	\$0
HRS. TRANSPORTING/ AGENCIES/DIVISIONS	0
OFFENSE REPORTS	3
NARCOTICS SEIZED	\$.00
ASSETS SEIZED	\$.00
PATROL NOTICES	2
FOXTROT REPORTS	5
TOW-AWAY NOTICES	0
COMMUNITY CONTACTS	230
TRAFFIC STOPS	0
TOTAL DISPATCHED CALLS FOR SERVICE	32



Aquarina Waterworks, Inc.

2517 Elm Circle

Lake Wales, FL 33898

Kevin Burge (772) 708-7946 Keith

Burge (772) 201-3299

aquarinawaterworks@bellsouth.net (Kevin Burge)

Burkimwater@aol.com (Keith Burge)

City of Polk City Polk City Commissioners

February 2017 Utility Operations Summary

Executive Summary

The following points are presented as an overall summary of water and wastewater utility department activities and events that occurred during the month of February, 2017:

- All monthly testing and reports that were due have been completed and turned into the proper regulatory agency.
- Ordered (2) new pumps for lift station #10 at Mt. Olive Shores.
- Continued to perform daily routine cleaning and maintenance on all the City's lift stations.
- Continued with the weekly monitoring of all the City's generators.
- Called Cat Ringpower to schedule the preventative maintenance on all the City's generators. They are scheduled for the 2nd week of March 2017.
- Repaired the 6 inch meter on well #1 at Mt. Olive Shores water plant.
- Purchased new testing equipment for Robert Best to use at the Cardinal Hill Treatment Facility.
- Hauled sludge from Cardinal Hill Wastewater Treatment Facility.
- Began the meter audit, starting in Mt. Olive Shores.
- Flushed hydrants at 9117 Samaritan Avenue.
- Have begun to assess the Ruth Road lift station in order to be able to put together a scope of service for contractors to bid on.

Operations and Maintenance Activities

- On 2/1/17 repaired a water leak at the Polk City Park.
- On 2/10/17 repaired a water leak at 4255 Cypress Trails Dr.
- On 2/15/17 repaired a water leak at 5718 Lagustrum Lane.
- On 2/21/17 repaired a water leak at 5274 Island view circle.
- On 2/23/17 installed a check valve on a meter at 731 Teaberry Trail.
- On 2/1/17 cleaned and checked L/S #3 and #4 plus their generators.
- On 2/2/17 checked lift station #5. The off float was hung up on a pump causing the pump to run continuously. Ordered new floats to repair.

- Pulled L/S #10 pumps to remove rags.
- On 2/7/17 cleaned and washed down L/S #7
- On 2/7/17 pulled L/S #10 because pumps were ragged up.
- On 2/7/17 pulled L/S #11 because pumps were ragged up.
- On 2/10/17 pulled L/S #10 because pumps were ragged up.
- On 2/10/17 checked generator at voyles loop lift station and washed and cleaned station.
- On 2/15/2017 pulled L/S #10 pumps because of rags.
- On 2/15/17 pulled L/S #11 because of rags.
- On 2/15/2017 cleaned and washed down L/S #7.
- On 2/17/17 took crane truck to get new tires F-550.
- On 2/17/17 picked up new pumps for L/S #10 from Barneys pumps.
- On 2/17/17 pulled L/S #10 pumps because of rags.
- On 2/20/17 replaced old starter with a new starter on the F-550.
- On 2/21/17 pulled L/S #10 pumps because of rags.
- On 2/24/17 pulled Golden Gate pumps that were ragged up. Also took apart the check valves and found them to full of rags.
- On 2/25/17 pulled L/S #10 pumps because of rags.
- On 2/27/17 pulled L/S #10 pumps because of rags.
- On 2/28/17 changed out the floats at the Nolane lift station.
- On 2/28/17 pulled Golden Gate pumps because of rags.
- On 2/28/17 pulled pumps at lift station #10 because of rags.
- On 2/1/17 continued to paint exterior piping at the Cardinal Hill WWTP.
- On 2/2/17 continued to paint exterior piping at the Cardinal Hill WWTP.

Miscellaneous Job Order Completions

- 46 turn on/off
- 12 locates
- 3 new meter installs
- 18 Meter maintenance
- 2 meter register change outs
- 5 customer service calls
- 36 Meter reads
- 6 Laptop tests
- 0 Meter changeouts
- 128 total work orders completed during the month of February 2017.

Planned March Monthly Activities

- Meet with a Barney's pump technician to come up with ideas about trouble shooting lift station #10.

- Continue to inspect sanitary sewer lines and manholes.
- Write a scope of service for the Ruth Road lift station rehab that is needed.
- Continue meter audit at the City.
- Check sanitary sewer collection system for inflow infiltration.
- Continue the marking and identifying isolation valves.
- Write a newsletter about what can be flushed down a toilet and what cannot be.



City of Polk City City Commission Agenda Form

Meeting Date: March 20, 2017
Item: 1

Subject: Competitive Florida Mini Grant Application	
Department: Administrative	
<p>Summary: Polk City applied for a Competitive Florida Mini Grant with the Department of Economic Opportunity (DEO). Initially, it was not awarded to Polk City; however, there were funds still available and DEO asked if we would like to resubmit.</p> <p>The grant is in the amount of \$12,500; the City will spend the money and will be reimbursed from the Department of Economic Opportunity once the project is completed. Please see the attached information from Central Florida Regional Planning Council with a full description.</p>	
Requested Commission Action:	
Move to approve the Competitive Florida Mini Grant.	
Financial Impact: \$12,500 (grant funding)	
Attachments: <input type="checkbox"/>	Supporting Documents Reviewed <input type="checkbox"/>
Submitting Department Head:	Date:
Patricia R. Jackson	3/14/2017
Approved by City Manager:	Date:
Patricia R. Jackson	3/14/2017
City Commission Action: <input type="checkbox"/> Approved as Recommended <input type="checkbox"/> Approved with Modifications <input type="checkbox"/> Tabled to Time Certain Date: _____ <input type="checkbox"/> Denied	

To: Polk City Commission
Date: March 20, 2017
Subject: Polk City
Agreements for FY 2016-2017 Competitive Florida Partnership Opportunity

Background

- The Florida Department of Economic Opportunity (DEO) has **awarded** Polk City the Fiscal Year (FY) 2016-2017 Competitive Florida Mini Grant.
- A continuous goal of the City has been to look at mechanisms to promote economic development within the City. This award will support the City in developing tools for an economic development strategy.
- **As part of this opportunity, the following will occur:**
 - A DEO team will meet with City staff to facilitate the Competitive Florida process.
 - A total of \$12,000 in technical assistance grant funding will be provided to support contractual services for developing tools for an economic development strategy.
 - The Central Florida Regional Planning Council (CFRPC) has provided the attached Planning Advisory Services Agreement to allow for the CFRPC to work with Polk City to:
 - Develop a GIS Database containing Commercial, Industrial, and All Developable Vacant Property Inventory.
 - Create an Economic Development Package to highlight the community's assets, opportunities, incentives, and available properties to prospective and existing businesses.
 - Facilitate an interactive Workshop and draft a Guide for Low Impact Development.
- All work must be completed by June 30, 2017.

Agenda Item Attachments

- Grant Agreement with the Florida Department of Economic Opportunity (Action Item)
- Planning Advisory Services Agreement with the Central Florida Regional Planning Council (Action Item)

PLANNING ADVISORY SERVICES AGREEMENT

with the

POLK CITY

THIS AGREEMENT is made and entered into this _____ day of _____, 2017, by and between the **Central Florida Regional Planning Council** (hereinafter referred to as the "COUNCIL") and **Polk City** (hereinafter referred to as the "CITY").

BACKGROUND

- A. The CITY desires to engage the COUNCIL to provide professional planning services to prepare an Economic Development Strategy, all of which is detailed in Attachment A – Scope of Work, and is a part of this Agreement.
- B. The COUNCIL acknowledges the Grant Agreement between the State of Florida Department of Economic Opportunity and the CITY (AGREEMENT) which is provided as Attachment C of this Agreement. Consistent with that AGREEMENT, the COUNCIL shall be consistent with Section I.F.11.a. Funding Requirements of Section 215.971(1), F.S.; Section I.K. Audit and Records (where applicable); Section I.F.8.d., Discriminatory Vendors; Scope of Work 18., Non-Discrimination; Section I.F.5., Public Entity Crime; Section I.F.10. Information Release; and Section I.L., Employment Eligibility Verification.
- C. The COUNCIL desires to provide such professional services in accordance with this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto do mutually agree as follows:

I. GENERAL

The CITY engages the COUNCIL to assist the CITY in facilitating business attraction and talent attraction by advancing ideas from the Polk City 2014 Vision Plan.

II. SCOPE OF WORK

The COUNCIL shall perform, in a satisfactory and proper manner, the work and services detailed in Attachment A - Scope of Work, and shall satisfy all requirements of the guidelines specified therein.

III. COMPENSATION

As consideration for performance of Work, the CITY agrees to pay a fixed fee of \$12,000 (twelve thousand dollars) to be paid in one (1) payment as follows: \$12,000 by June 16, 2017. Payment shall be made upon receipt of an acceptable completed invoice from the COUNCIL. Project deliverables will be consistent with Attachment A – Scope of Work.

All fees and payments for additional Scope of Work, if required, shall be negotiated.

IV. PERIOD OF AGREEMENT

The services of the COUNCIL are to commence upon execution of this agreement.

V. MODIFICATION OF AGREEMENT

- A. Either party may request changes in the services or Scope of Work to be performed by the COUNCIL pursuant to this Agreement, including adjustments in the funds provided under the Agreement if necessary and appropriate. Such changes mutually agreed upon by and between the CITY and the COUNCIL shall be incorporated in written amendments to this Agreement signed by both parties.
- B. Any extensions of the Agreement shall be mutually agreed upon by and between the CITY and the COUNCIL and shall be incorporated in written amendments to this Agreement signed by both parties.

VI. TERMINATION

- A. This Agreement may be terminated by written mutual consent of the parties.
- B. Either party may terminate this Agreement upon written notice of thirty (30) days. Written notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery.
- C. In the event the Agreement is terminated, the COUNCIL shall be reimbursed in the amount commensurate with the work satisfactorily accomplished on the effective date of termination.

VII. COMPLIANCE WITH LAWS

The COUNCIL warrants, represents, and agrees that it will comply with all federal, state, and local laws, rules, and regulations applicable to the fulfillment of the requirements of this Agreement.

VIII. PERSONNEL

- A. The COUNCIL represents that it has, or will secure at its own expense, personnel necessary to perform the services under this Agreement.
- B. The COUNCIL shall continuously staff the project with personnel as deemed necessary by the COUNCIL to fulfill its obligations under this Agreement. Qualified persons may be added, deleted, or substituted at any time during the period of this Agreement, as the COUNCIL may deem necessary or appropriate.

IX. DATA TO BE FURNISHED TO COUNCIL

Upon reasonable request of the COUNCIL, the CITY shall provide to the COUNCIL all information, data reports, records, and maps in its possession, or which become available to it, that are necessary for the execution of Work of the COUNCIL under this Agreement.

X. RIGHT TO WORK PRODUCTS

Copies of all of work products shall become the property of the CITY.

XI. ASSIGNMENT

This Agreement shall not be assignable.

XII. EMPLOYMENT ELIGIBILITY VERIFICATION

(a) *Definitions.* As used in this paragraph

Employee assigned to this Agreement means an employee who was hired after November 6, 1986, who is directly performing work, in the United States, under this Agreement. An employee is not considered to be directly performing work under this Agreement if the employee—

- (1) Normally performs support work, such as indirect or overhead functions; and
- (2) Does not perform any substantial duties applicable to the agreement.

Subcontract means any contract entered into by a subcontractor to furnish supplies or services for performance of this Agreement or a subcontract under this Agreement. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

Subcontractor means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for COUNCIL or another subcontractor.

United States, as defined in 8 U.S.C. 1101(a)(38), means the 50 States, the District of Columbia, Puerto Rico, Guam, and the United States Virgin Islands.

(b) *Enrollment and verification requirements.*

- (1) The COUNCIL must be enrolled in E-Verify at time of execution of this Agreement, and the COUNCIL shall use E-Verify to initiate verification of employment eligibility of—

(i) *All new employees.*

(A) *Enrolled 30 calendar days or more.* The COUNCIL shall initiate verification of employment eligibility of all new hires of the COUNCIL, who are working in the State of Florida, whether or not assigned to this Agreement, within three (3) business days after the date of hire; or

(B) *Enrolled less than 30 calendar days.* Within 30 calendar days after enrollment in E-Verify, the COUNCIL shall initiate verification of employment eligibility of all new hires of the COUNCIL who are working in the State of Florida, whether or not assigned to this Agreement, within three (3) business days after the date of hire.

(ii) *Employees assigned to this Agreement.* For each employee assigned to this Agreement, the COUNCIL shall initiate verification of employment eligibility, to the extent allowed by the E-Verify program, within 30 calendar days after date of execution of this Agreement or within 30 days after assignment to this Agreement, whichever date is later.

(2) The COUNCIL shall comply, for the period of performance of this Agreement, with the requirements of the E-Verify program Memorandum of Understanding (MOU). Termination of the COUNCIL's MOU and denial of access to the E-Verify system by the Department of Homeland Security or the Social Security Administration or the U.S. Citizenship and Immigration Service is an event of default under this Agreement.

(c) *Web site.* Information on registration for and use of the E-Verify program can be obtained via the Internet at the U.S. Citizenship and Immigration Service's Web site: <http://www.uscis.gov>.

(d) *Individuals previously verified.* The COUNCIL is not required by this paragraph to perform additional employment verification using E-Verify for any employee whose employment eligibility was previously verified by the COUNCIL through the E-Verify program.

(e) *Subcontracts.* The COUNCIL shall include, and shall require the inclusion of, the requirements of this paragraph, including this subparagraph (e) (appropriately modified for identification of the parties), in each subcontract that includes work performed in the United States under this Agreement.

XVI. SUBCONTRACTS

The COUNCIL agrees to perform economic development services or similar business assistance services on behalf of the CITY and shall report on performance, account for proper use of funds provided under this Agreement (including the provision of audit rights pursuant to Section I.K. Auditing and Records (where applicable)).

The COUNCIL shall only expend funding under this agreement for allowable costs resulting from obligations incurred during the AGREEMENT period.

XV. DISCRIMINATORY VENDOR

The COUNCIL affirms it is aware of the provisions of Section 287.134(2)(a), Florida Statutes, and that at no time has the COUNCIL been placed on the Discriminatory Vendor List. The COUNCIL further agrees that it shall not violate such law during the term of this Agreement.

XVI. NON-DISCRIMINATION

The COUNCIL shall not discriminate unlawfully against any individual employed in the performance of this Agreement because of race, religion, color, sex, physical handicap unrelated to such person's ability to engage in this work, national origin, ancestry, or age.

XVII. HARASSMENT-FREE WORKPLACE

The COUNCIL shall provide a harassment-free workplace, with any allegation of harassment given priority attention and action by management.

XVIII. PUBLIC ENTITY CRIMES

The COUNCIL affirms that it is aware of the provisions of Section 287.133(2)(a), Florida Statutes, and that at no time has the COUNCIL been convicted for a Public Entity Crime. The COUNCIL agrees it shall not violate such law and further acknowledges and agrees that any conviction during the term of this Agreement may result in termination of this Agreement in accordance with Section 287.133(4).

XIX. LOBBYING

The COUNCIL shall not use any funds received pursuant to this Agreement for lobbying the Florida Legislature, the judicial branch, or any state agency.

XX. INFORMATION RELEASE (PUBLIC RECORDS ACCESS)

The CITY AND COUNCIL agree that the COUNCIL shall comply with Florida's public records law to specifically include:

- A. The COUNCIL shall comply with Florida Public Records law under Chapter 119, F.S. Records made or received in conjunction with this Agreement are public records under Florida law, as defined in Section 119.011(12), F.S. The COUNCIL shall keep and maintain public records required to perform the services under this Agreement.
- B. This Agreement may be unilaterally canceled by the CITY for refusal by the COUNCIL to either provide public records to the CITY upon request, or to allow inspection and copying of all public records made or received by the COUNCIL in conjunction with this Agreement and subject to disclosure under Chapter 119, F.S., and Section 24(a), Article I, Florida Constitution.
- C. If the COUNCIL meets the definition of "Contractor" found in Section 119.0701(1)(a), F.S.; [i.e., an individual, partnership, corporation, or business entity that enters into a contract for services with a public agency and is acting on behalf of the public agency], then the following requirements apply:
 - i. Pursuant to Section 119.0701, F.S., a request to inspect or copy public records relating to this Agreement for services must be made directly to the CITY. If the CITY does not possess the requested records, the CITY shall immediately notify Contractor of the request, and the COUNCIL must provide the records to the CITY or allow the records to be inspected or copied within a reasonable time. If

the COUNCIL fails to provide the public records to the CITY within a reasonable time, Contractor may be subject to penalties under s. 119.10, F.S.

- ii. Upon request from the CITY's custodian of public records, the COUNCIL shall provide the CITY with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
 - iii. The COUNCIL shall identify and ensure that all public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the COUNCIL does not transfer the records to the CITY.
 - iv. Upon completion of the Agreement, Contractor shall transfer, at no cost to CITY, all public records in possession of Contractor or keep and maintain public records required by the CITY to perform the services under this Agreement. If the COUNCIL transfers all public records to the CITY upon completion of the Agreement, the COUNCIL shall destroy any duplicate public records that are exempt or confidential and exempt from public disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Agreement, the COUNCIL shall meet all applicable requirements for retaining public records. All records that are stored electronically must be provided to CITY, upon request from the CITY's custodian of public records, in a format that is accessible by and compatible with the information technology systems of CITY.
- D. IF THE COUNCIL HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CITY'S CUSTODIAN OF PUBLIC RECORDS BY TELEPHONE AT 863-984-1375, BY EMAIL AT sheandolen.dunn@mypolkcity.org, OR AT THE MAILING ADDRESS BELOW:.**

**POLK CITY
123 BROADWAY BLVD. SE
POLK CITY, FL 33868**

XXI. TERMS AND CONDITIONS

This Agreement and attachments incorporated by reference constitute all the terms and conditions agreed upon by the parties.

IN WITNESS WHEREOF, the CITY and the COUNCIL have caused this Agreement to be executed by their undersigned officials as duly authorized.

POLK CITY

**CENTRAL FLORIDA REGIONAL
PLANNING COUNCIL**

By: _____
Joe LaCascia, Mayor

By: _____
Patricia M. Steed, Executive Director

Witness

Witness

Approved as to legal form and sufficiency:

City Attorney

Council Attorney

**POLK CITY
SCOPE OF WORK**

Project Description

The COUNCIL shall undertake the activities described herein to facilitate business attraction and talent attraction by advancing ideas from the Polk City 2014 Vision Plan. Polk City adopted the Polk City Vision Plan in 2014 to develop a plan for a viable future for Polk City including Downtown Polk City. The Polk City Vision Plan provides a roadmap to achieve the community's goals for the future. Polk City continuously works to implement the community vision as adopted in the Vision Plan.

Community Vision: *“Polk City is a safe, friendly, accessible, and aesthetically pleasing community characterized by its small-town charm. The City’s support of a vibrant downtown district and its environmental connection to the Green Swamp promote continued economic growth throughout the City and foster a high quality of life for its residents.”*

a. Deliverable 1: GIS Database containing Commercial, Industrial, and All Developable Vacant Property Inventory

The COUNCIL shall complete a comprehensive GIS mapping database of all developed and developable commercial and industrial properties as well as an inventory of all vacant developable lands in the city will be prepared. This database will include attributes such as wetlands, floodplains, soil types, and available infrastructure. These attributes will be reviewed and informed by Polk City real estate professionals who will identify gaps affecting the local commercial real estate market and the Central Florida Development Council (CFDC). This work will also include the review of all vacant developable properties in both the Polk City Exemption Area and within the Green Swamp Area of Critical State Concern (GSACS) within the City limits. The land within the Polk City Exemption Area will be further reviewed to determine if the future land use designation and zoning district are appropriate for optimum and best use considering location. In addition, infrastructure priorities for development will also be identified. This effort, complimented by input from real estate professionals and the CFDC, will identify optimum properties for future development.

As part of this work effort, Polk City’s draft updated Article 2 – Regulations for Specific Districts and Article 3 – Development Design and Improvement Standards of the Land Development Code will be reviewed with real estate professionals and the CFDC to identify an inconsistencies and inadequacies.

A minimum of one coordination meeting or phone call with the real estate professionals and the CFDC will be held to produce this product.

b. Deliverable 2: Familiarization “Fam” Tour and Economic Development Package

The COUNCIL shall create an Economic Development Package to highlight the community’s assets, opportunities, incentives, and available properties to prospective and existing businesses. The Economic Development Information Package will include the following items:

- 1) Polk City demographics
- 2) Driving distance map and regional context
- 3) Retail Opportunities Gap Report
- 4) Downtown and City-Wide Traffic Data
- 5) Available commercial and industrial properties
- 6) Full demographic profile within 1-2 miles and 5-10 minute drive time
- 7) Properties identified as “ready for immediate development”

Polk City will identify four (4) to eight (8) business leaders in greater Florida who specialize in a Polk City preferred industry (e.g. real estate development, warehousing, light manufacturing, accommodation and service, etc.) and the City will invite the leaders to a one (1) day workshop including a half (½) day tour of the City and a half (½) day brainstorming session. The tour will spotlight the properties described in the draft Economic Development Package. Input will be solicited regarding the business leaders investment and detailed feedback about the factors most important to them and what is appealing to them about Polk City.

Following the one (1) day workshop, the Economic Development Information Package will be revised based on input received and then provided to various companies and organizations identified by the County economic development staff, Central Florida Development Council as well as to more widely known companies. The package will also be placed on the City’s website.

c. Deliverable 3: Interactive Workshop and Guide for Low Impact Development

The COUNCIL shall facilitate an interactive workshop in partnership with the Southwest Florida Water Management District and the University of South Florida for residential and non-residential property owners to discuss low impact development (LID) and water conservation practices critical to existing and all types of future development in the Polk City Exemption Area and the Green Swamp Area of Critical State Concern. Water Conservation and LID are imperative to the future of Polk City’s viability. In order to optimize development on limited non-residential properties, LID techniques offer space-saving yet innovative and effective stormwater treatment prior to discharge into the Green Swamp Area of Critical State Concern.

Low Impact Development (LID) is defined as: Design techniques used to maintain or replicate pre-development hydrologic regimes by creating a functionally equivalent hydrologic landscape. LID encompasses a variety of stormwater management techniques, including bio-swales, rain gardens, and pervious pavements. These techniques reduce the amount of effective impervious area in a watershed, lessening the watershed volumes and runoff rates.

A guide for water conservation and LID will be developed for electronic distribution throughout the residential and business communities.

“DELIVERABLES”

GRANT AGREEMENT

BETWEEN THE

**STATE OF FLORIDA
DEPARTMENT OF ECONOMIC OPPORTUNITY**

AND

POLK CITY, FLORIDA

DELIVERABLES

Deliverables and Tasks	Minimum Level of Service	Payment Amount Not to Exceed	Financial Consequences
<p>Deliverable 1 – GIS Database containing Commercial, Industrial, and All Developable Vacant Property Inventory</p> <p>Grantee shall complete the GIS Database in accordance with paragraph 3.a above.</p> <p>Deliverable due date: June 23, 2017</p>	<p>Completion of Deliverable 1 as evidenced by all submission of all of the following:</p> <ul style="list-style-type: none"> • GIS database with accompanying maps indicating: <ul style="list-style-type: none"> - All developed and developable commercial and industrial properties in the city. - All vacant developable lands in the city. • Meeting agenda. • Copy of sign-in sheet/conference call attendee list. • Summary of input received at meeting. • Map of properties for sale in the city at the time of this deliverable. <p>Grantee shall submit copies of all required documentation on paper or electronically in MS Word or PDF format, and all maps on a compact disc in PDF format with ArcGIS compatible shapefiles.</p>	<p>\$4,500.00</p>	<p>As provided in paragraph 14 below.</p>
<p>Deliverable 2 – Familiarization “Fam” Tour and Economic Development Information Package</p> <p>Grantee shall complete the Familiarization “Fam” Tour and Economic Development Information Package in accordance with paragraph 3.b above.</p> <p>Deliverable due date: June 23, 2017</p>	<p>Completion of Deliverable 2 as evidenced by submission of all of the following:</p> <ul style="list-style-type: none"> • Tour agenda. • Tour sign-in sheet. • Summary of input received. • Completed Economic Development Information Package. <p>Grantee shall submit copies of all required documentation on paper or electronically in MS</p>	<p>\$3,500.00</p>	<p>As provided in paragraph 14 below.</p>

	Word or PDF format, and all maps on a compact disc in PDF format with ArcGIS compatible shapefiles.		
<p>Deliverable 3 – Interactive Workshop and Draft guide for Low Impact Development</p> <p>Grantee shall complete the Interactive Workshop and Draft guide for Low Impact Development in accordance with Section 3.c. of the Scope of Work.</p> <p>Deliverable due date: June 23, 2017</p>	<p>Completion of Deliverable 3 as evidenced by submission of the following documentation:</p> <ul style="list-style-type: none"> • Workshop agenda. • Workshop sign-in sheet. • Summary of input received. • Draft Guide for Low Impact Development and water conservation. <p>Grantee shall submit copies of all required documentation on paper or electronically in MS Word or PDF format, and all maps on a compact disc in PDF format with ArcGIS compatible shapefiles.</p>	\$4,000.00	As provided in paragraph 14 below.
Total Amount Not to Exceed: \$12,000			

GRANT AGREEMENT (complete)
BETWEEN THE
STATE OF FLORIDA
DEPARTMENT OF ECONOMIC OPPORTUNITY
AND
POLK CITY, FLORIDA

**GRANT AGREEMENT
STATE OF FLORIDA
DEPARTMENT OF ECONOMIC OPPORTUNITY**

THIS GRANT AGREEMENT ("Agreement") is made and entered into by and between the State of Florida, Department of Economic Opportunity ("DEO"), and **Polk City** ("Grantee"). DEO and Grantee are sometimes referred to herein individually as a "Party" and collectively as "the Parties."

I. GRANTEE AGREES:

A. Performance Requirements:

Grantee shall perform the services specified herein in accordance with the terms and conditions of this Agreement and all of its attachments and/or exhibits, which are incorporated by reference herein.

B. Type of Agreement:

This Agreement is a **cost reimbursement** agreement.

C. Agreement Period:

The term of this Agreement begins on March 21, 2017, and shall end on June 30, 2017. DEO shall not be obligated to pay for costs incurred by Grantee related to this Agreement prior to its beginning date or after its ending date. Grantee acknowledges that while no extension of this Agreement is contemplated, if an extension is necessary due to events beyond the control of Grantee, any consideration of an extension will be subject to the availability of funds and further conditioned upon Grantee's satisfactory performance of all duties and obligations hereunder, as determined by DEO.

D. Agreement Payment:

This Agreement shall not exceed **Twelve Thousand Dollars (\$12,000)** which shall be paid by DEO in consideration for Grantee's provision of services as set forth by the terms and conditions of this Agreement. The State of Florida and DEO's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. DEO shall be the final authority as to the availability of funds for this Agreement, and as to what constitutes an "annual appropriation" of funds to complete this Agreement. If such funds are not appropriated or available for the Agreement purpose, such event will not constitute a default on DEO or the State. DEO agrees to notify Grantee in writing at the earliest possible time if funds are not appropriated or available. The cost for services rendered under any other Agreement or to be paid from any other source is not eligible for reimbursement under this Agreement.

E. Requirements of paragraphs (a) – (i) of subsection 287.058(1), Florida Statutes (F.S.):

1. Grantee shall submit bills for fees or other compensation for services or expenses in sufficient detail for a proper pre-audit and post-audit thereof.
2. If travel expenses are authorized, Grantee shall submit bills for such travel expenses and shall be reimbursed only in accordance with section 112.061, F.S.

3. Grantee shall allow public access to all documents, papers, letters or other materials made or received by Grantee in conjunction with this Agreement, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S. It is expressly understood that DEO may unilaterally cancel this Agreement for Grantee's refusal to comply with this provision.
4. Grantee shall perform all tasks contained in Attachment 1, Scope of Work.
5. Receipt by Grantee of DEO's written acceptance of the units of deliverables specified herein is a condition precedent to payment under this Agreement and is contingent upon Grantee's compliance with the specified performance measure (i.e., each deliverable must satisfy at least the minimum acceptable level of service specified in the Scope of Work and DEO shall apply the applicable criteria stated in the Scope of Work to determine satisfactory completion of each deliverable).
6. Grantee shall comply with the criteria and final date by which such criteria must be met for completion of this Agreement.
7. Renewal: This Agreement may not be renewed.
8. If Grantee fails to perform in accordance with the Agreement, DEO shall apply the financial consequences specified herein.
9. Unless otherwise agreed in writing, intellectual property rights to preexisting property will remain with Grantee; whereas, intellectual property rights to all property created or otherwise developed by Grantee specifically for DEO will be owned by the State of Florida through DEO. Proceeds derived from the sale, licensing, marketing or other authorization related to any such DEO-controlled intellectual property right shall be handled in the manner specified by applicable state statute.

F. Governing Laws of the State of Florida:

1. Grantee agrees that this Agreement is executed and entered into in the State of Florida, and shall be construed, performed, and enforced in all respects in accordance with the laws, rules, and regulations of the State of Florida. Each Party shall perform its obligations herein in accordance with the terms and conditions of the Agreement. Without limiting the provisions of Section II.D., Dispute Resolution, the exclusive venue of any legal or equitable action that arises out of or relates to the Agreement shall be the appropriate state court in Leon County, Florida; in any such action, the Parties waive any right to jury trial. For avoidance of doubt, should any term of this Agreement conflict with any applicable law, rule, or regulation, the law, rule, or regulation shall control over the provisions of this Agreement.
2. If applicable, Grantee agrees that it is in compliance with the rules for e-procurement as directed by Rule 60A-1.030, F.A.C., and that it will maintain eligibility for this Agreement through the MyFloridaMarketplace.com system.
3. DEO shall ensure compliance with section 11.062, F.S., and section 216.347, F.S. Grantee shall not, in connection with this or any other agreement with the State, directly or indirectly: (1) offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for any State officer or employee's decision, opinion, recommendation, vote, other exercise of

discretion, or violation of a known legal duty; or (2) offer, give, or agree to give to anyone any gratuity for the benefit of, or at the direction or request of, any State officer or employee. For purposes of clause (2), "gratuity" means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. Upon request of DEO's Inspector General, or other authorized State official, Grantee shall provide any type of information the Inspector General deems relevant to Grantee's integrity or responsibility. Such information may include, but shall not be limited to, Grantee's business or financial records, documents, or files of any type or form that refer to or relate to this Agreement. Grantee shall retain such records in accordance with the record retention requirements of Part V of Attachment 2, Audit Requirements.

4. Grantee agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of Grantee's compliance with the terms of this or any other agreement between Grantee and the State which results in the suspension or debarment of Grantee. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. Grantee shall not be responsible for any costs of investigations that do not result in Grantee's suspension or debarment. Grantee understands and will comply with the requirements of subsection 20.055(5), F.S., including but not necessarily limited to, the duty of Grantee and any of Grantee's subcontractors to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to section 20.055, F.S.
5. **Public Entity Crime:** Pursuant to section 287.133(2)(a), F.S., a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on an agreement to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on an agreement with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor or consultant under an agreement with any public entity and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, F.S., for Category Two for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.
6. **Advertising:** Subject to chapter 119, F.S., Grantee shall not publicly disseminate any information concerning this Agreement without prior written approval from DEO, including, but not limited to, mentioning this Agreement in a press release or other promotional material, identifying DEO or the State as a reference, or otherwise linking Grantee's name and either a description of the Agreement or the name of DEO or the State in any material published, either in print or electronically, to any entity that is not a Party to this Agreement, except potential or actual authorized distributors, dealers, resellers, or service representatives.
7. **Sponsorship:** As required by section 286.25, F.S., if Grantee is a nongovernmental organization which sponsors a program financed wholly or in part by state funds, including any funds obtained through this Agreement, it shall, in publicizing, advertising, or describing the sponsorship of the program, state: "Sponsored by (Grantee's name) and the State of Florida, Department of Economic Opportunity." If the sponsorship reference is in written material, the words "State of Florida, Department of Economic Opportunity" shall appear in the same size letters or type as the name of the organization.

8. Mandatory Disclosure Requirements:

- a. **Conflict of Interest:** This Agreement is subject to chapter 112, F.S. Grantee shall disclose the name of any officer, director, employee, or other agent who is also an employee of the State. Grantee shall also disclose the name of any State employee who owns, directly or indirectly, more than a five percent (5%) interest in Grantee or its affiliates.
- b. **[Intentionally Omitted.]**
- c. **Vendors on Scrutinized Companies Lists:** If this Agreement is in the amount of \$1 million or more, in executing this Agreement, Grantee certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, F.S.
 - 1) Pursuant to section 287.135(5), F.S., DEO may immediately terminate this Agreement for cause if Grantee is found to have submitted a false certification or if Grantee is placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has been engaged in business operations in Cuba or Syria, during the term of the Agreement.
 - 2) If DEO determines that Grantee has submitted a false certification, DEO will provide written notice to Grantee. Unless Grantee demonstrates in writing, within ninety (90) days of receipt of the notice, that DEO's determination of false certification was made in error, DEO shall bring a civil action against Grantee. If DEO's determination is upheld, a civil penalty equal to the greater of \$2 million or twice the amount of this Agreement shall be imposed on Grantee, and Grantee will be ineligible to bid on any Agreement with an agency or local governmental entity for three (3) years after the date of DEO's determination of false certification by the Grantee.
 - 3) In the event that federal law ceases to authorize the states to adopt and enforce the contracting prohibition identified herein, this provision shall be null and void.
- d. **Discriminatory Vendors:** Grantee shall disclose to DEO if it or any its affiliates, as defined by section 287.134(1)(a), F.S. appears on the discriminatory vendor list. An entity or affiliate placed on the discriminatory vendor list pursuant to section 287.134, F.S. may not:
 - 1) submit a bid, proposal, or reply on a contract or agreement to provide any goods or services to a public entity;
 - 2) submit a bid, proposal, or reply on a contract or agreement with a public entity for the construction or repair of a public building or public work;
 - 3) submit bids, proposals, or replies on leases of real property to a public entity;
 - 4) be awarded or perform work as a contractor, subcontractor, Grantee, supplier, sub-Grantee, or consultant under a contract or agreement with any public entity; or
 - 5) transact business with any public entity.

9. [Intentionally Omitted.]

10. Information Release:

- a. Grantee shall keep and maintain public records required by DEO to perform Grantee's responsibilities hereunder. Grantee shall, upon request from DEO's custodian of public records, provide DEO with a copy of the requested records or allow the records to be inspected or copied within a reasonable time per the cost structure provided in chapter 119, F.S., and in accordance with all other requirements of chapter 119, F.S., or as otherwise provided by law. Upon expiration or termination of this Agreement, Grantee shall transfer, at no cost, to DEO all public records in possession of Grantee or keep and maintain public records required by DEO to perform the service. If the Grantee keeps and maintains public records upon completion of the Agreement, the Grantee shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to DEO, upon request from the DEO's custodian of records, in a format that is compatible with the information technology systems of DEO.
- b. If DEO does not possess a record requested through a public records request, DEO shall notify the Grantee of the request as soon as practicable, and Grantee must provide the records to DEO or allow the records to be inspected or copied within a reasonable time. If Grantee does not comply with DEO's request for records, DEO shall enforce the provisions set forth in this Agreement. A Grantee who fails to provide public records to DEO within a reasonable time may be subject to penalties under section 119.10, F.S.
- c. DEO does not endorse any Grantee, commodity, or service. No public disclosure or news release pertaining to this Agreement shall be made without the prior written approval of DEO. Grantee is prohibited from using Agreement information, sales values/volumes and/or DEO customers in sales brochures or other promotions, including press releases, unless prior written approval is obtained from DEO.
- d. Grantee acknowledges that DEO is subject to the provisions of chapter 119, F.S., relating to public records and that reports, invoices, and other documents Grantee submits to DEO under this Agreement may constitute public records under Florida Statutes. Grantee shall cooperate with DEO regarding DEO's efforts to comply with the requirements of chapter 119, F.S.
- e. If Grantee submits records to DEO that are confidential and exempt from public disclosure as trade secrets or proprietary confidential business information, such records should be identified as such by Grantee prior to submittal to DEO. Failure to identify the legal basis for each exemption from the requirements of chapter 119, F.S., prior to submittal of the record to DEO serves as Grantee's waiver of a claim of exemption. Grantee shall ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the Grantee does not transfer the records to DEO upon termination of the Agreement.
- f. Grantee shall allow public access to all records made or received by Grantee in conjunction with this Agreement, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S. For records made or received

by Grantee in conjunction with this Agreement, Grantee shall respond to requests to inspect or copy such records in accordance with chapter 119, F.S.

- g. In addition to Grantee's responsibility to directly respond to each request it receives for records made or received by Grantee in conjunction with this Agreement and to provide the applicable public records in response to such request, Grantee shall notify DEO of the receipt and content of such request by sending an e-mail to PRRequest@deo.myflorida.com within one (1) business day from receipt of such request.
- h. Grantee shall notify DEO verbally within twenty-four (24) chronological hours and in writing within seventy-two (72) chronological hours if any data in Grantee's possession related to this Agreement is subpoenaed or improperly used, copied, or removed (except in the ordinary course of business) by anyone except an authorized representative of DEO. Grantee shall cooperate with DEO in taking all steps as DEO deems advisable to prevent misuse, regain possession, and/or otherwise protect the State's rights and the data subject's privacy.
- i. **IF THE GRANTEE HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE GRANTEE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS by telephone at 850-245-7140, via e-mail at PRRequest@deo.myflorida.com, or by mail at Department of Economic Opportunity, Public Records Coordinator, 107 East Madison Street, Caldwell Building, Tallahassee, Florida 32399-4128.**

11. Funding Requirements of Section 215.971(1), F.S.:

- a. Grantee and its subcontractors may only expend funding under this Agreement for allowable costs resulting from obligations incurred during the Agreement period. To be eligible for reimbursement, costs must be in compliance with laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures (http://www.myfloridacfo.com/aadir/reference_guide/).
- b. Grantee shall refund to DEO any balance of unobligated funds which has been advanced or paid to Grantee.
- c. Grantee shall refund to DEO all funds paid in excess of the amount to which Grantee or its subcontractors are entitled under the terms and conditions of the Agreement.

G. Grantee Payments:

- 1. Grantee will provide DEO's Agreement Manager invoices in accordance with the requirements of the State of Florida Reference Guide for State Expenditures, with detail sufficient for a proper pre-audit and post-audit thereof. Invoices must also comply with the following:

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- a. Invoices must be legible and must clearly reflect the goods/services that were provided in accordance with the terms of the Agreement for the invoice period. Payment does not become due under the Agreement until the invoiced deliverable(s) and any required report(s) are approved and accepted by DEO.
 - b. Invoices must contain the Grantee's name, address, federal employer identification number or other applicable Grantee identification number, the Agreement number, the invoice number, and the invoice period. DEO or the State may require any additional information from Grantee that DEO or the State deems necessary to process an invoice.
 - c. Invoices must be submitted in accordance with the time requirements specified in the Scope of Work.
2. At DEO's or the State's option, Grantee may be required to invoice electronically pursuant to guidelines of the Department of Management Services. Current guidelines require that Grantee supply electronic invoices in lieu of paper-based invoices for those transactions processed through the system. Electronic invoices shall be submitted to DEO's Agreement Manager through the Ariba Supplier Network (ASN) in one of the following mechanisms – EDI 810, cXML, or web-based invoice entry within the ASN.
 3. Payment shall be made in accordance with section 215.422, F.S., Rule 69I-24, F.A.C., and section 287.0585, F.S., which govern time limits for payment of invoices. Section 215.422, F.S., provides that agencies have five (5) working days to inspect and approve goods and services unless the Scope of Work specifies otherwise. DEO has twenty (20) days to deliver a request for payment (voucher) to the Department of Financial Services. The twenty (20) days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved. The Scope of Work may specify conditions for retainage. Invoices returned to a Grantee due to preparation errors will result in a delay of payment. Invoice payment requirements do not start until a properly completed invoice is provided to DEO. DEO is responsible for all payments under the Agreement.
 4. Section 55.03(1), F.S., identifies the process applicable to the determination of the rate of interest payable on judgments and decrees, and pursuant to section 215.422(3)(b), F.S., this same process applies to the determination of the rate of interest applicable to late payments to vendors for goods and services purchased by the State and for contracts which do not specify a rate of interest. The applicable rate of interest is published at:

<http://www.myfloridacfo.com/aadir/interest.htm>

H. Final Invoice:

Grantee shall submit the final invoice for payment to DEO no later than **60** days after the Agreement ends or is terminated. If Grantee fails to do so, DEO, in its sole discretion, may refuse to honor any requests submitted after this time period and may consider Grantee to have forfeited any and all rights to payment under this Agreement.

I. Return or Recoupment of Funds:

1. Grantee shall return to DEO any overpayments due to unearned funds or funds disallowed pursuant to the terms of this Agreement that were disbursed to Grantee by DEO. In the event that Grantee or its independent auditor discovers that overpayment has been made, Grantee shall repay said overpayment within forty (40) calendar days without prior notification from

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DEO. In the event that DEO first discovers an overpayment has been made, DEO will notify Grantee by letter. Should repayment not be made in a timely manner, DEO shall be entitled to charge interest at the lawful rate of interest on the outstanding balance beginning forty (40) calendar days after the date of notification or discovery. Refunds should be sent to DEO's Agreement Manager, and made payable to the "Department of Economic Opportunity."

2. If authorized and approved, Grantee may be provided an advance as part of this Agreement.
3. Notwithstanding the damages limitations of Section II.F., if Grantee's non-compliance with any provision of the Agreement results in additional cost or monetary loss to DEO or the State of Florida, DEO can recoup that cost or loss from monies owed to Grantee under this Agreement or any other Agreement between Grantee and any State entity. In the event that the discovery of this cost or loss arises when no monies are available under this Agreement or any other Agreement between Grantee and any State entity, Grantee will repay such cost or loss in full to DEO within thirty (30) days of the date of notice of the amount owed, unless DEO agrees, in writing, to an alternative timeframe.

J. Vendor Ombudsman:

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for vendors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 413-5516 or by calling the Chief Financial Officer's Hotline, (800) 342-2762.

K. Audits and Records:

1. Representatives of DEO, the Chief Financial Officer of the State of Florida, the Auditor General of the State of Florida, the Florida Office of Program Policy Analysis and Government Accountability or representatives of the federal government and their duly authorized representatives shall have access to any of Grantee's books, documents, papers, and records, including electronic storage media, as they may relate to this Agreement, for the purposes of conducting audits or examinations or making excerpts or transcriptions.
2. Grantee shall maintain books, records, and documents in accordance with generally accepted accounting procedures and practices which sufficiently and properly reflect all expenditures of funds provided by DEO under this Agreement.
3. Grantee shall comply with all applicable requirements of section 215.97, F.S., and Attachment 2, Audit Requirements; and, if an audit is required thereunder, Grantee shall disclose all related party transactions to the auditor.
4. Grantee shall retain all Grantee records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement in accordance with the record retention requirements of Part V of Attachment 2, Audit Requirements. Grantee shall cooperate with DEO to facilitate the duplication and transfer of such records or documents upon request of DEO.
5. Grantee shall include the aforementioned audit and record keeping requirements in all approved subrecipient subcontracts and assignments.

6. Within sixty (60) days of the close of Grantee's fiscal year, on an annual basis, Grantee shall electronically submit a completed Audit Compliance Certification (a version of this certification is attached hereto as Attachment 3) to audit@deo.myflorida.com. Grantee's timely submittal of one completed Audit Compliance Certification for each applicable fiscal year will fulfill this requirement within all agreements (e.g., contracts, grants, memorandums of understanding, memorandums of agreement, economic incentive award agreements, etc.) between DEO and Grantee.
7. Grantee shall (i) maintain all funds provided under this Agreement in a separate bank account, or (ii) Grantee's accounting system shall have sufficient internal controls to separately track the funds from this Agreement. There shall be no commingling of funds provided under this Agreement, with any other funds, projects, or programs. DEO may, in its sole discretion, disallow costs that result from purchases made with commingled funds.

L. Employment Eligibility Verification:

1. Executive Order 11-116, signed May 27, 2011, by the Governor of Florida, requires DEO contracts in excess of nominal value to expressly require Grantee to:
 - a. Utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by Grantee during the Agreement term; and,
 - b. Include in all subcontracts under this Agreement, the requirement that subcontractors performing work or providing services pursuant to this Agreement utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the term of the subcontract.
2. E-Verify is an Internet-based system that allows an employer, using information reported on an employee's Form I-9, Employment Eligibility Verification, to determine the eligibility of all new employees hired to work in the United States after the effective date of the required Memorandum of Understanding (MOU); the responsibilities and elections of federal contractors, however, may vary, as stated in Article II.D.1.c. of the MOU. There is no charge to employers to use E-Verify. The Department of Homeland Security's E-Verify system can be found at:

http://www.dhs.gov/files/programs/gc_1185221678150.shtm
3. If Grantee does not have an E-Verify MOU in effect, Grantee must enroll in the E-Verify system prior to hiring any new employee after the effective date of this Agreement.

M. Duty of Continuing Disclosure of Legal Proceedings: (NOTE: If Grantee is a state agency or subdivision, as defined in section 768.28(2), F.S., pursuant to section 768.28(19), F.S., the provisions of this section are not applicable)

1. Prior to execution of this Agreement, Grantee must disclose all prior or on-going civil or criminal litigation, investigations, arbitration or administrative proceedings (Proceedings) involving Grantee (and each subcontractor) in a written statement to DEO's Agreement Manager. Thereafter, Grantee has a continuing duty to promptly disclose all Proceedings upon occurrence.

2. This duty of disclosure applies to Grantee's or subcontractor's officers and directors when any Proceeding relates to the officer or director's business or financial activities. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated as such.
3. Grantee shall promptly notify DEO's Agreement Manager of any Proceeding relating to or affecting the Grantee's or subcontractor's business. If the existence of such Proceeding causes the State concern that the Grantee's ability or willingness to perform the Agreement is jeopardized, Grantee shall be required to provide DEO's Agreement Manager all reasonable assurances requested by DEO to demonstrate that:
 - a. Grantee will be able to perform the Agreement in accordance with its terms and conditions; and,
 - b. Grantee and/or its employees, agents, or subcontractor(s) have not and will not engage in conduct in performing services for DEO which is similar in nature to the conduct alleged in such Proceeding.

N. Assignments and Subcontracts:

1. Grantee agrees to neither assign the responsibility for this Agreement to another party nor subcontract for any of the work contemplated under this Agreement, or amend any such assignment or subcontract, without prior written approval of DEO. Any sublicense, assignment, or transfer occurring without the prior approval of DEO, shall be null and void.
2. Grantee agrees to be responsible for all work performed and all expenses incurred in fulfilling the obligations of this Agreement. If DEO permits Grantee to subcontract all or part of the work contemplated under this Agreement, including entering into subcontracts with vendors for services, it is understood by Grantee that all such subcontract arrangements shall be evidenced by a written document containing all provisions necessary to ensure subcontractor's compliance with applicable state and federal law. Grantee further agrees that DEO shall not be liable to the subcontractor for any expenses or liabilities incurred under the subcontract and Grantee shall be solely liable to the subcontractor for all expenses and liabilities incurred under the subcontract. Grantee, at its expense, will defend DEO against such claims.
3. Grantee agrees that all Grantee employees, subcontractors, or agents performing work under the Agreement shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, Grantee shall furnish a copy of technical certification or other proof of qualification. All Grantee employees, subcontractors, or agents performing work under the Agreement must comply with all DEO security and administrative requirements identified herein. DEO may conduct, and Grantee shall cooperate in, a security background check or otherwise assess any employee, subcontractor, or agent furnished by Grantee. DEO may refuse access to, or require replacement of, any of Grantee's employees, subcontractors, or agents for cause, including, but not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with DEO's security or administrative requirements identified herein. Such refusal shall not relieve Grantee of its obligation to perform all work in compliance with the Agreement. DEO may reject and bar from any facility for cause any of Grantee's employees, subcontractors, or agents.

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4. Grantee agrees that the State of Florida shall at all times be entitled to assign or transfer its rights, duties, or obligations under this Agreement to another governmental agency in the State of Florida, upon giving prior written notice to Grantee. In the event the State of Florida approves transfer of Grantee's obligations, Grantee remains responsible for all work performed and all expenses incurred in connection with the Agreement. In addition, this Agreement shall bind the successors, assigns, and legal representatives of Grantee and of any legal entity that succeeds to the obligations of the State of Florida.
5. Grantee agrees to make payments to the subcontractor within seven (7) working days after receipt of full or partial payments from DEO in accordance with section 287.0585, F.S., unless otherwise stated in the Agreement between Grantee and subcontractor. Grantee's failure to pay its subcontractors within seven (7) working days will result in a penalty charged against Grantee and paid to the subcontractor in the amount of one-half of one (1) percent of the amount due per day from the expiration of the period allowed herein for payment. Such penalty shall be in addition to actual payments owed and shall not exceed fifteen (15) percent of the outstanding balance due.
6. Grantee shall provide a monthly Minority and Service-Disabled Veteran Business Enterprise Report for each invoice period summarizing the participation of certified and non-certified minority and service-disabled veteran subcontractors/material suppliers for that period, and project to date. The report shall include the names, addresses and dollar amount of each certified and non-certified Minority Business Enterprise and Service-Disabled Veteran Enterprise participant and a copy must be forwarded to DEO's Agreement Manager. The Office of Supplier Diversity at (850) 487-0915 will assist in furnishing names of qualified minorities. DEO's Minority Coordinator at (850) 245-7260 will assist with questions and answers.
7. DEO shall retain the right to reject any of Grantee's or subcontractor's employees whose qualifications or performance, in DEO's judgment, are insufficient.

O. [Intentionally Omitted.]

P. Nonexpendable Property:

1. For the requirements of this Section of the Agreement, "nonexpendable property" is the same as "property" as defined in section 273.02, F.S., (equipment, fixtures, and other tangible personal property of a non-consumable and nonexpendable nature, with a value or cost of \$1,000 or more, and a normal expected life of one year or more; hardback-covered bound books that are circulated to students or the general public, with a value or cost of \$25 or more; and hardback-covered bound books, with a value or cost of \$250 or more).
2. All nonexpendable property, purchased under this Agreement, shall be listed on the property records of Grantee. Grantee shall inventory annually and maintain accounting records for all nonexpendable property purchased and submit an inventory report to DEO with the final expenditure report. The records shall include, at a minimum, the following information: property tag identification number, description of the item(s), physical location, name, make or manufacturer, year, and/or model, manufacturer's serial number(s), date of acquisition, and the current condition of the item.
3. At no time shall Grantee dispose of nonexpendable property purchased under this Agreement for these services without the written permission of and in accordance with instructions from DEO.

4. Immediately upon discovery, Grantee shall notify DEO, in writing, of any property loss with the date and reason(s) for the loss.
5. Grantee shall be responsible for the correct use of all nonexpendable property furnished under this Agreement.
6. A formal Agreement amendment is required prior to the purchase of any item of nonexpendable property not specifically listed in the approved Agreement budget.
7. Title (ownership) to all nonexpendable property acquired with funds from this Agreement shall be vested in DEO and said property shall be transferred to DEO upon completion or termination of the Agreement unless otherwise authorized in writing by DEO.

Q. Requirements Applicable to the Purchase of or Improvements to Real Property:

Pursuant to section 287.05805, F.S., if funding provided under this Agreement is used for the purchase of or improvements to real property, such funds are contingent upon Grantee granting to DEO a security interest in the property in the amount of the funding provided by this Agreement for the purchase of or improvements to the real property for five (5) years from the date of purchase or the completion of the improvements or as further required by law.

R. Procurement:

Grantee shall, at a minimum, follow its internal procurement policies and procedures.

S. Insurance:

During the Agreement, including the initial Agreement term, renewal(s), and extensions, Grantee, at its sole expense, shall maintain insurance coverage of such types and with such terms and limits as may be reasonably associated with the Agreement. Providing and maintaining adequate insurance coverage is a material obligation of Grantee, and failure to maintain such coverage may void the Agreement. The limits of coverage under each policy maintained by Grantee shall not be interpreted as limiting Grantee's liability and obligations under the Agreement. All insurance policies shall be through insurers licensed and authorized to write policies in Florida.

Upon execution of this Agreement, Grantee shall provide DEO written verification of the existence and amount for each type of applicable insurance coverage. Within thirty (30) days of the effective date of the Agreement, Grantee shall furnish DEO proof of applicable insurance coverage by standard ACORD form certificates of insurance. In the event that any applicable coverage is cancelled by the insurer for any reason, Grantee shall immediately notify DEO of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within fifteen (15) business days after the cancellation of coverage. The insurance certificate must name DEO as an additional insured and identify DEO's Agreement Number. Copies of new insurance certificates must be provided to DEO's Agreement Manager with each insurance renewal.

DEO shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of Grantee providing such insurance. The following types of insurance are required.

1. Grantee's Commercial General Liability Insurance:

Unless Grantee is a state agency or subdivision as defined by section 768.28(2), F.S., Grantee shall provide adequate commercial general liability insurance coverage and hold such liability insurance at all times during this Agreement. A self-insurance program established and operating under the laws of the State of Florida may provide such coverage.

2. Workers' Compensation and Employer's Liability Insurance:

Grantee, at all times during the Agreement, at its sole expense, shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Agreement, which, as a minimum, shall be: workers' compensation and employer's liability insurance in accordance with chapter 440, F.S., with minimum employer's liability limits of \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate. Such policy shall cover all employees engaged in any Agreement work.

3. Other Insurance:

During the Agreement term, Grantee shall maintain any other insurance as required in Attachment 1, Scope of Work.

T. Confidentiality and Safeguarding Information:

1. Each Party may have access to confidential information made available by the other. The provisions of the Florida Public Records Act, Chapter 119, F.S., and other applicable state and federal laws will govern disclosure of any confidential information received by the State of Florida.
2. Grantee must implement procedures to ensure the appropriate protection and confidentiality of all data, files, and records involved with this Agreement.
3. Except as necessary to fulfill the terms of this Agreement and with the permission of DEO, Grantee shall not divulge to third parties any confidential information obtained by Grantee or its agents, distributors, resellers, subcontractors, officers, or employees in the course of performing Agreement work, including, but not limited to, security procedures, business operations information, or commercial proprietary information in the possession of the State or DEO.
4. Grantee agrees not to use or disclose any information concerning a recipient of services under this Agreement for any purpose not in conformity with state and federal law or regulations except upon written consent of the recipient, or his responsible parent or guardian when authorized by law, if applicable.
5. If Grantee has access to either DEO's network or any DEO applications, or both, in order to fulfill Grantee's obligations under this Agreement, Grantee agrees to abide by all applicable DEO Information Technology Security procedures and policies. Grantee (including its employees, subcontractors, agents, or any other individuals to whom Grantee exposes confidential information obtained under this Agreement), shall not store, or allow to be stored, any confidential information on any portable storage media (e.g., laptops, thumb drives, hard drives, etc.) or peripheral device with the capacity to hold information. Failure to strictly comply with this provision shall constitute a breach of Agreement.

6. Grantee shall notify DEO in writing of any disclosure of unsecured confidential information of DEO by Grantee, its employees, agents, or representatives which is not in compliance with the terms of this Agreement (of which it becomes aware). Grantee also shall report to DEO any Security Incidents of which it becomes aware, including those incidents reported to Grantee by its sub-contractors or agents. For purposes of this Agreement, "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of DEO information in Grantee's possession or electronic interference with DEO operations; however, random attempts at access shall not be considered a security incident. Grantee shall make a report to DEO not more than seven (7) business days after Grantee learns of such use or disclosure. Grantee's report shall identify, to the extent known: (i) the nature of the unauthorized use or disclosure, (ii) the confidential information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Grantee has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Grantee has taken or shall take to prevent future similar unauthorized use or disclosure. Grantee shall provide such other information, including a written report, as reasonably requested by DEO's Information Security Manager.
7. In the event of a breach of security concerning confidential personal information involved with this Agreement, Grantee shall comply with section 501.171, F.S., as applicable. When notification to affected persons is required under this section of the statute, Grantee shall provide that notification, but only after receipt of DEO's approval of the contents of the notice. "Breach of security" or "breach" means the unauthorized access of data in electronic form containing personal information. Good faith acquisition of personal information by an employee or agent of the Grantee is not a breach, provided the information is not used for a purpose unrelated to the Grantee's obligations under this Agreement or is not subject to further unauthorized use.

U. Warranty of Ability to Perform:

Grantee warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish Grantee's ability to satisfy its Agreement obligations. Grantee warrants that neither it nor any affiliate is currently on the convicted vendor list maintained pursuant to section 287.133, F.S., or on any similar list maintained by any other state or the federal government. Grantee shall immediately notify DEO in writing if its ability to perform is compromised in any manner during the term of the Agreement.

V. Patents, Copyrights, and Royalties:

1. Pursuant to section 286.021, F.S., if any discovery or invention arises or is developed in the course or as a result of work or services performed with funds from this Agreement, Grantee shall refer the discovery or invention to DEO who will refer it to the Department of State to determine whether patent protection will be sought in the name of the State of Florida. Any and all patent rights accruing under or in connection with the performance of the Agreement are hereby reserved to the State of Florida. The rights to any invention resulting from this Agreement that is for the performance of experimental, developmental, or research work are governed by 37 C.F.R. Part 401 and any of its implementing regulations as applicable.

2. Where activities supported by this Agreement produce original writings, sound recordings, pictorial reproductions, drawings or other graphic representations and works of any similar nature, DEO has the right to use, duplicate, and disclose such materials in whole or in part, in any manner, for any purpose whatsoever and to allow others acting on behalf of DEO to do so. In the event that any books, manuals, films, websites, web elements, electronic information, or other copyrightable materials are produced Grantee shall notify DEO. Any and all copyrights accruing under or in connection with the performance funded by this Agreement are hereby reserved to the State of Florida.
3. In accordance with the provisions of section 1004.23, F.S., a State University is authorized in its own name to perform all things necessary to secure letters of patent, copyrights, and trademarks on any works it produces. Any action taken by the university in securing or exploiting such trademarks, copyrights, or patents shall, within thirty (30) days, be reported in writing by the president of the university to the Department of State in accordance with section 1004.23(6), F.S.

W. Independent Contractor Status:

In Grantee's performance of its duties and responsibilities under this Agreement, it is mutually understood and agreed that Grantee is at all times acting and performing as an independent Contractor. DEO shall neither have nor exercise any control or direction over the methods by which Grantee shall perform its work and functions other than as provided herein. Nothing in this Agreement is intended to or shall be deemed to constitute a partnership or joint venture between the Parties.

1. Except where Grantee is a state agency, Grantee, its officers, agents, employees, subcontractors, or assignees, in performance of this Agreement shall act in the capacity of an independent Contractor and not as an officer, employee, or agent of the State of Florida. Nor shall Grantee represent to others that, as Grantee, it has the authority to bind DEO unless specifically authorized to do so.
2. Except where Grantee is a state agency, neither Grantee, nor its officers, agents, employees, subcontractors, or assignees are entitled to state retirement or state leave benefits, or to any other compensation of state employment as a result of performing the duties and obligations of this Agreement.
3. Grantee agrees to take such actions as may be necessary to ensure that each subcontractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of the State of Florida.
4. Unless justified by Grantee, and agreed to by DEO in Attachment 1, Scope of Work, DEO will not furnish services of support (*e.g.*, office space, office supplies, telephone service, secretarial, or clerical support) to Grantee or its subcontractor or assignee.
5. DEO shall not be responsible for withholding taxes with respect to Grantee's compensation hereunder. Grantee shall have no claim against DEO for vacation pay, sick leave, retirement benefits, social security, workers' compensation, health or disability benefits, reemployment assistance benefits, or employee benefits of any kind. Grantee shall ensure that its employees, subcontractors, and other agents, receive benefits and necessary insurance (health, workers' compensation, reemployment assistance benefits) from an employer other than the State of Florida.

6. Grantee, at all times during the Agreement, must comply with the reporting and Reemployment Assistance contribution payment requirements of chapter 443, F.S.

X. Electronic Funds Transfer:

Grantee agrees to enroll in Electronic Funds Transfer (EFT), offered by the State's Chief Financial Officer within thirty (30) days of the date the last Party has signed this Agreement. Copies of the Authorization form and a sample blank enrollment letter can be found on the vendor instruction page at:

http://www.fldfs.com/aadir/direct_deposit_web/Vendors.htm

Questions should be directed to the EFT Section at (850) 413-5517. Once enrolled, invoice payments will be made by EFT.

II. GRANTEE AND DEO AGREE:

A. Renegotiation or Modification:

The Parties agree to renegotiate this Agreement if federal and/or state revisions of any applicable laws or regulations make changes to this Agreement necessary. In addition to changes necessitated by law, DEO may at any time, with written notice to Grantee, make changes within the general scope of this Agreement. Such changes may include modification of the requirements, changes to processing procedures, or other changes as decided by DEO. Any investigation necessary to determine the impact of the change shall be the responsibility of Grantee. Modifications of provisions of this Agreement shall only be valid when they have been reduced to writing and duly signed and dated by all Parties.

B. Time is of the Essence:

Time is of the essence regarding the performance obligations set forth in this Agreement. Any additional deadlines for performance for Grantee's obligation to timely provide deliverables under this Agreement including but not limited to timely submittal of reports, are contained in Attachment 1, Scope of Work.

C. Termination:

1. Termination Due to the Lack of Funds:

In the event funds to finance this Agreement become unavailable or if federal or state funds upon which this Agreement is dependent are withdrawn or redirected, DEO may terminate this Agreement upon no less than twenty-four (24) hour notice in writing to Grantee. DEO shall be the final authority as to the availability of funds and will not reallocate funds earmarked for this Agreement to another program thus causing "lack of funds." In the event of termination of this Agreement under this provision, Grantee will be compensated for any work satisfactorily completed prior to notification of termination.

2. Termination for Cause:

DEO may terminate the Agreement if Grantee fails to: (1) deliver the services within the time specified in the Agreement or any extension; (2) maintain adequate progress, thus endangering performance of the Agreement; (3) honor any term of the Agreement; or (4) abide by any statutory, regulatory, or licensing requirement. Rule 60A-1.006(3), F.A.C., governs the procedure and consequences of default. Grantee shall continue to perform any work not terminated. The rights and remedies of DEO in this clause are in addition to any other rights and remedies provided by law or under the Agreement. Grantee shall not be entitled to recover any cancellation charges or lost profits.

3. Termination for Convenience:

DEO, by written notice to Grantee, may terminate this Agreement in whole or in part when DEO determines in its sole discretion that it is in the State's interest to do so. Grantee shall not furnish any product after it receives the notice of termination, except as necessary to complete the continued portion of the Agreement, if any. Grantee shall not be entitled to recover any cancellation charges or lost profits.

D. Dispute Resolution:

Unless otherwise stated in Attachment 1, Scope of Work, disputes concerning the performance of the Agreement shall be decided by DEO, who shall reduce the decision to writing and serve a copy on Grantee. The decision shall be final and conclusive, unless within twenty-one (21) days from the date of receipt, Grantee files with DEO a petition for administrative hearing. DEO's final order on the petition shall be final, subject to any right of Grantee to judicial review pursuant to section 120.68, F.S. Exhaustion of administrative remedies is an absolute condition precedent to Grantee's ability to pursue any other form of dispute resolution; provided however, that the Parties may employ the alternative dispute resolution procedures outlined in chapter 120, F.S.

E. Indemnification (NOTE: If Grantee is a state agency or subdivision, as defined in section 768.28(2), F.S., pursuant to section 768.28(19), F.S., neither Party indemnifies nor insures or assumes any liability for the other Party for the other Party's negligence):

1. Grantee shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless the State and DEO, and their officers, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Grantee, its agents, employees, partners, or subcontractors, provided, however, that Grantee shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the State or DEO.
2. Further, Grantee shall fully indemnify, defend, and hold harmless the State and DEO from any suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right, provided, however, that the foregoing obligation shall not apply to DEO's misuse or modification of Grantee's products or DEO's operation or use of Grantee's products in a manner not contemplated by the Agreement or the purchase order. If any product is the subject of an infringement suit, or in Grantee's opinion is likely to become the subject of such a suit, Grantee may at its sole expense procure for DEO the right to continue using the product or to modify it to become non-infringing. If Grantee is not

reasonably able to modify or otherwise secure DEO the right to continue using the product, Grantee shall remove the product and refund DEO the amounts paid in excess of a reasonable rental for past use. DEO shall not be liable for any royalties.

3. Grantee's obligations under the preceding two paragraphs with respect to any legal action are contingent upon the State or DEO giving Grantee (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Grantee's sole expense, and (3) assistance in defending the action at Grantee's sole expense. Grantee shall not be liable for any cost, expense, or compromise incurred or made by the State or DEO in any legal action without Grantee's prior written consent, which shall not be unreasonably withheld.

F. Limitation of Liability:

For all claims against Grantee under this Agreement, and regardless of the basis on which the claim is made, Grantee's liability under this Agreement for direct damages shall be limited to the greater of \$100,000 or the dollar amount of this Agreement. This limitation shall not apply to claims arising under the Indemnity paragraphs contained in this Agreement.

Unless otherwise specifically enumerated in the Agreement, no Party shall be liable to another for special, indirect, punitive, or consequential damages, including lost data or records (unless the Agreement or purchase order requires Grantee to back-up data or records), even if the Party has been advised that such damages are possible. No Party shall be liable for lost profits, lost revenue, or lost institutional operating savings. The State and DEO may, in addition to other remedies available to them at law or equity and upon notice to Grantee, retain such monies from amounts due Grantee as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them. The State may set off any liability or other obligation of Grantee or its affiliates to the State against any payments due Grantee under any Agreement with the State.

G. Force Majeure and Notice of Delay from Force Majeure:

Neither Party shall be liable to the other for any delay or failure to perform under this Agreement if such delay or failure is neither the fault nor the negligence of the Party or its employees or agents and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Party's control, or for any of the foregoing that affects subcontractors or suppliers if no alternate source of supply is available. However, in the event of delay from the foregoing causes, the Party shall take all reasonable measures to mitigate any and all resulting delay or disruption in the Party's performance obligation under this Agreement. If the delay is excusable under this paragraph, the delay will not result in any additional charge or cost under the Agreement to either Party. In the case of any delay Grantee believes is excusable under this paragraph, Grantee shall notify DEO in writing of the delay or potential delay and describe the cause of the delay either: (1) within ten (10) calendar days after the cause that creates or will create the delay first arose, if Grantee could reasonably foresee that a delay could occur as a result; or (2) within five (5) calendar days after the date Grantee first had reason to believe that a delay could result, if the delay is not reasonably foreseeable. **THE FOREGOING SHALL CONSTITUTE GRANTEE'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. DEO, in its sole discretion, will determine if the delay is excusable under this paragraph and will notify Grantee of its decision in writing. No claim for damages, other than for an extension of time, shall be asserted against DEO. Grantee shall not be entitled to an increase in the Agreement price or payment of any kind from DEO for direct, indirect, consequential, impact,

or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist, Grantee shall perform at no increased cost, unless DEO determines, in its sole discretion, that the delay will significantly impair the value of the Agreement to DEO or the State, in which case, DEO may do any or all of the following: (1) accept allocated performance or deliveries from Grantee, provided that Grantee grants preferential treatment to DEO with respect to products or services subjected to allocation; (2) purchase from other sources (without recourse to and by Grantee for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchases may be deducted from the Agreement quantity; or (3) terminate the Agreement in whole or in part.

H. Severability:

If any provision, in whole or in part, of this Agreement is held to be void or unenforceable by a court of competent jurisdiction, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable, and all other provisions remain in full force and effect.

I. Authority of Grantee's Signatory:

Upon execution, Grantee shall return the executed copies of this Agreement in accordance with the instructions provided by DEO along with documentation ensuring that the below signatory has authority to bind Grantee to this Agreement as of the date of execution. Documentation may be in the form of a legal opinion from the Grantee's attorney, or other reliable documentation demonstrating such authority, and is hereby incorporated by reference. DEO may, at its discretion, request additional documentation related to the below signatory's authority to bind Grantee to this Agreement.

J. Execution in Counterparts:

This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

K. Contact Information for Grantee and DEO Contacts:

DEO's Agreement Manager:

Richard Fetchick
Department of Economic Opportunity
107 East Madison Street, MSC 160
Tallahassee, FL 32399-4120
Telephone: (850) 717-8506
Facsimile: (850) 717-8522
Email: richard.fetchick@deo.myflorida.com

Grantee's Agreement Manager:

Patricia Jackson, City Manager
City of Polk City
123 Broadway Blvd. SE
Polk City, FL 33868
Telephone: (863) 984-1375
Patricia.jackson@mypolkcity.org

In the event that any of the information provided above changes, including the designation of a new Agreement Manager, after the execution of this Agreement, the Party making such change will notify all other Parties in writing of such change. Such changes shall not require a formal amendment to the Agreement.

L. Notices:

The contact information provided in accordance with Section II.K. above shall be used by the Parties for all communications under this Agreement. Where the term "written notice" is used to specify a notice requirement herein, said notice shall be deemed to have been given (i) when personally delivered, (ii) when transmitted via facsimile with confirmation of receipt or email with confirmation of receipt or (iii) the third business day following the day on which the same is sent by certified or registered mail, postage prepaid, with return receipt.

M. Attachments and Exhibits: Attached to and made part of this Agreement are the following Attachments and/or Exhibits, each of which is incorporated into, and is an integral part of, this Agreement:

- **Attachment 1:** Scope of Work
- **Attachment 1-A:** Invoice
- **Attachment 1-B:** Grant Agreement Final Closeout Form
- **Attachment 2 and Exhibit 1 to Attachment 2:** Audit Requirements
- **Attachment 3:** Audit Compliance Certification

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N. Execution:

I have read the above Agreement and the attachments and exhibits thereto and understand each section and paragraph.

IN WITNESS THEREOF, and in consideration of the mutual covenants set forth above and in the attachments hereto, the Parties have caused to be executed this Agreement by their undersigned officials duly authorized.

DEPARTMENT OF ECONOMIC OPPORTUNITY

POLK CITY

By _____
Signature
Julie Dennis

By _____
Signature
Joe LaCascia

Title Director of Community Development

Title Mayor

Date _____

Date _____

Approved as to form and legal sufficiency, subject only to full and proper execution by the Parties.

**OFFICE OF GENERAL COUNSEL
DEPARTMENT OF ECONOMIC OPPORTUNITY**

By: _____

Approved Date: _____

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Attachment 1

SCOPE OF WORK

1. **GRANT AUTHORITY.** This Competitive Florida Partnership Technical Assistance grant is provided pursuant to section 163.3168, F.S., and Specific Appropriation 2220A, Chapter 2016-66, Laws of Florida, to provide direct and/or indirect technical assistance to help Florida communities find creative solutions to fostering vibrant, healthy communities, while protecting the functions of important State resources and facilities.
2. **PROJECT DESCRIPTION:** Polk City (Grantee) will undertake the activities described herein to increase their knowledge, skills and abilities to strategize and implement economic development. Specifically, this grant will facilitate business attraction and talent attraction by advancing ideas from the Polk City 2014 Vision Plan. Polk City adopted the Polk City Vision Plan in 2014 to develop a plan for a viable future for Polk City including Downtown Polk City. The Polk City Vision Plan provides a roadmap to achieve the community's goals for the future. Polk City continuously works to implement the community vision as adopted in the Vision Plan.

Community Vision: "Polk City is a safe, friendly, accessible, and aesthetically pleasing community characterized by its small-town charm. The City's support of a vibrant downtown district and its environmental connection to the Green Swamp promote continued economic growth throughout the City and foster a high quality of life for its residents."

3. **GRANTEE RESPONSIBILITIES:** To perform the tasks and timely provide DEO with the deliverables identified in this paragraph and the table in paragraph 5 below pursuant to the terms of this Agreement.

- a. **Deliverable 1: GIS Database containing Commercial, Industrial, and All Developable Vacant Property Inventory**

Grantee shall complete a comprehensive GIS mapping database of all developed and developable commercial and industrial properties as well as an inventory of all vacant developable lands in the city will be prepared. This database will include attributes such as wetlands, floodplains, soil types, and available infrastructure. These attributes will be reviewed and informed by Polk City real estate professionals who will identify gaps affecting the local commercial real estate market and the Central Florida Development Council (CFDC). This work will also include the review of all vacant developable properties in both the Polk City Exemption Area and within the Green Swamp Area of Critical State Concern (GSACS) within the City limits. The land within the Polk City Exemption Area will be further reviewed to determine if the future land use designation and zoning district are appropriate for optimum and best use considering location. In addition, infrastructure priorities for development will also be identified. This effort, complimented by input from real estate professionals and the CFDC, will identify optimum properties for future development.

As part of this work effort, Polk City's draft updated Article 2 – Regulations for Specific Districts and Article 3 – Development Design and Improvement Standards of the Land Development Code will be reviewed with real estate professionals and the CFDC to identify an inconsistencies and inadequacies.

A minimum of one coordination meeting or phone call with the real estate professionals and the CFDC will be held to produce this product.

b. Deliverable 2: Familiarization “Fam” Tour and Economic Development Package

Grantee shall create an Economic Development Package to highlight the community’s assets, opportunities, incentives, and available properties to prospective and existing businesses. The Economic Development Information Package will include the following items:

- 1) Polk City demographics
- 2) Driving distance map and regional context
- 3) Retail Opportunities Gap Report
- 4) Downtown and City-Wide Traffic Data
- 5) Available commercial and industrial properties
- 6) Full demographic profile within 1-2 miles and 5-10 minute drive time
- 7) Properties identified as “ready for immediate development”

Polk City will identify four (4) to eight (8) business leaders in greater Florida who specialize in a Polk City preferred industry (e.g. real estate development, warehousing, light manufacturing, accommodation and service, etc.) and the City will invite the leaders to a one (1) day workshop including a half (½) day tour of the City and a half (½) day brainstorming session. The tour will spotlight the properties described in the draft Economic Development Package. Input will be solicited regarding the business leaders investment and detailed feedback about the factors most important to them and what is appealing to them about Polk City.

Following the one (1) day workshop, the Economic Development Information Package will be revised based on input received and then provided to various companies and organizations identified by the County economic development staff, Central Florida Development Council as well as to more widely known companies. The package will also be placed on the City’s website.

c. Deliverable 3: Interactive Workshop and Guide for Low Impact Development

Grantee shall facilitate an interactive workshop in partnership with the Southwest Florida Water Management District and the University of South Florida for residential and non-residential property owners to discuss low impact development (LID) and water conservation practices critical to existing and all types of future development in the Polk City Exemption Area and the Green Swamp Area of Critical State Concern. Water Conservation and LID are imperative to the future of Polk City’s viability. In order to optimize development on limited non-residential properties, LID techniques offer space-saving yet innovative and effective stormwater treatment prior to discharge into the Green Swamp Area of Critical State Concern.

Low Impact Development (LID) is defined as: Design techniques used to maintain or replicate pre-development hydrologic regimes by creating a functionally equivalent hydrologic landscape. LID encompasses a variety of stormwater management techniques, including bio-swales, rain gardens, and pervious pavements. These techniques reduce the amount of effective impervious area in a watershed, lessening the watershed volumes and runoff rates.

A guide for water conservation and LID will be developed for electronic distribution throughout the residential and business communities.

4. **DEO RESPONSIBILITIES:** To receive and review deliverables and, upon approval of deliverables, process payment pursuant to the terms of this Agreement.
5. **DELIVERABLES:** The specific deliverables, tasks, minimum level of service, due dates, and payment amounts are set forth in the following table:

Deliverables and Tasks	Minimum Level of Service	Payment Amount Not to Exceed	Financial Consequences
<p>Deliverable 1 – GIS Database containing Commercial, Industrial, and All Developable Vacant Property Inventory</p> <p>Grantee shall complete the GIS Database in accordance with paragraph 3.a above.</p> <p>Deliverable due date: June 23, 2017</p>	<p>Completion of Deliverable 1 as evidenced by all submission of all of the following:</p> <ul style="list-style-type: none"> • GIS database with accompanying maps indicating: <ul style="list-style-type: none"> - All developed and developable commercial and industrial properties in the city. - All vacant developable lands in the city. • Meeting agenda. • Copy of sign-in sheet/conference call attendee list. • Summary of input received at meeting. • Map of properties for sale in the city at the time of this deliverable. <p>Grantee shall submit copies of all required documentation on paper or electronically in MS Word or PDF format, and all maps on a compact disc in PDF format with ArcGIS compatible shapefiles.</p>	<p>\$4,500.00</p>	<p>As provided in paragraph 14 below.</p>
<p>Deliverable 2 – Familiarization “Fam” Tour and Economic Development Information Package</p> <p>Grantee shall complete the Familiarization “Fam” Tour and Economic Development</p>	<p>Completion of Deliverable 2 as evidenced by submission of all of the following:</p> <ul style="list-style-type: none"> • Tour agenda. • Tour sign-in sheet. • Summary of input received. 	<p>\$3,500.00</p>	<p>As provided in paragraph 14 below.</p>

<p>Information Package in accordance with paragraph 3.b above.</p> <p>Deliverable due date: June 23, 2017</p>	<ul style="list-style-type: none"> Completed Economic Development Information Package. <p>Grantee shall submit copies of all required documentation on paper or electronically in MS Word or PDF format, and all maps on a compact disc in PDF format with ArcGIS compatible shapefiles.</p>		
<p>Deliverable 3 – Interactive Workshop and Draft guide for Low Impact Development</p> <p>Grantee shall complete the Interactive Workshop and Draft guide for Low Impact Development in accordance with Section 3.c. of the Scope of Work.</p> <p>Deliverable due date: June 23, 2017</p>	<p>Completion of Deliverable 3 as evidenced by submission of the following documentation:</p> <ul style="list-style-type: none"> Workshop agenda. Workshop sign-in sheet. Summary of input received. Draft Guide for Low Impact Development and water conservation. <p>Grantee shall submit copies of all required documentation on paper or electronically in MS Word or PDF format, and all maps on a compact disc in PDF format with ArcGIS compatible shapefiles.</p>	<p>\$4,000.00</p>	<p>As provided in paragraph 14 below.</p>
<p>Total Amount Not to Exceed: \$12,000</p>			

6. **COST SHIFTING:** The deliverable amounts specified within the Deliverables section above are established based on the Parties' estimation of sufficient delivery of services fulfilling grant purposes under the Agreement in order to designate payment points during the Agreement Period; however, this is not intended to restrict DEO's ability to approve and reimburse allowable costs, incurred by Grantee in providing the deliverables herein. Prior written approval from DEO's Agreement Manager is required for changes to the above Deliverable amounts that do not exceed **ten (10) percent** of each deliverable total funding amount. Changes that exceed **ten (10) percent** of each deliverable total funding amount will require a formal written amendment, as described in Section II.A., of the Agreement. Regardless, in no event shall DEO reimburse costs of more than the total amount of this Agreement.

7. INVOICE SUBMITTAL AND PAYMENT SCHEDULE:

DEO agrees to disburse funds under this Agreement in accordance with the following schedule in the amount(s) identified per deliverable in paragraph 5 above. The deliverable amount specified does not establish the value of the deliverable. In accordance with Section I.F.11, Funding Requirements of section 215.971, F.S., of this Agreement, Grantee's entitlement to retain funds paid by DEO is dependent upon the amount of allowable costs incurred and expended by Grantee in carrying out the Project.

Subject to the terms and conditions of this Agreement, invoices for each deliverable shall be submitted to DEO's Agreement Manager by U.S. Mail or by electronic mail either (a) with a deliverable, or (b) no later than seven (7) calendar days after written notice to Grantee that DEO has accepted the deliverable. Invoices are not required to be submitted through the Ariba Supplier Network described in Section I.G.2. of this Agreement. **Invoices shall be submitted in the format shown on Attachment 1-A hereto, an electronic copy of which shall be provided by DEO to the Grantee.**

Grantee shall provide one (1) invoice for each deliverable submitted during the applicable period of time. The invoice shall include, at a minimum, Grantee name and address, federal employer identification number, the Agreement number, invoice number, date of invoice, dates of services, deliverable number, description of task and amount being requested (See Attachment 1-A).

The following documents shall be submitted with the itemized invoice:

a. For Tasks Performed by a Subcontractor:

1. A cover letter signed by the Grantee's Agreement Manager certifying that the payments claimed for the deliverables were specifically for the project, as described in this Scope of Work;
2. Copies of invoices submitted to Grantee by the Subcontractor; and,
3. Proof of payment of invoices from the Subcontractor to Grantee for tasks performed pursuant to this Agreement (e.g., cancelled checks, bank statement showing deduction).

b. For Tasks Performed by Grantee's Employees:

1. A cover letter signed by the Grantee's Agreement Manager certifying that the payments claimed for the deliverables were specifically for the project, as described in this Scope of Work.
2. Identification of Grantee's employees who performed tasks under this Agreement and, for each such employee:
 - a. The percentage of the employee's time devoted to tasks under this Agreement or the number of total hours each employee devoted to tasks under this Agreement.
 - b. Payroll register or similar documentation that shows the employee's gross salary, fringe benefits, other deductions, and net pay.
 - c. If the employee is paid hourly, a document reflecting the hours worked times the rate of pay is acceptable.
3. Invoices or receipts for other direct costs.
4. Usage log for in-house charges (e.g., postage, copies, etc.) that shows the number of units times the rate charged. The rate must be reasonable.

8. **SUBCONTRACTS.** In accordance with Section I.N.1., and subject to the terms and conditions in Sections I.N.2. through 7 of this Agreement, this paragraph constitutes DEO's written approval for Grantee to subcontract for any of the deliverables and/or tasks identified in the Scope of Work for this Agreement. A copy of the executed subcontract shall be provided to DEO's Agreement Manager upon execution by the Parties. Grantee shall be solely liable for all work performed and all expenses incurred as a result of any such subcontract.
9. **BUSINESS DAY; COMPUTATION OF TIME.** For the purpose of this Agreement, a "business day" is any day that is not a Saturday, Sunday, or a state or federal legal holiday. In computing any time period provided in this Agreement, the date from which the time period runs is not counted. The last day of the time period ends at 5:00 p.m. on that day.
10. **PRELIMINARY DRAFT DELIVERABLES; DEO REVIEW AND COMMENT.** Unless otherwise required under paragraphs 3 or 5 above, Grantee is encouraged, but not required, to submit preliminary drafts of all substantive written deliverables (e.g., proposed plan amendments, reports) to DEO for review and comment no later than ten (10) calendar days before the deliverable due date. If DEO provides comments, Grantee is urged to address them in the deliverable submitted to DEO for payment. If submission of a preliminary draft deliverable is required under paragraphs 3 or 5 above, DEO shall provide comments to the Grantee no later than four calendar days before the deliverable due date. Grantee shall address DEO's comments in the deliverable submitted to DEO for payment.
11. **LIMITED COMPLIANCE REVIEW; DUPLICATION OF WRITTEN MATERIAL.** Proposed comprehensive plan amendments that are deliverables under the Scope of Work must be "in compliance" as defined in section 163.3184(1)(b), F.S., and will be evaluated for compliance as part of DEO's review and determination of whether the deliverable is sufficient to satisfy the requirements in the Scope of Work. DEO's compliance determination will be a limited determination without input from the reviewing agencies identified in section 163.3184(1)(c), F.S. A limited compliance determination for the purpose of this Agreement is not binding on DEO in a subsequent review under section 163.3184, F.S. Further, a limited compliance determination under this Agreement does not preclude review and comment by review agencies and does not preclude a challenge to the adopted plan amendment by DEO based on comments by DEO or other review agencies. Documents submitted to DEO for payment under this Agreement may not copy or duplicate reports or other written material previously prepared or prepared by another author. At the option of the Grantee, copies of relevant documents may be appended to documents submitted to DEO for payment.
12. **EXTENSIONS OF TIME OF DELIVERABLE DUE DATES.** Notwithstanding section II.A of this Agreement, DEO's Agreement Manager, in DEO's sole discretion, may authorize extensions of deliverable due dates without a written modification of this Agreement. Extensions shall be in accordance with the following:
 - a. Requests for extension of one (1) or more deliverable due dates shall be submitted in writing (which may be by electronic mail) to DEO's Agreement Manager no later than four (4) business days before the due date (or the earliest of multiple due dates for which the extension is requested);
 - b. A request for extension must state the reason for the extension; and

- c. DEO's Agreement Manager shall approve or deny a request for extension of a deliverable due date by electronic mail to Grantee's Agreement Manager within two (2) business days after receipt of the request. Only written approvals of extensions shall be effective.

This authority does not apply to an extension of the Agreement Period defined in Section I.C. of this Agreement.

13. REVIEW AND ACCEPTANCE OF DELIVERABLES. Deliverables shall be reviewed by DEO for sufficiency under this Agreement. Written notice of DEO's determination that the deliverable is sufficient or is not sufficient under this Agreement shall be provided to Grantee's Agreement Manager by U.S. Mail or electronic mail no later than fifteen (15) business days after receipt of the deliverable. For deliverables that DEO determines are insufficient, see paragraph 14.b. below.

14. FINANCIAL CONSEQUENCES. Pursuant to Section 1.E.8. of this Agreement, the following financial consequences shall be imposed for Grantee's failure to perform in accordance with this Agreement:

- a. **Late Deliverables:** If a deliverable as described in the above Scope of Work is provided to DEO more than fifteen (15) business days late, a financial consequence of \$50 shall be assessed. If the deliverable has not been received after twenty-five (25) business days, an additional \$100 shall be assessed. The financial consequence for a late deliverable is independent of, and does not preclude imposition of, a financial consequence if the deliverable is not sufficient to satisfy the requirements in the Scope of Work. A failure to complete the deliverable will result in nonpayment of the deliverable.
- b. **Insufficient Deliverable; Notice; Opportunity to Cure:** DEO shall provide notice to Grantee's Agreement Manager if DEO determines, in its sole discretion, that a deliverable is not sufficient to satisfy the requirements set forth in the Scope of Work. Grantee will have until the end of the Agreement period to correct deliverables which DEO has determined to be insufficient. Grantee will not receive reimbursement for any deliverable which DEO has determined to be insufficient and which has not been corrected to DEO's satisfaction by the end of the Agreement period. Failure to complete a deliverable will result in nonpayment for that deliverable.

15. NO PARTIAL OR PRO-RATED PAYMENTS. No partial or pro-rated payments will be made without prior written modification in accordance with Section II.A. of this Agreement.

16. ADVERTISING AND INFORMATION RELEASE. Notwithstanding Sections I.F.6. and I.F.10. of this Agreement, Grantee is authorized to disclose to the public on its website or by other means that it has been awarded a technical assistance grant from DEO for the work described in this Scope of Work.

17. NOTIFICATION OF INSTANCES OF FRAUD. Instances of Grantee operational fraud or criminal activities shall be reported to DEO's Agreement Manager in writing within twenty-four (24) chronological hours.

18. NON-DISCRIMINATION. Grantee shall not discriminate unlawfully against any individual employed in the performance of this Agreement because of race, religion, color, sex, physical handicap unrelated to such person's ability to engage in this work, national origin, ancestry, or age. Grantee shall provide

a harassment-free workplace, with any allegation of harassment to be given priority attention and action.

19. GRANTEE'S RESPONSIBILITIES UPON TERMINATION. If DEO issues a Notice of Termination to Grantee, except as otherwise specified by DEO in that notice, the Grantee shall:

- a. Stop work under this Agreement on the date and to the extent specified in the notice,
- b. Complete performance of such part of the work as shall not have been terminated by DEO,
- c. Take such action as may be necessary, or as DEO may specify, to protect and preserve any property which is in the possession of Grantee and in which DEO has or may acquire an interest, and
- d. Upon the effective date of termination of this Agreement, Grantee shall transfer, assign, and make available to the DEO all property and materials belonging to DEO. No extra compensation will be paid to Grantee for its services in connection with such transfer or assignment.

CONFLICTS BETWEEN SCOPE OF WORK AND REMAINDER OF AGREEMENT. In the event of a conflict between the provisions of this Scope of Work and other provisions of this Agreement, the provisions of this Scope of Work shall govern.

Attachment 1-A

INVOICE

INVOICE NO.: [Click here to enter text.](#)
 INVOICE DATE: [Click here to enter text.](#)

REMIT TO:
 GRANTEE NAME
 ADDRESS
 CITY, STATE, ZIP
 PHONE

FEID NO.	GRANT NO.	SERVICE PERIOD	
		FROM	TO

DELIVERABLE NO.	DESCRIPTION	AMOUNT
	Category Expenditures: Contractual Services	\$__
TOTAL		Click here to enter text.

Attachment 1-B

Rick Scott
GOVERNOR



Cissy Proctor
EXECUTIVE DIRECTOR

Grant Agreement Final Closeout Form

FLAIR Contract ID:	_____	Contract Amount	_____ \$0.00
Recipient Name:	_____	Deobligated Funds	_____ \$0.00
Vendor ID:	_____	Final Contract Amount	_____ \$0.00
Contract End Date:	_____		

Section A: Financial Reconciliation

1. Total Recipient Funds Received from DEO	_____	\$0.00
2. Total Recipient Expenditures	_____	\$0.00
3. Balance of Unexpended Program Income (from Section B)	_____	\$0.00
4. If negative, this amount must be refunded to the Department. If positive, this amount is to be remitted to the Recipient	_____	\$0.00

Section B: Statement of Recipient Income

There was no recipient income earned under this contract.
 The following recipient income was earned under this contract.

Description of Recipient Income			
Source	Amount	Expended	Balance
Total Program Income	\$0.00	\$0.00	\$0.00

Section C: Property Inventory Certification

No tangible property was purchased in the contract period.
 All non-expendable and non-consumable tangible property having a useful life of more than one year and acquired at a cost of \$1,000 or more per unit with grant funds are listed below. I do hereby certify that the property inventory described below is complete and correct. Notification will be sent immediately to the Department of Economic Opportunity if any changes occur to this inventory. I will not destroy, sell, or otherwise dispose of this property without written permission of the Department.

Description of Property Inventory					
Description and Serial Number	Quantity	Acquisitions		Condition	Location
		Cost	Date		

Section D: Recipient Certification

By signing below, I certify, that the above representations for Financial Reconciliation, Recipient Income, and Property Inventory are true and accurate.

Name: _____ Signature: _____

Title: _____ Date Signed: _____

Section E: DEO Internal Review and Approval

By signing below, I certify, that the above representations for Financial Reconciliation, Recipient Income and Property Inventory are true and accurate.

Name: _____ Signature: _____

Title: _____ Date Signed: _____

Date Updated: September 29, 2015

Attachment 2

AUDIT REQUIREMENTS

The administration of resources awarded by DEO to the recipient may be subject to audits and/or monitoring by DEO as described in this section.

MONITORING

In addition to reviews of audits conducted in accordance with OMB Circular A-133 and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by DEO staff, limited scope audits as defined by OMB Circular A-133, as revised, and/or other procedures. By entering into this agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by DEO. In the event DEO determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by DEO staff to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS**PART I: FEDERALLY FUNDED**

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in OMB Circular A-133, as revised.

1. In the event that the recipient expends \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) or more in Federal awards in its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. EXHIBIT 1 to this agreement indicates Federal resources awarded through DEO by this agreement. In determining the Federal awards expended in its fiscal year, the recipient shall consider all sources of Federal awards, including Federal resources received from DEO. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the recipient conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.
3. If the recipient expends less than \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the recipient expends less than \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from the recipient resources obtained from other than Federal entities).

4. Title 2 C.F.R. part 200, entitled *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, also known as the Super Circular, supersedes and consolidates the requirements of OMB Circulars A-21, A-87, A-110, A-122, A-89, A-102 and A-133 and is effective for Federal awards or increments of awards issued on or after December 26, 2014. Please refer to title 2 C.F.R. part 200 for revised definitions, reporting requirements and auditing thresholds referenced in this Attachment and Agreement accordingly.

PART II: STATE FUNDED

This part is applicable if the recipient is a non-state entity as defined by Section 215.97(2), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$500,000 in any fiscal year of such recipient (for fiscal years ending September 30, 2004 or thereafter), the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT 1 to this agreement indicates state financial assistance awarded through DEO by this agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from DEO, other state agencies, and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1, the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$500,000 in state financial assistance in its fiscal year (for fiscal years ending September 30, 2004 or thereafter), an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$500,000 in state financial assistance in its fiscal year and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the nonstate entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).
4. Additional information regarding the Florida Single Audit Act can be found at:

<http://www.myflorida.com/audgen/pages/flsaa.htm>

PART III: OTHER AUDIT REQUIREMENTS

N/A

PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with OMB Circular A-133, as revised, and required by Part I of this agreement shall be submitted, when required by Section .320 (d), OMB Circular A-133, as revised, by or on behalf of the recipient directly to each of the following:

A. DEO at each of the following addresses:

Electronic copies (preferred): Audit@deo.myflorida.com

or

Paper (hard copy):

Department Economic Opportunity
MSC # 130, Caldwell Building
107 East Madison Street
Tallahassee, FL 32399-4126

B. The Federal Audit Clearinghouse designated in OMB Circular A-133, as revised (the number of copies required by Sections .320 (d){1} and (2), OMB Circular A-133, as revised, should be submitted to the Federal Audit Clearinghouse), at the following address:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132

C. Other Federal agencies and pass-through entities in accordance with Sections .320 (e) and (f), OMB Circular A-133, as revised.

2. Pursuant to Section .320 (f), OMB Circular A-133, as revised, the recipient shall submit a copy of the reporting package described in Section .320 (c), OMB Circular A-133, as revised, and any management letter issued by the auditor, to DEO at each of the following addresses:

Electronic copies (preferred): Audit@deo.myflorida.com

or

Paper (hard copy):

Department Economic Opportunity
MSC # 130, Caldwell Building
107 East Madison Street
Tallahassee, FL 32399-4126

3. Copies of financial reporting packages required by PART II of this agreement shall be submitted by or on behalf of the recipient directly to each of the following:

A. DEO at each of the following addresses:

Electronic copies (preferred): Audit@deo.myflorida.com

or

Paper (hard copy):

Department Economic Opportunity
MSC # 130, Caldwell Building
107 East Madison Street
Tallahassee, FL 32399-4126

B. The Auditor General's Office at the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

Email Address: flaudgen_localgovt@aud.state.fl.us

4. Copies of reports or the management letter required by Part III of this agreement shall be submitted by or on behalf of the recipient directly to:

A. DEO at each of the following addresses:

N/A

5. Any reports, management letter, or other information required to be submitted to DEO pursuant to this agreement shall be submitted timely in accordance with OMB Circular A-133, Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

6. Recipients, when submitting financial reporting packages to DEO for audits done in accordance with OMB Circular A-133 or Chapters 10.550 (local governmental entities) or 10.650 (non-profit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the recipient in correspondence accompanying the reporting package.

PART V: RECORD RETENTION

1. The recipient shall retain sufficient records demonstrating its compliance with the terms of this agreement for a period of five (5) years from the date the audit report is issued, or five (5) state fiscal years after all reporting requirements are satisfied and final payments have been received, whichever period is longer, and shall allow DEO, or its designee, CFO, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to DEO, or its designee, CFO, or Auditor General upon request for a period of five (5) years from the date the audit report is issued, unless extended in writing by DEO. In addition, if any litigation, claim, negotiation, audit, or other action involving the records has been started prior to the expiration of the controlling period as identified above, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the controlling period as identified above, whichever is longer.

EXHIBIT 1 to Attachment 2

FEDERAL RESOURCES AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

N/A

COMPLIANCE REQUIREMENTS APPLICABLE TO THE FEDERAL RESOURCES AWARDED PURSUANT TO THIS AGREEMENT ARE AS FOLLOWS:

N/A

STATE RESOURCES AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

MATCHING RESOURCES FOR FEDERAL PROGRAMS:

N/A

SUBJECT TO SECTION 215.97, FLORIDA STATUTES:

State Project: **DEPARTMENT OF ECONOMIC OPPORTUNITY – CSFA 40.024 – GROWTH MANAGEMENT IMPLEMENTATION - \$ _____**

COMPLIANCE REQUIREMENTS APPLICABLE TO STATE RESOURCES AWARDED PURSUANT TO THIS AGREEMENT ARE AS FOLLOWS:

1. Activities are limited to those specified in Attachment 1, Scope of Work, of the Agreement.

NOTE: Title 2 C.F.R. § 200.331, as revised, and Section 215.97(5), Florida Statutes, require that the information about Federal Programs and State Projects included in Exhibit 1 be provided to the recipient.

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**ATTACHMENT 3
Audit Compliance Certification**

Grantee Name: _____

FEIN: _____ Grantee's Fiscal Year: _____

Contact Person Name and Phone Number: _____

Contact Person Email Address: _____

- 1. Did Grantee expend state financial assistance, during its fiscal year, that it received under any agreement (e.g., agreement, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between Grantee and the Department of Economic Opportunity (DEO)?
 Yes No

If the above answer is yes, also answer the following before proceeding to item 2:

Did Grantee expend \$500,000 or more of state financial assistance (from DEO and all other sources of state financial assistance combined) during its fiscal year? Yes No

If yes, Grantee certifies that it will timely comply with all applicable state single or project-specific audit requirements of section 215.97, Florida Statutes, and the applicable rules of the Department of Financial Services and the Auditor General.

- 2. Did Grantee expend federal awards, during its fiscal year that it received under any agreement (e.g., agreement, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between Grantee and DEO? Yes No

If the above answer is yes, also answer the following before proceeding to execution of this certification:

Did Grantee expend \$750,000 or more in federal awards (from DEO and all other sources of federal awards combined) during its fiscal year? Yes No

If yes, Grantee certifies that it will timely comply with all applicable single or program-specific audit requirements of 2 C.F.R. part 200, subpart F, as revised.

By signing below, I certify, on behalf of Grantee, that the above representations for items 1 and 2 are true and correct.

Signature of Authorized Representative

Date

Printed Name of Authorized Representative

Title of Authorized Representative



Polk City City Commission Agenda Form

Meeting Date: March 20, 2017

Item: 2

Subject:	
Public Hearing for FY 2017-2018 Community Development Block Grant Project	
Department: Administrative	
Summary: Polk City will be submitting a FY 2017-2018 CDBG Municipal Partner Program Proposal to the Polk County CDBG Program for Community Development Block Grant of up to \$8,550.	
The Public Hearing is to receive citizen views concerning the City's community development needs; citizens will also have a 30-day time period to submit their comments to the City Manager's Office.	
Requested Commission Action:	
Take comments from the public regarding the City's community development needs as it pertains to the Community Development Block Project.	
Financial Impact: \$8,550 (grant funding)	
Attachments: <input type="checkbox"/>	Supporting Documents Reviewed <input type="checkbox"/>
Submitting Department Head:	Date:
Patricia R. Jackson	3/14/2017
Approved by City Manager:	Date:
Patricia R. Jackson	3/14/2017
City Commission Action: <input type="checkbox"/> Approved as Recommended <input type="checkbox"/> Approved with Modifications <input type="checkbox"/> Tabled to Time Certain Date: _____ <input type="checkbox"/> Denied	

Florida's Crossroads of Opportunity

Housing and Neighborhood Development
PO Box 9005 • Drawer HS04
1290 Golfview Ave., Suite 167
Bartow, Florida 33831-9005



Board of County Commissioners

PHONE: 863-534-5240
FAX: 863-534-0349
www.polk-county.net

HEALTH AND HUMAN SERVICES DIVISION

February 28, 2017

Patricia Jackson, City Manager
City of Polk City
123 Broadway Blvd SE
Polk City, FL 33868

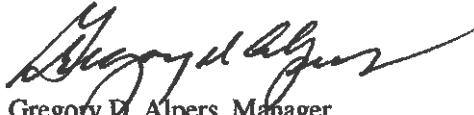
Re: FY 2017-2018 CDBG Allocation (Estimated)

Dear Ms. Jackson:

The due date for your FY 2017-2018 Municipal Partner Proposal application has been extended until Wednesday, April 12, 2017 by 12:00 noon.

The Housing and Neighborhood Development staff is available to answer questions and provide technical assistance from 8:00 a.m. to 5:00 p.m. Monday through Friday. You may schedule an appointment with Bridget Engleman, by calling (863) 534-5616.

Sincerely,



Gregory D. Alpers, Manager
Housing and Neighborhood Development

Florida's Crossroads of Opportunity

Housing and Neighborhood Development
PO Box 9005 • Drawer HS04
1290 Golfview Ave., Suite 167
Bartow, Florida 33831-9005



Board of County Commissioners

PHONE: 863-534-5240
FAX: 863-534-0349
www.polk-county.net

HEALTH AND HUMAN SERVICES DIVISION

February 15, 2017

Patricia Jackson, City Manager
City of Polk City
123 Broadway Blvd SE
Polk City, FL 33868

Re: FY 2017-2018 CDBG Allocation (Estimated)

Dear Ms. Jackson:

Enclosed please find the Community Development Block Grant (CDBG) Request for Municipal Partner Proposals application for FY 2017-2018. Please submit a schedule with your application that indicates the dates of your project's public hearing and any citizen input/participation as a result of the hearing. This information will satisfy citizen participation requirements for this year's CDBG project. Based on the accepted HUD-based formula for your community, your allocation was estimated using the FY 2016-2017 figures and will be updated and formalized when we receive the FY 2017-2018 allocation from HUD. For planning purposes please use the amount of **\$8,550.13**.

Each municipal partner is required by federal regulations to hold a public hearing concerning your proposed expenditure of CDBG funds. To allow sufficient time for your required public hearings, the due date for your proposals is 12:00 Noon on Wednesday, **March 15, 2016**.

The Housing and Neighborhood Development staff is available to answer questions and provide technical assistance from 8:00 a.m. to 5:00 p.m. Monday through Friday. You may schedule an appointment with Bridget Engleman, by calling (863) 534-5240.

Sincerely,

Gregory D. Aypers, Manager
Housing and Neighborhood Development

Request for Municipal Partner Proposals

FY 2017-2018 COMMUNITY DEVELOPMENT BLOCK GRANT

POLK COUNTY BOARD OF COUNTY COMMISSIONERS
Housing and Neighborhood Development



Florida's Crossroads of Opportunity

Proposals are due by 12:00 NOON on Wednesday, March 15, 2017
NO PROPOSALS WILL BE ACCEPTED AFTER THIS DEADLINE

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GENERAL INFORMATION

First, complete the cover sheet and assemble the required documentation. Next, develop the proposal using the following proposal guidelines. The two attachments must also be completed. To be considered for funding, four copies of these collated materials (one original and three (3) copies) must be mailed to:

Bridget Engleman, CDBG Program and Labor/Environmental Compliance Specialist
Housing and Neighborhood Development
Post Office Box 9005, Drawer HS04
Bartow, FL 33831-9005

**Proposal submission deadline is 12:00 NOON Wednesday, March 15, 2017.
NO PROPOSALS WILL BE ACCEPTED AFTER THIS TIME.**

Copies may also be delivered to the Housing and Neighborhood Development (HND) offices located at 1290 Golfview Avenue, Suite 167, Bartow. HND staff will answer questions and provide technical assistance during normal working hours either in person or by phone. Call 534-5240 to make appointments for technical assistance.

Municipalities are required to provide sufficient opportunity for public comment on proposed projects. Input may be gained through a lay advisory board, a public hearing, or a meeting when the project is approved by the City Council. Notice of public comment should be formally advertised. Documentation of public participation must accompany the proposal.

Municipalities are encouraged to review the Federal regulations regarding administration of the CDBG. Special attention should be given to Federal and County reporting and procurement policies. The Federal government stresses accountability and achievement of measurable outcomes to meet identified needs in use of its funds by grantees and subrecipients.

COVER SHEET

Project Name:

Name of City:

Project Location (Address if available):

Brief Project Description:

Contact Person:

Address (if different)

Phone:

Name of City Manager /Authorized Representative:

Signature of Authorized Representative:

Title:

Checklist of Required Documents

- _____ Financial Audit (most recent year-end)
- _____ Completed proposal narrative with attachments
- _____ List of City Commissioners/City Council members
- _____ Job descriptions of service delivery positions for which salaries and benefits are requested
- _____ Certificate of Insurance
- _____ Construction plans (if applicable)
- _____ Appraisal report(s) for proposals involving purchase or renovation of building(s)
- _____ Documentation of public participation
- _____ Map depicting project's service benefit area
- _____ Procurement Policy (current/most recent version)

PROPOSAL GUIDELINES

A. Project Description

1. *Give a detailed explanation of what the municipality proposes to do. The description needs to include specifications such as types, sizes and locations of buildings to be constructed or rehabilitated, materials used, how many feet of pipes, ditches, roadways or sidewalks are to be installed or improved, types of recreational equipment or fencing installed, and other information such as professional services to be procured, and whether contract or city labor is to be used. Please provide site location information which includes, but is not limited to property address, Parcel ID number, Year the structure was built (for building renovation projects), and photographs of the subject property.*

The response to this question is the most important part of the proposal and will be the basis for the Scope of Services in the contract. It will be incorporated into a project description verbatim. Accordingly, the description should include the following specifics (when applicable):

1. **Building-Size** (square footage), type (concrete block, metal frame), doors/windows/floors (type and size), renovation (number of rooms, restrooms), roofing (fiber glass/warranty, metal), accessibility ramps (length, width, landing stations).
2. **Street** - New or reconstruction, type material (base and surface), length and width, curbing/sidewalks/driveways.
3. **Sewer** -New or upgrade, type and size of sewer line, length, mains, pumps, stations, manholes, house lateral and connections.
4. **Water** – New or upgrade, type and size of water line, length, mains, house lateral and connections.
5. **Drainage** - Type (reinforced concrete pipe), length and size, number of inlets, retention areas, pump stations, horse power.
6. **Land** - Buy or lease, ownership, size (square footage), number of parcels.
7. **Playground** - Play set type (plastic - covered galvanized, wood), landing area type (sand, mulch, synthetic), number of play stations, activity courts, lighting, irrigation, number and size of bleachers, restroom and picnic shelters.
8. **Fencing** - Type of fencing material, length and height, number of gates, usage.
9. **Equipment** - Rental (backhoe, trenchers, dozers), pumps, handrails, exercise equipment and stations.

10. **Professional services** - Architectural, engineering, appraisal, survey.

11. **Labor** - Contract or city labor or combination of both.

Discussion of budgets and project implementation should not be addressed in this section.

2. *Explain how the activity is part of a larger neighborhood improvement strategy in the municipality.*

Polk County encourages Municipal Partners to use CDBG funds to improve the quality of life in locally designated neighborhood improvement areas that have a long-term improvement strategy in place. Municipalities are required to designate such areas and to combine local and federal resources to fund the related improvements.

3. *If there is a distinct service area, please submit a map outlining the service area to ensure that the area contains predominantly low and moderate income persons.*

The service area may be a neighborhood, a street, a fire district, or an entire municipality, depending upon the nature of the proposal. Proposals involving public facilities or infrastructure often have a defined service area and could be designated as an area benefit project. This would qualify for funds even though many of its residents are not considered to be low/moderate income. However, in order for a project to be considered an "area-benefit project" under CDBG regulations, a majority (51% or greater) of the persons residing in the service area must receive low or moderate incomes. Submit a map outlining the project's service area to ensure it is a predominantly low and moderate income area.

A proposed project's service area may include a pocket of poverty within a block group that is not predominantly of low/moderate income. In this case, Housing and Neighborhood Development staff can assist in determining eligible service areas.

4. *Does your activity include the acquisition, rehabilitation, construction or reconstruction of land or building(s)? Yes _____ No _____*

Question 4 only applies if your proposed activity involves purchase of land and/or construction or renovation of buildings. **If not, skip to Section B.**

a. *What is the current condition of the land/building?*

This question asks for a narrative description of the current condition of the property. The intent is for the reviewers to: 1) be aware of any land use constraints that may limit use of the property; 2) be aware of any unusual environmental conditions on the property such as the presence of wetlands or hazardous materials storage; and 3) be able to document to U.S. HUD that slum and blighted conditions exist if the project is to be eligible for funding under the CDBG National Objective of

slum and blight removal. Acceptable documentation for the latter situation consists of a report by a qualified inspector detailing the condition of the building and listing what needs to be done to renovate the structure.

b. Does the municipality own the site or building? Yes___ No___

Federal funds cannot be used for improvements to private property not owned by the subrecipient. Therefore, applicants must own all properties for which improvement funds are being requested. (This does not apply if funds are being requested for acquisition; however, funds cannot be spent for improvements until the acquisition is complete.)

*c. Does the activity involve construction or rehabilitation of a building(s)?
Yes___ No___*

If the activity involves construction or rehabilitation of a building(s), provide construction plans. This information is needed to ensure that the project and proposed time frames are feasible, and that the construction budget is realistic.

*d. For activities involving acquisition, has an appraisal been made?
Yes___ No___*

If yes, attach the appraisal report.

Fair market values must be paid for property acquired utilizing Federal funds. Fair market value is determined and documented through an appraisal, and confirmed with a review appraisal.

e. How many parcels are to be purchased?

Information provided should clarify which parcels are being acquired.

B. Implementation Schedule

- 1. What is the proposed time frame for implementation and completion? Use the attached Implementation Schedule to delineate time frames for completion of all major tasks.*

An implementation schedule is crucial to planning for the budget and proposed funding sources. The implementation schedule is the work program for completion of the project. Development of the schedule is a three-step process:

Step 1: Divide program objectives stated in the Project Description into subtasks. The project goal is considered to be a "destination on a map". The objectives are a verbal description of the journey to reach that destination. The subtasks are the "roads" one would actually take to get there.

For example, a municipality is proposing to develop a park in a targeted neighborhood. The goal (the destination) is to revitalize or stabilize the neighborhood. The objective is to expand recreational opportunities (the description of the journey). The work program (subtasks) is what is needed to do to develop the park - acquire the land, prepare a site plan, develop construction plans and specifications, advertise and receive bids for construction and equipment, and construct the facility.

Step 2: Next, attach a time frame to each of the subtasks identified in Step 1. Establish a sequence for the subtasks -- subtask 1 is followed by subtask 2, and so on. (Remember, that some subtasks can proceed concurrently.) Next one must decide how much time is needed to complete each task. This is largely done through prior experience and combining lag times (e.g., time between ordering and delivery of equipment and site furniture). Plot the subtasks against expected timelines next. Step 3 tells how to do this.

Step 3: The attached Implementation Schedule diagramming the project's sequence of tasks will be incorporated into the contract. To complete the form, first list each of the subtasks in the left hand column. These subtasks were developed in Step 1 above in the sequence that they will be completed. The next twelve columns represent monthly increments in your contract period. Number the months. (For example, if the contract will extend for 12 months, number the columns A1" to A12".) Next, go across each subtask's row and make a mark each month when the subtask will be going on. For example, if the first task is to acquire land, write "Land acquisition" in the left hand column. If it will take a month between signing the purchase agreement and the closing, mark the column labeled "1" after this first entry. Now repeat this procedure for all of subtasks. What emerges is a complete picture of how the proposal will be implemented and how the subtasks relate to each other. It can then be seen if completion of one task conflicts with another; if one has planned too much for a given month; and how the tasks overlap. Necessary revisions and refinements are easily made to both. Additional copies of this schedule may be needed to describe all the proposed activities.

- 2. List the milestones the municipality intends to use to ensure that the project will be implemented in a timely manner.*

The Federal government stresses accountability by measuring progress toward stated milestones. Accountability is the basis for the monitoring activities to which all grantees and subrecipients are subject. Consequently, the project must have built-in milestones.

A milestone states up front that by a certain date, a certain task will be ongoing or completed. In the example given above, the milestone at the end of the first month of the contract period is the transfer of title on the land. Applicants must define the

milestones of the project's implementation schedule and how its progress will be reported. **If a municipality is awarded funds, it will submit monthly reports documenting milestone completions to the Polk County Housing and Neighborhood Development Office.** Failure to do so will delay reimbursements and may lead to termination of the contract. The monthly report is in a standardized format and will be an attachment to your contract.

3. *What provisions have been made to ensure that the project will be ready to start when funding becomes available?*

To circumvent start-up time delays, identify all tasks that may have unforeseen activities and constraints.

4. *Describe in detail the steps that will be taken to ensure the continued maintenance and operation of the proposed activity?*

In preparing the proposal, consider how the continued maintenance and operation of the activity will be financed. CDBG funds are intended for startup or seed money, not to subsidize an activity indefinitely. There is no guarantee that Federal funding will be maintained at existing levels in future years. **Thus, describe how provisions for future alternative funding sources have been established.**

C. Project Budget

1. *Provide a line item budget using the attached Budget Summary.*

All proposals must contain line item budgets. Should the proposal be funded, this budget will become part of the Agreement authorizing the expenditures. Be concise when completing this Summary, as it is crucial to the proposal. It will assist evaluators in discerning the project's specific purpose and to examine its feasibility and cost-effectiveness. The budget also assists the municipality in planning details of the project.

The attached Budget Summary must be used. The first column labeled "Category" separates line items into related groups. The categories listed are typical expense groupings such as labor costs, materials and supplies, etc. **Note that salaries and benefits can be paid for project related activities only.** The second "Line Item" column is for specific line items in each category. The next two columns are for the amounts for each line item listed under the appropriate funding source. The last column is for totaling the amounts of each line item. There is an additional row for totaling CDBG and other funding sources amounts at the bottom of the chart.

2. *Will municipal resources be used to complete the project? Explain how this will be accomplished.*

Local resources should be used in combination with Federal funds to complete the project to ensure community reinvestment. In many cases, municipalities will contribute labor to construct public facilities or infrastructure. In answering this question, state the

value of the match, as well as how the match will be accomplished. Specify this amount and all in-kind amounts such as volunteer services, donations, and city general funds, in the Budget Summary.

D. Outcome Measures

HUD, along with other public and private agencies, developed an Outcome Performance Measurement System for use by CDBG, ESG, HOME, and HOPWA grantees. The system includes objectives, outcome measures, and indicators that describe outputs.

The objectives include:

- **Suitable Living Environment** - In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.
- **Decent Housing** - The activities that typically would be found under this objective are designed to cover the wide range of housing possible under HOME, CDBG, HOPWA or ESG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.
- **Creating Economic Opportunities** - This objective applies to the types of activities related to economic development, commercial revitalization, or job creation.

The outcome categories include:

- **Availability/Accessibility.** This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people where they live.
- **Affordability.** This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.
- **Sustainability: Promoting Livable or Viable Communities.** This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

The following questions should be addressed in this section of the proposal:

1. *Which objective fits the proposed project? (Select one)*

- Creating Suitable Living Environments
- Providing Decent Affordable Housing
- Creating Economic Opportunities

2. *Which outcome measure describes the proposed project?(Select one)*

- Accessibility/Availability
- Affordability
- Sustainability

3. *List the output indicators that relate to the type of project being proposed.*

Attached to this document is a standardized list of output indicators that grantees will report on as appropriate for their chosen objectives and outcomes.

IMPLEMENTATION SCHEDULE
Attachment 1

Implementation Task	Contract Month											

BUDGET SUMMARY
Attachment 2

Category	Line Item	CDBG Funds	Match/Other Funding Sources	Total
Salaries & benefits (service delivery or labor costs only)				
Supplies & Materials				
Consultants & professional services				
Land acquisition				
Other expenses				
Totals				

Project Site Location Information Form

Property Address:

Parcel ID Number: (You may provide a copy of the property appraiser's information for documentation)

Boundaries of the project area if proposed project covers large area: (Names of the streets to north, south, east, and west of the subject property)

Property Owner:

Year Structure Built: (if project is a renovation of an existing building):

Please provide the following to assist staff in their review of your proposed project:

Location Map

Photos of Site

Census Tract:

SPECIFIC OUTCOME INDICATORS
Attachment 3

Please select the outcome measure that supports your proposal from the examples listed below.

1) Public facility or infrastructure activities

Number of persons assisted:

- with new access to a facility or infrastructure benefit
- with improved access to a facility or infrastructure benefit
- where activity was used to meet a quality standard or measurably improved quality, report the number that no longer only have access to a substandard facility or infrastructure

2) Public service activities

Number of persons assisted:

- with new access to a service
- with improved access to a service
- where activity was used to meet a quality standard or measurably improved quality, report the number that no longer only have access to substandard service

3) Activities are part of a geographically targeted revitalization effort (Y/N)?

If Yes (circle one)

- a) Comprehensive
- b) Commercial
- c) Housing
- d) Other

Choose all the indicators that apply, or at least 3 indicators if the effort is (a) Comprehensive.

- Number of new businesses assisted
- Number of businesses retained
- Number of jobs created or retained in target area
- Amount of money leveraged (from other public or private sources)
- Number of low- or moderate-income (LMI) persons served
- Slum/blight demolition
- Number of LMI households assisted
- Number of acres of remediated brownfields
- Number of households with new or improved access to public facilities/services
- Number of commercial façade treatment/business building rehab
- Optional indicators a grantee may elect to use include crime rates, property value change, housing code violations, business occupancy rates, employment rates, homeownership rates (optional)

4) Number of commercial façade treatment/business building rehab (site, not target area based)

5) Number of acres of brownfields remediated (site, not target area based)

6) New rental units constructed per project or activity

Total number of units:

Of total:

Number affordable
Number section 504 accessible
Number qualified as Energy Star

Of the affordable units:

Number occupied by elderly
Number subsidized with project-based rental assistance (federal, state, or local program)
Number of years of affordability
Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations

Of those, number of units for the chronically homeless

Number of units of permanent housing designated for homeless persons and families, including those units receiving assistance for operations

Of those, number of units for the chronically homeless

7) Rental units rehabilitated

Total number of units:

Of total:

Number affordable
Number section 504 accessible
Number of units created through conversion of nonresidential buildings to residential buildings
Number brought from substandard to standard condition (HQS or local code)
Number qualified as Energy Star
Number brought into compliance with lead safe housing rule (24 CFR part 35)

Of those affordable:

Number occupied by elderly
Number subsidized with project-based rental assistance (federal, state or local program)
Number of years of affordability
Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations

Of those, the number of units for the chronically homeless

Number of units of permanent housing for homeless persons and families, including those units receiving assistance for operations

Of those, number of units for the chronically homeless

8) Homeownership Units Constructed, Acquired, and/or Acquired with Rehabilitation (per project or activity)

Total number of units

Of those:

- Number of affordable units
- Number of years of affordability
- Number qualified as Energy Star
- Number section 504 accessible
- Number of households previously living in subsidized housing

Of those affordable:

- Number occupied by elderly
- Number specifically designated for persons with HIV/AIDS
 - Of those, the number specifically for chronically homeless
- Number specifically designated for homeless
 - Of those, number specifically for chronically homeless

9) Owner occupied units rehabilitated or improved

Total number of units:

- Number occupied by elderly
- Number of units brought from substandard to standard condition (HQS or local code)

- Number qualified as Energy Star
- Number of units brought into compliance with lead safe housing rule (24 CFR part 35)
- Number of units made accessible for persons with disabilities

10) Direct Financial Assistance to homebuyers

- Number of first-time homebuyers
 - Of those, number receiving housing counseling

- Number receiving down-payment assistance/closing costs

11) Tenant-Based Rental Assistance

Total Number of Households

Of those:

- Number with short-term rental assistance (less than 12 months)
- Number of homeless households

Of those, number of chronically homeless households

12) Number of homeless persons given overnight shelter

13) Number of beds created in overnight shelter or other emergency housing

14) Homelessness Prevention

- Number of households that received emergency financial assistance to prevent homelessness
- Number of households that received emergency legal assistance to prevent homelessness

15) Jobs created

Total number of jobs

Employer-sponsored health care (Y/N)

Type of jobs created (use existing Economic Development Administration (EDA) classification)

Employment status before taking job created:

Number of unemployed _____

16) Jobs retained

Total number of jobs

Employer-sponsored health care benefits

17) Businesses assisted

Total businesses assisted

New businesses assisted

Existing businesses assisted

Of those:

Business expansions

Business relocations

DUNS number(s) of businesses assisted

(HUD will use the DUNS numbers to track number of new businesses that remain operational for 3 years after assistance)

18) Does assisted business provide a good or service to meet needs of service area/neighborhood/community (to be determined by community)?

CDBG Regulations 24CFR 570

http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title24/24cfr570_main_02.tpl



City of Polk City City Commission Agenda Form

Meeting Date: March 20, 2017
Item Number: 3

Subject:	
Presentation of the Financial Statements for the year ending September 30, 2016 by Brynjulfson Certified Public Accountants PA	
Department:	
Finance	
Summary:	
Mike Brynjulfson will present the Financial Statements for the year ending September 30, 2016. Each Commissioner has received a copy of the Audit booklet.	
Requested Commission Action:	
Approve the FY 2016 Audit as presented by Brynjulfson CPA, PA	
Financial Impact:	
Attachments: X	Supporting Documents Reviewed X
Submitting Department Head:	Date:
Patricia R. Jackson, City Manager	03/14/2017
Approved by City Manager:	Date:
City Commission Action: <input type="checkbox"/> Approved as Recommended <input type="checkbox"/> Approved with Modifications <input type="checkbox"/> Tabled to Time Certain Date: _____ <input type="checkbox"/> Denied	

Polk City, Florida

Report to the Mayor and City Commission
required by AICPA auditing standards section

AU-C Section 260 – *The Auditor's Communication with Those Charged with Governance*

March 7, 2017

Honorable Mayor and Members of the City Commission
Polk City, Florida

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of Polk City, Florida (the "City") as of and for the year ended September 30, 2016, and have issued our report thereon dated March 7, 2017. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated June 1, 2016. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used the City are described in note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2016.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues, historical loss levels and an analysis of the collectability of individual accounts.
- Depreciation is recognized using the straight-line method over the estimated useful lives of the capital assets.
- The unbilled utility revenue calculation is based on the number of days from the last meter read date in the year through year-end divided by thirty and then multiplied by the subsequent month billing.

We evaluated the key factors and assumptions used to develop the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 7, 2017.

Management Consultations with Other Independent Accountants

Management has consulted with George Cotellis, CPA with regards to the preparation of the financial statements for the year ended September 30, 2016. Management reviews all items prepared by George Cotellis, CPA prior to the items being provided to Brynjulfson CPA, P.A. for use as audit evidence for the audit of the September 30, 2016 financial statements. We are aware that management may consult with George Cotellis, CPA on general accounting matters throughout the year, which can have a direct and material impact on the financial statements.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other Information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Use of audit report and audited financial statements in other documents

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

This information is intended solely for the use of the City Commission and management of Polk City, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
March 7, 2017

Polk City



Financial Statements & Auditor's Reports For the year ended September 30, 2016

Prepared by:



Summary of Audit Results

Report on the Financial Statements (page 1-2)

- Unmodified (“Clean”) Audit Opinion
- No Material Errors

Report on Internal Control & Compliance (pages 39-40)

- No material weaknesses in internal control identified.
- No instances of noncompliance reported

Management Letter (pages 42-43)

- No findings reported

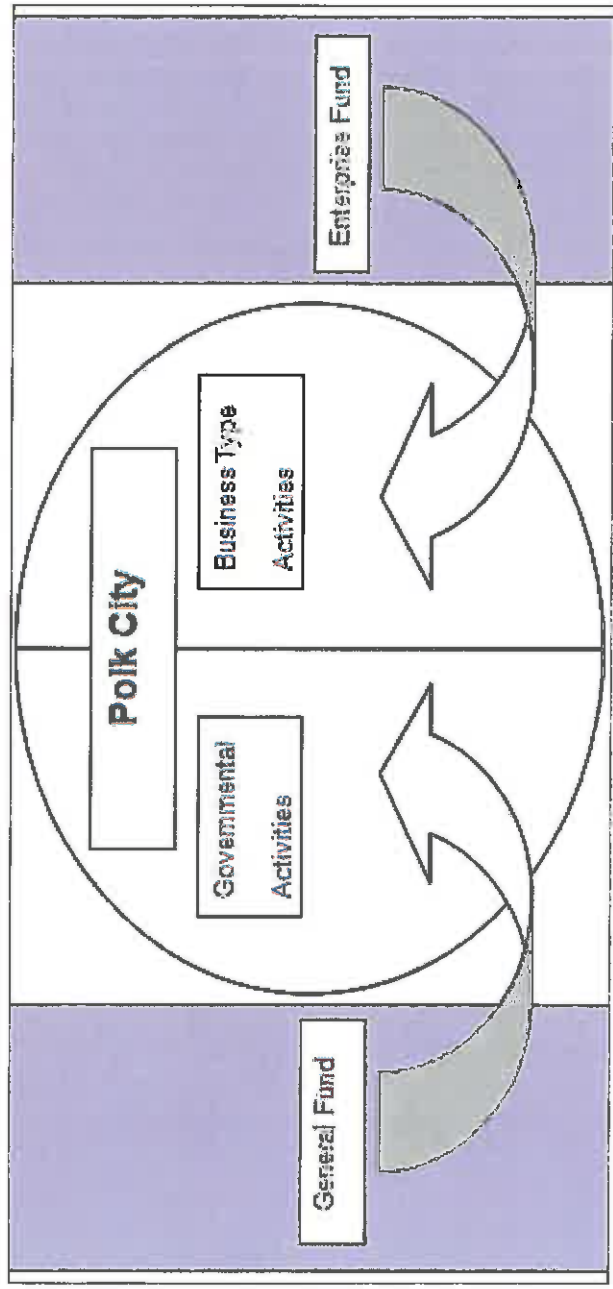
Compliance Report with Section 218.415, Florida Statutes (page 41)

- No instances of noncompliance with Section 218.415, Florida Statutes – Local Government Investment Policies.

Letter to the Members of the City Commission (separate letter)

- No disagreements with management.
- No difficulties encountered while performing our audit.

Fund Level Financial Statements



Polk City, Florida
General Fund – Balance Sheet
As of September 30, 2016

	2015	2016	Change
1 ASSETS			
2 Cash and cash equivalents	\$ 731,413	\$ 1,149,405	\$ 417,992 57%
3 Receivables, net	111,849	103,232	(8,617) -8%
4 Restricted cash	140,077	368,972	228,895 163%
5 Other	118,563	13,497	(105,066) -89%
6 TOTAL ASSETS	\$ 1,101,902	\$ 1,635,106	533,204 48%
7 LIABILITIES AND FUND BALANCE			
8 Accounts payable and accrued expenses	\$ 66,096	\$ 123,973	57,877 88%
9 TOTAL LIABILITIES	66,096	123,973	57,877 88%
10 FUND BALANCE:			
11 Nonspendable and restricted	140,076	378,972	238,896 171%
12 Unassigned	895,730	1,132,161	236,431 26%
13 TOTAL FUND BALANCE	1,035,806	1,511,133	475,327 46%
14 TOTAL LIABILITIES AND FUND BALANCE	\$ 1,101,902	\$ 1,635,106	
15 Total General Fund Expenditures	\$ 1,577,254	\$ 1,429,171	
16 Unassigned fund balance as a % of annual expenditures	57%	79%	
17 Total months of expenditures in unassigned fund balance	6.81	9.51	

2016 data from page 5 of Polk City's Audited Financial Statements for the year ended September 30, 2016

Unassigned and Assigned Fund Balance as a % of Total Expenditures

GOVERNMENTAL UNASSIGNED+ASSIGNED FUND BALANCE TO TOTAL EXPENDITURES

Warning Trend:

Decreasing Unassigned + Assigned Fund Balance as a Percent of Total Expenditures

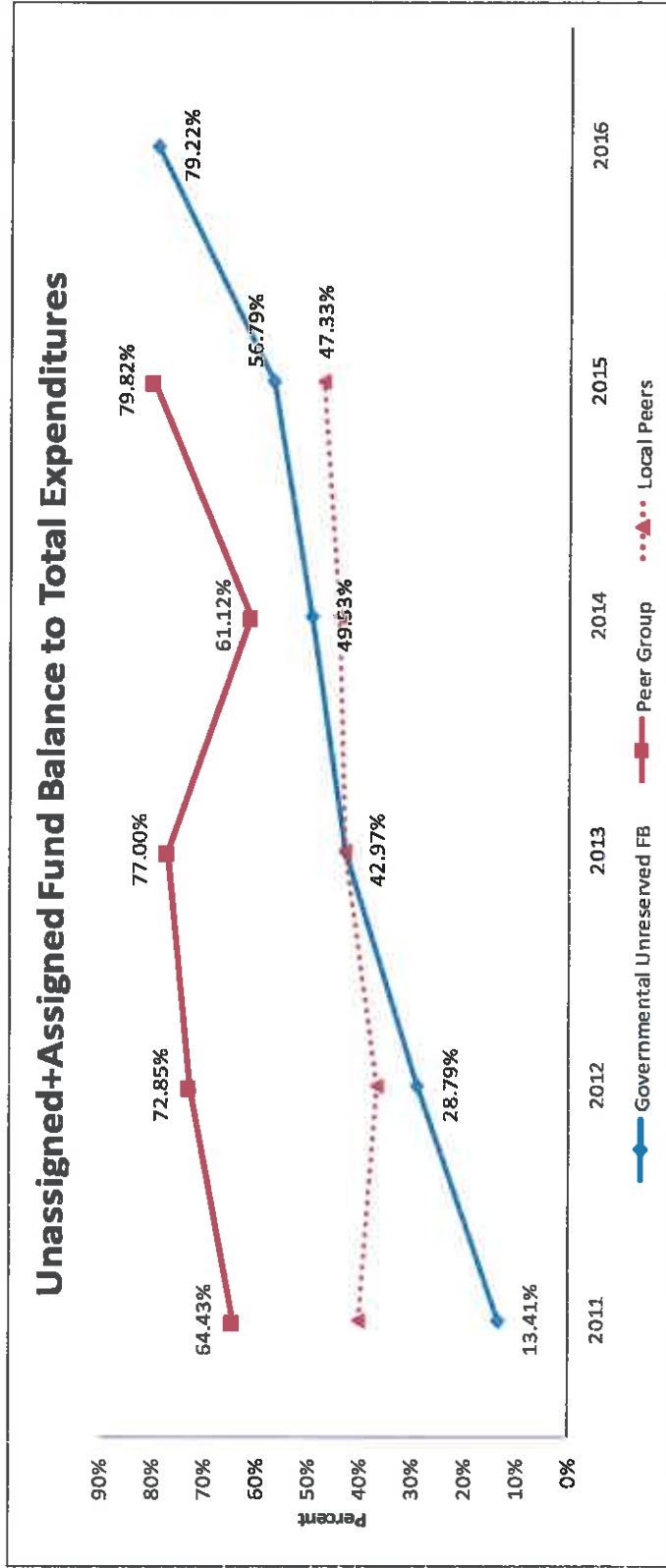
Formulation:

Governmental Unassigned+Assigned Fund Balance

Total Expenditures

Description:

Unreserved equity reflect changes in reserves expendable for future periods. Increasing unreserved equity can indicate that the entity is saving prior period surpluses for future expenditures. In addition, if decreases are occurring which cannot be explained, spending or the use of unreserved surpluses may indicate declining productivity - spending more to deliver the same level of service.



Peer Group:
Unassigned+Assigned FB to Expenditures
79.82%

Current Year Actual:
Unassigned+Assigned FB to Expenditures
79.22%

Local Peer Group:
47.33%

Polk City, Florida
General Fund – Revenues and Expenditures
Years ended September 30, 2015 and 2016

	2015	2016	change
REVENUES:			
1 Taxes	\$1,006,744	\$1,029,644	22,900
2 Licenses and Permits	79,299	174,154	94,855
3 Intergovernmental Revenue	202,787	214,700	11,913
4 Charges for Service	273,526	283,388	9,862
5 Fines and Forfeitures	1,183	901	(282)
6 Impact Fees	-	181,357	181,357
7 Other	13,173	20,354	7,181
8			
9 Total Revenues	1,576,712	1,904,498	327,786
EXPENDITURES:			
10 General Government	452,872	438,215	(14,657)
11 Public Safety	227,672	256,779	29,107
12 Physical Environment	257,834	299,999	42,165
13 Transportation	174,555	176,449	1,894
14 Culture and Recreation	125,840	125,073	(767)
15 Capital Outlay	236,392	30,567	(205,825)
16 Debt Service	102,089	102,089	-
17 Total Expenditures	1,577,254	1,429,171	(148,083)
18 REVENUES MINUS EXPENSES	(542)	475,327	(475,869)
19 Interfund Transfer	20,000	-	(20,000)
20 Net change in Fund Balance	19,458	475,327	455,869

2016 data from page 7 of Polk City's Audited Financial Statements for the year ended September 30, 2016.

General Fund Excess/(Deficiency) of Revenues over Expenditures as % of Revenue

EXCESS OF REVENUES OVER EXPENDITURES - GOVERNMENTAL FUNDS

Warning Trend:

Increasing Amount of General Fund Operating Deficits as a Percent of Total Revenue

Formulation:

Excess of Revenues Over (Under) Expenditures

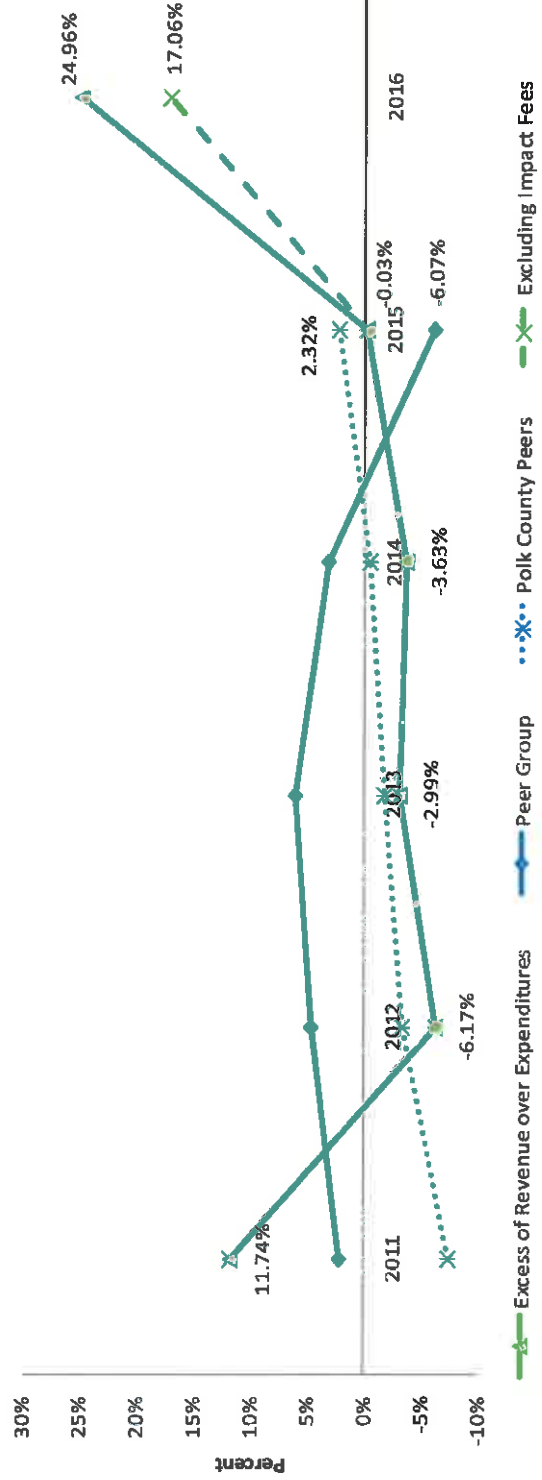
Total Revenue

Description:

An operating deficit will occur as operating expenditures exceed operating revenues. However, this does not necessarily mean the budget will be out of balance. Reserves (fund balances) and transfers are sometimes used to cover the differences. Continuing use of reserves and the unjustifiable transfer of funds to balance the deficit may indicate a revenue/expenditure problem.

The existence of an operating deficit in one year is not cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures, and that serious problems may lie ahead.

Excess of Revenues Over Expenditures - Governmental Funds



Peer Group:
 Excess of Revs over Expenditures -6.07%
 Local Peer Group 2.32%

Current Year Actual:
 Excess of Revs over Expenditures 24.96%

Polk City
Enterprise Fund – Statement of Net Position
As of September 30, 2016

	2015	2016	Change	
1	ASSETS & DEF OUTFLOWS			
2	\$ 942,747	\$ 1,073,204	\$ 130,457	14%
3	173,960	151,933	(22,027)	-13%
4	1,738,171	1,991,580	253,409	15%
5	12,161,226	11,886,452	(274,774)	-2%
7	17,792	34,007	16,215	91%
8	\$ 15,033,896	\$ 15,137,176	\$ 103,280	1%
	TOTAL ASSETS & DEF INFLOWS			
	LIABILITIES			
9	\$ 187,291	\$ 16,779	\$ (170,512)	-91%
10	74,224	72,920	(1,304)	-2%
11	212,645	234,376	21,731	10%
12	307,195	114,625	(192,570)	-63%
13	29,018	52,236	23,218	80%
14	11,997,417	11,662,589	(334,828)	-3%
15	9,998	9,555	(443)	-5%
16	12,817,788	12,163,080	(654,265)	-5%
	NET POSITION			
17	163,809	223,863	60,054	37%
18	1,091,208	1,515,352	424,144	39%
19	961,091	1,234,881	273,790	28%
20	2,216,108	2,974,096	757,988	34%
21	\$ 15,033,896	\$ 15,137,176	\$ 103,280	
	TOTAL LIABILITIES AND NET POSITION			
	Total operating revenue			
	\$ 2,005,736	\$ 2,095,911		
	Unrestricted Net Assets as a % of Operating Revenue			
	48%	59%		
	Total months of operating revenue in unrestricted net assets			
	5.75	7.07		

The 2016 data is from page 9 of the Polk City Audited Financial Statements for the year ended September 30, 2016

Unrestricted Net Position as % of Revenue

FUND BALANCES / NET POSITION

Warning Trend:

Decreasing Assigned+Unassigned Fund Balance / Net Position as a Percent of Total Revenue/Operating Revenue

Formulation:

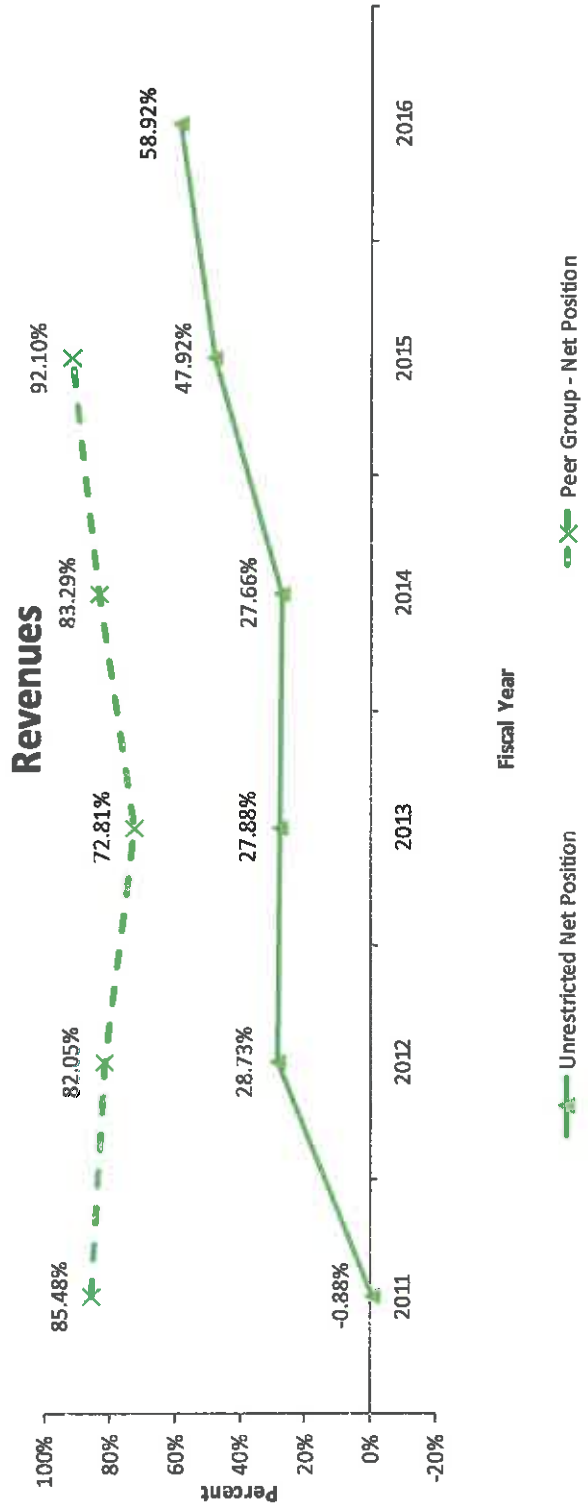
Assigned+Unassigned Fund Balance or Net Position

Total Revenue / Operating Revenue

Description:

Most communities maintain some type of reserves in order to meet unforeseen contingencies. There exist no set rules for determining at what levels these reserves should be maintained. Much depends on such factors as the kind of natural disasters or hardships the City is subject to, the flexibility of the City's revenue base, national economic conditions, and the City's overall financial health.

Assigned+Unassigned Fund Balance or Net Position as a Percent of Revenues



Peer Group:

Unrestricted Net Position

92.10%

Current Year Actual:

Unrestricted Net Position

58.92%

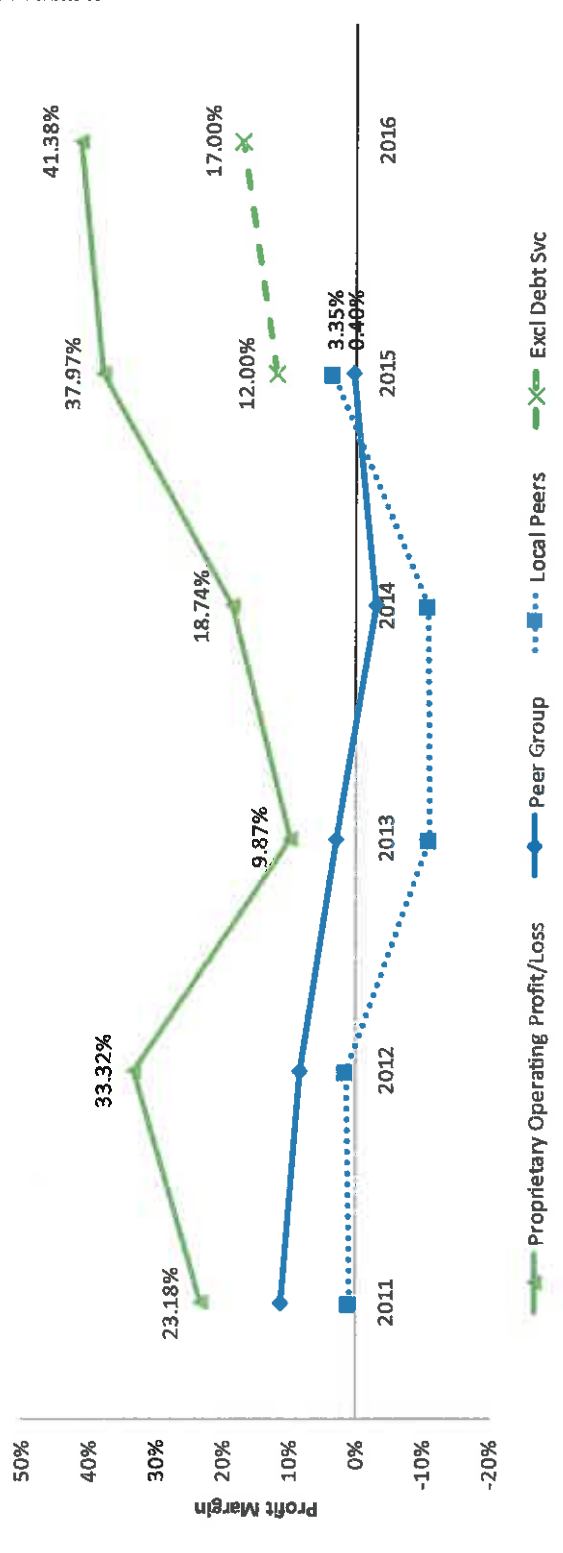
Polk City, FL

**Enterprise Fund – Revenues and Expenses
Years ended September 30, 2015 and 2016**

	2015	2016	Change	
1 Operating Revenue	\$ 2,005,736	\$ 2,095,911	90,175	4%
2 Operating Expenses	1,244,144	1,228,689	(15,455)	-1%
3 Operating Income	\$ 761,592	\$ 867,222	105,630	14%
4 Operating Profit Margin	37.97%	41.38%		

2016 data from page 10 of Polk City's Audited Financial Statements for the year ended September 30, 2016

Proprietary Operating Profit / Loss



Polk County Peer Group consists of the Cities of Lake Hamilton, Eagle Lake and Davenport

Unrestricted Cash - Constant Dollar Basis

UNRESTRICTED CASH & INVESTMENTS

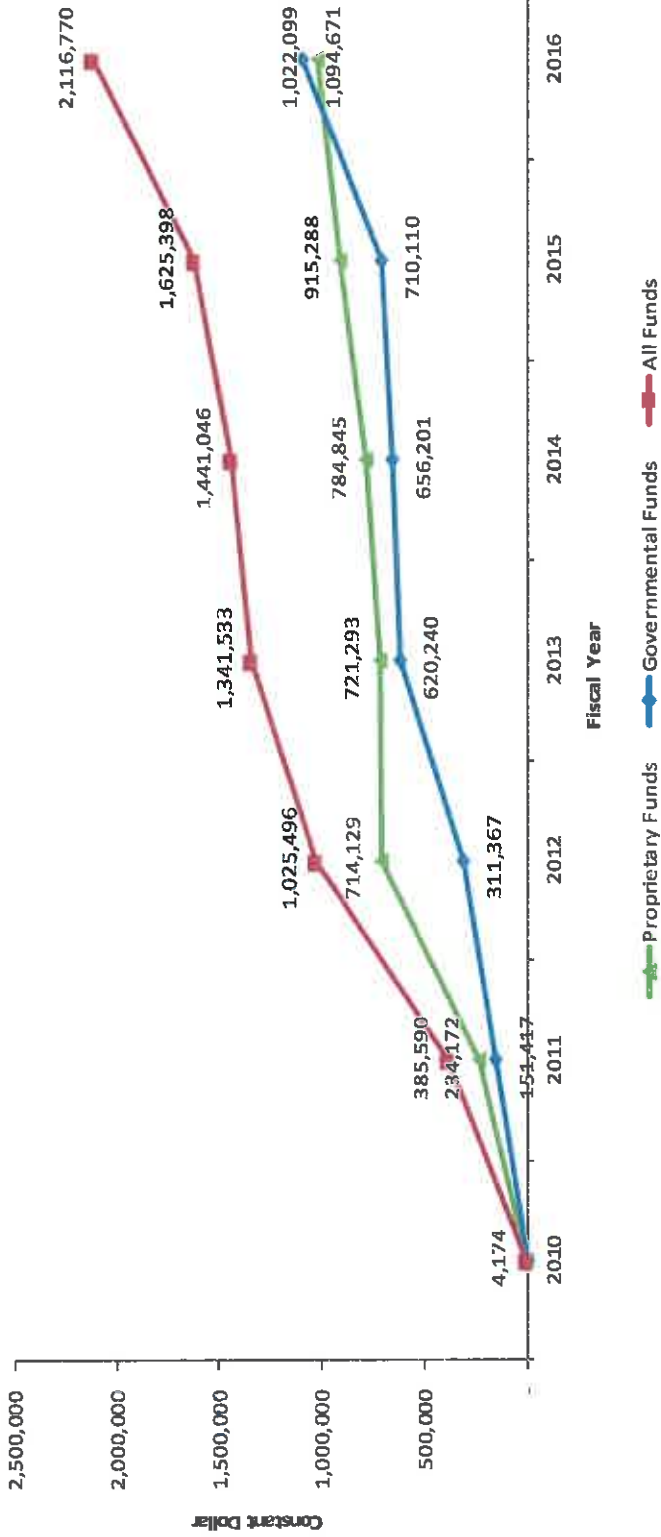
Warning Trend:
Decreasing Unrestricted Cash & Investments

Formulation:
Unrestricted Cash & Investments (constant dollar)

Description:

Unrestricted cash & investments is the amount of highly liquid funds that can be used for any purpose of the City. A decreasing trend in these highly liquid funds can indicate the inability of the City to meet operating needs and a deteriorating financial condition. A positive factor of increasing unrestricted cash & investments indicates the ability of the City to meet current needs and reserve funds for future purposes.

Unrestricted Cash & Investments



Peer Group:
Unrestricted - Governmental NA
Unrestricted - Proprietary NA

Current Year Actual:
Unrestricted - Governmental 1,094,671
Unrestricted - Proprietary 1,022,099

Polk City, Florida



Questions or Comments?



POLK CITY, FLORIDA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2016

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FINANCIAL SECTION

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

As management of Polk City, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2016. We encourage readers to consider the information presented here in conjunction with the City's financial statements beginning on page 3.

Financial Highlights

- The assets and deferred outflows of resources exceed the liabilities and deferred inflows of resources by \$5,885,037 as of September 30, 2016.
- For the year ended September 30, 2016, the governmental activities increase the net position of the City by \$388,050 and the business-type activities increased the net position of the City by \$757,988 for an overall increase in net position of \$1,146,038.
- The City's unrestricted cash and cash equivalents totaled \$2,222,609, an increase of \$548,449 over the prior year.
- As of the close of the current fiscal year, the City's general fund (governmental fund level) reported ending fund balance of \$1,511,133, an increase of \$475,327 in comparison with the prior year. As of September 30, 2016, the City's unassigned and assigned fund balance totaled \$1,132,161 and is available for spending at the government's discretion.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements; fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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 the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the residual amount reported as net position. The focus of the *Statement of Net Position* (the "unrestricted net position") is designed to be similar to bottom line results for the City and its governmental and business-type activities.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year, focusing on both the gross and net cost of various activities, both governmental and business-type, that are supported by the government's general tax and other revenues.

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and 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, library, law enforcement, building and zoning, parks and recreation, and stormwater utility. The business-type activities include water and sewer.

Fund Financial Statements

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statement. 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. The basic Governmental Funds financial statements can be found on pages 5 - 8.

The City maintains one governmental fund – the General Fund. Information is presented separately for each fund in the governmental fund Balance Sheet and the governmental fund Statement of Revenue, Expenditures and Change in Fund Balances for the General Fund.

Proprietary Funds - The City maintains only one of the two proprietary fund types. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The City uses enterprise funds to account for its water and wastewater activities. The basic proprietary fund financial statements can be found on pages 9 - 11 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. They can be found on pages 12 - 34 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* consisting of the City's budgetary comparison statement for the general fund and information concerning the City's proportionate share of the net pension liability and contributions to the Florida retirement system pension and health insurance subsidy pension plans which can be found on pages 35 – 38 of this report.

**Polk City, Florida
Management's Discussion and Analysis
September 30, 2016**

Government-Wide Financial Analysis

The following table reflects a summary of Net Position compared to prior year. For more detailed information, see the Statement of Net Position on page 3.

**Statement of Net Position (Summary)
as of September 30,**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>
Assets						
Current and other assets	\$ 1,101,902	\$ 1,635,106	\$ 2,736,315	\$ 3,213,220	\$ 3,838,217	\$ 4,848,326
Capital assets	<u>3,189,490</u>	<u>3,088,289</u>	<u>12,161,226</u>	<u>11,886,452</u>	<u>15,350,716</u>	<u>14,974,741</u>
Total assets	<u>4,291,392</u>	<u>4,723,395</u>	<u>14,897,541</u>	<u>15,099,672</u>	<u>19,188,933</u>	<u>19,823,067</u>
Deferred Outflow of Resources						
	<u>173,703</u>	<u>257,045</u>	<u>17,792</u>	<u>34,007</u>	<u>191,495</u>	<u>291,052</u>
Liabilities						
Long-term liabilities outstanding	1,773,488	1,868,440	12,027,056	11,715,598	13,800,544	13,584,038
Other liabilities	<u>71,106</u>	<u>128,839</u>	<u>662,171</u>	<u>434,430</u>	<u>733,277</u>	<u>563,269</u>
Total liabilities	<u>1,844,594</u>	<u>1,997,279</u>	<u>12,689,227</u>	<u>12,150,028</u>	<u>14,533,821</u>	<u>14,147,307</u>
Deferred Inflow of Resources						
	<u>97,610</u>	<u>72,220</u>	<u>9,998</u>	<u>9,555</u>	<u>107,608</u>	<u>81,775</u>
Net Position						
Net invested in capital assets	1,732,032	1,672,800	163,809	223,863	1,895,841	1,896,663
Restricted	140,076	368,972	1,091,208	1,515,352	1,231,284	1,884,324
Unrestricted	<u>650,783</u>	<u>869,169</u>	<u>961,091</u>	<u>1,234,881</u>	<u>1,611,874</u>	<u>2,104,050</u>
Total net position	<u>\$ 2,522,891</u>	<u>\$ 2,910,941</u>	<u>\$ 2,216,108</u>	<u>\$ 2,974,096</u>	<u>\$ 4,738,999</u>	<u>\$ 5,885,037</u>

Thirty-two percent of the City's net position reflect its investment in capital assets (land, buildings, improvements, infrastructure, vehicles, and equipment) less any related debt used to acquire those assets that is still outstanding due to the deficit unrestricted net position. 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 its 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.

Thirty-two percent of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is normally available to meet the City's ongoing obligations to citizens and creditors.

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

The following table reflects the condensed Statement of Activities for the current and previous year. For more detailed information, see the Statement of Activities on page 4.

Statement of Activities (Summary)
For the year ended September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2016	2015	2016	2015	2016
Revenues						
Program Revenues:						
Charges for services	\$ 372,568	\$ 478,129	\$ 2,005,736	\$ 2,095,911	\$ 2,378,304	\$ 2,574,040
Operating grants and contributions	32,751	34,435	-	-	32,751	34,435
Capital grants and contributions	5,177	188,500	234,156	395,430	239,333	583,930
General revenues:						
Property taxes	503,870	516,503	-	-	503,870	516,503
Franchise/Public Ser. Tax	362,653	363,351	-	-	362,653	363,351
State shared revenues	164,634	174,365	-	-	164,634	174,365
Fuel taxes levied from transportation	128,332	136,795	-	-	128,332	136,795
Donations	383,000	-	-	-	383,000	-
Other	6,727	12,422	1,936	2,414	8,663	14,836
Total revenues	1,959,712	1,904,500	2,241,828	2,493,755	4,201,540	4,398,255
Expenses						
General government	601,282	620,993	-	-	601,282	620,993
Library	106,563	111,285	-	-	106,563	111,285
Police	125,740	129,542	-	-	125,740	129,542
Building and zoning	103,458	130,303	-	-	103,458	130,303
Sanitation	188,035	190,400	-	-	188,035	190,400
Streets	391,323	189,440	-	-	391,323	189,440
Parks and recreation	53,474	54,926	-	-	53,474	54,926
Stormwater	9,464	29,585	-	-	9,464	29,585
Interest on long-term debt	61,644	59,976	-	-	61,644	59,976
Public utilities	-	-	1,760,833	1,735,767	1,760,833	1,735,767
Total expenses	1,640,983	1,516,450	1,760,833	1,735,767	3,401,816	3,252,217
Increase (decrease) in net position before transfers	318,729	388,050	480,995	757,988	799,724	1,146,038
Transfers	20,000	-	(20,000)	-	-	-
Increase (decrease) in net position	338,729	388,050	460,995	757,988	799,724	1,146,038
Net position - October 1	2,390,916	2,522,891	1,776,291	2,216,108	4,167,207	4,738,999
Restatement	(206,754)	-	(21,176)	-	(227,932)	-
Net position - restated	2,184,162	2,522,891	1,755,113	2,216,108	3,939,275	4,738,999
Net position - September 30	\$ 2,522,891	\$2,910,941	\$ 2,216,108	\$ 2,974,096	\$ 4,738,999	\$ 5,885,037

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

Governmental Activities – Governmental activities increased the City's net position by \$388,050. In the prior year, net position increased by \$318,729 as a result of operations and before a \$20,000 transfer from the business-type activities. Total revenue for the year ended September 30, 2016 declined by \$55,212 or 3% and expenses declined by \$124,533 or 8%.

Business-type Activities - Business-type activities increased the City's net position by \$757,988 compared to a increase of \$460,995 in the prior year. There was a net transfer of \$20,000 to the governmental activities in the prior year and no transfers in the current year. Total revenue for the year ended September 30, 2016 increased by \$251,927 or 11% and expenses declined by \$25,066 or 1%.

Fund Level Financial Analysis

Governmental Funds - As of September 30, 2016, the City's governmental fund reported combined ending fund balances of \$1,511,113 which can be found on page 5. This is an increase of \$475,327 over the prior year ending fund balances of \$1,035,806. The main causes of the increase are as follows:

- Total revenue increased by \$327,786 or 21% mainly due to the lifting of the moratorium on charging of general fund impact fees. General fund impact fees generated \$181,357 of revenue for the year ended September 30, 2016 compared to zero in the prior year.
- Total expenditures decreased by \$148,083 or 9% mainly due to decreased capital outlay expenditures which declined from \$236,392 in the prior year to \$30,567 in the current year.

Proprietary Funds - These services combined to generate operating income of \$867,222. Compare that to the prior year operating income of \$761,592. Due to continued growth there was an increase in impact fees and connection fees, continued cost cutting measures, the implementation of placing liens against Readiness to Serve Charges, as well as collecting past-due readiness to serve charges through the permitting process and utilities.

General Fund Budgetary Highlights - The City adopts an annual appropriated budget each year in September. Budgetary comparison statements have been provided to demonstrate compliance with the budget (page 35). Budget comparison reporting is included for the General Fund. Actual revenue exceeded the original budgeted amounts by \$305,992 while actual expenditures were less than budgeted appropriations by \$104,734 resulting in an overall favorable budget variance of \$410,726.

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - The investment in capital assets includes land, buildings, improvements, infrastructure, vehicles, and equipment. The City elected to record and depreciate its infrastructure, rather than use the optional "modified approach".

The following table presents a comparison of the capital assets for the current and previous year.

Capital Assets Activity						
as of September 30,						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2015	2016	2015	2016	2015	2016
Assets not depreciated						
Land	\$ 412,542	\$ 412,542	\$ 2,730,736	\$ 2,730,736	\$ 3,143,278	3,143,278
Construction in progress	-	4,000	-	-	-	4,000
Total	<u>412,542</u>	<u>416,542</u>	<u>2,730,736</u>	<u>2,730,736</u>	<u>3,143,278</u>	<u>3,147,278</u>
Depreciated Assets						
Buildings and improvements	3,062,995	3,071,683	-	-	3,062,995	3,071,683
Recreational facilities	482,262	482,262	-	-	482,262	482,262
Vehicles and equipment	443,372	439,359	284,227	278,987	727,599	718,346
Infrastructure	187,478	187,478	-	-	187,478	187,478
Utility plants	-	-	12,019,340	12,073,317	12,019,340	12,073,317
Subtotal	4,176,107	4,180,782	12,303,567	12,352,304	16,479,674	16,533,086
Accumulated depreciation	<u>(1,398,159)</u>	<u>(1,509,035)</u>	<u>(2,873,077)</u>	<u>(3,196,588)</u>	<u>(4,272,236)</u>	<u>(4,705,623)</u>
Total	<u>\$ 2,776,948</u>	<u>\$ 2,671,747</u>	<u>\$ 9,430,490</u>	<u>\$ 9,155,716</u>	<u>\$ 12,207,438</u>	<u>\$ 11,827,463</u>

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2016, amounts to \$14,974,741 (net of accumulated depreciation) compared to \$15,350,716 last year. That is an decrease of \$375,975 from the prior year due to annual depreciation expense in excess of current year additions.

Additional information on the City's capital assets can be found in Note 5 on pages 20 - 21 of the Notes to the Financial Statements in this report.

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

Long-term debt - The following table presents a comparison of revenue bonds and notes payable for the current and previous year.

Revenue Notes and Notes Payable
as of September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2016	2015	2016	2015	2016
Revenue notes	\$ -	\$ -	\$ 9,337,318	\$ 9,136,270	\$ 9,337,318	\$ 9,136,270
Notes payable	1,457,458	1,415,489	2,660,099	2,526,319	4,117,557	3,941,808
Total	\$ 1,457,458	\$ 1,415,489	\$ 11,997,417	\$ 11,662,589	\$ 13,454,875	\$ 13,078,078

The Governmental Activities had total debt outstanding of \$1,415,489 which compares to \$1,457,458 in the prior year. This consists of the Series 2007 Capital Improvement Revenue Bonds for the construction of the Polk City Government Center.

The Business-type Activities had total debt outstanding of \$11,662,589 which compares to \$11,997,417 in the prior year. This consists of the Series 2011A Water/Sewer System Capital Improvement and Refunding Revenue Bonds, the installment note to the Florida Department of Environmental Protection, and the Tax Exempt Lease Purchase Agreement.

For additional information, see Note 6, pages 22 – 24.

Economic Factors and Next Year's Budget and Rates

Some of the items experienced for the Fiscal Year 2015-2016 Budget:

General Fund:

- The taxable values increased; Polk City lowered the millage rate from 8.6000 to 8.2500 mills and was able to see a \$12,633 increase in revenue even with lowering the millage rate
- The number of building permits increased
- The moratorium on impact fees from the General Fund was lifted and the City received approximately \$181,357 from the public safety impact fee (fire and police), parks & recreation impact fee and public facilities impact fee, which are restricted funds
- Storm water drainage repair
- The Donald Bronson Community Center was completed
- Equipment was purchased for the Donald Bronson Center (ice machine, warmer) and repairs/replacement took place to the inside lighting

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

Enterprise Fund

- There was an increase in water and sewer impact fees due to new construction in Fountain Park
- Connection fees increased due to new construction
- Readiness to Serve charges decreased due to new customers being added to water and sewer users
- Entered into a contract with Aquarina Waterworks, Inc. for Operations, Maintenance and Management of Water and Wastewater Facilities, which resulted in a savings of approximately \$78,625
- Water Operating Supplies increased due to new water installations, etc. (new installations are off
- There was a slight increase in Engineering Fees in the Wastewater
- There was a savings in the Repairs and Maintenance in the Water and Wastewater Departments
- Capital projects included the purchase of an emergency generator for Voyles Loop Lift Station, a by-pass at Voyles Loop Lift Station and the purchase of a Triplex pump for Voyles Loop Station (total expenditures were \$36,3230)

Overall the Fiscal Year 2016 Budget had a positive impact on Polk City's financial picture for General Fund and Enterprise Fund.

Things expected for Fiscal Year 2016-2017

- Millage rate went from 8.2500 mills to 8.0000 mills; increase in property values went from \$64,176,652 to \$72,477,319
- \$70,000 in cash carry forward as a down payment for possible purchase of public works facility
- \$90,000 in cash carry forward from reserves for paving streets
- Public Works Director position added to the budget
- Annual payment of \$28,500 in budget for public works facility, if purchased
- Annual payment for new software for two years and payment for conversion/installation for one year
- Polk County Sheriff's Office contract has been reduced due to retirement of Sergeant Conover – Polk City will have a Deputy (savings of \$33,172)
- Capital Projects/Improvements total \$366,528
- Extension of Aquarina Waterworks Contract annually up to three years; an increase of \$37,500 for first year and 2% increase each year for the next two years

Polk City, Florida
Management's Discussion and Analysis
September 30, 2016

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Polk City's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the City Manager, Polk City, 123 Broadway Boulevard SE, Polk City, FL 33868 or call (863) 984-1375.



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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Commission
Polk City, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Polk City, Florida as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of Polk City, Florida, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as provided 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 GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2017, on our consideration of Polk City, Florida'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 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 Polk City, Florida's internal control over financial reporting and compliance.

Other Reporting Required by Chapter 10.550, Rules of the Auditor General

In accordance with *Chapter 10.550, Rules of the Auditor General*, we have also issued our report dated March 7, 2017 on our examination of compliance with requirements of Section 218.415, *Florida Statutes*. The purpose of that report is to describe the scope of our examination and the issuance of an opinion on Polk City, Florida's compliance with requirements of Section 218.415, *Florida Statutes*.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
March 7, 2017

**POLK CITY, FLORIDA
GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2016**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,149,405	\$ 1,073,204	\$ 2,222,609
Receivables, current:			
Customer accounts, net	37,997	151,933	189,930
Intergovernmental	41,705	-	41,705
Franchise and public service taxes	23,530	-	23,530
Prepaid expenses	10,000	-	10,000
Internal balances	3,497	(3,497)	-
Restricted assets:			
Cash and cash equivalents	368,972	1,991,580	2,360,552
Capital assets:			
Non-depreciable	416,542	2,730,736	3,147,278
Depreciable, net	2,671,747	9,155,716	11,827,463
TOTAL ASSETS	<u>4,723,395</u>	<u>15,099,672</u>	<u>19,823,067</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	257,045	34,007	291,052
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>257,045</u>	<u>34,007</u>	<u>291,052</u>
LIABILITIES			
Accounts payable	\$ 46,207	\$ 11,339	\$ 57,546
Accrued payroll	11,512	1,170	12,682
Accrued interest payable	4,866	72,920	77,786
Due to other governments	66,254	-	66,254
Unearned revenue	-	114,625	114,625
Customer deposits	-	234,376	234,376
Long-term liabilities:			
Due within one year	43,700	352,096	395,796
Due in more than one year	1,824,740	11,363,502	13,188,242
TOTAL LIABILITIES	<u>1,997,279</u>	<u>12,150,028</u>	<u>14,147,307</u>
DEFERRED INFLOWS OF RESOURCES			
Pensions	72,220	9,555	81,775
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>72,220</u>	<u>9,555</u>	<u>81,775</u>
NET POSITION			
Net investment in capital assets	1,672,800	223,863	1,896,663
Restricted for:			
Transportation infrastructure	77,018	-	77,018
General government facilities	49,928	-	49,928
Public safety capital improvements	47,525	-	47,525
Parks and recreation capital improvements	83,904	-	83,904
Water system improvements	-	259,402	259,402
Waste water system improvements	-	437,048	437,048
Debt service	110,597	818,902	929,499
Unrestricted	869,169	1,234,881	2,104,050
TOTAL NET POSITION	<u>\$ 2,910,941</u>	<u>\$ 2,974,096</u>	<u>\$ 5,885,037</u>

See Accompanying Notes to Financial Statements

POLK CITY, FLORIDA
 GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

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
PRIMARY GOVERNMENT:						
Governmental Activities:						
General government	\$ 620,993	\$ 19,686	\$ 5,723	\$ 83,904	\$ (511,680)	\$ (511,680)
Library	111,285	5,672	28,712	-	(76,901)	(76,901)
Police	129,542	901	-	52,158	(76,483)	(76,483)
Building and zoning	130,303	174,154	-	-	43,851	43,851
Sanitation	190,400	244,351	-	-	53,951	53,951
Streets	189,440	14,249	-	-	(175,191)	(175,191)
Parks and recreation	54,926	-	-	52,438	(2,488)	(2,488)
Stormwater utility	29,585	19,116	-	-	(10,469)	(10,469)
Interest on long term debt	59,976	-	-	-	(59,976)	(59,976)
Total governmental activities	1,516,450	478,129	34,435	188,500	(815,386)	(815,386)
Business-type Activities:						
Water and sewer utility	1,735,767	2,095,911	-	395,430	-	755,574
Total business-type activities	1,735,767	2,095,911	-	395,430	-	755,574
TOTAL PRIMARY GOVERNMENT	\$ 3,252,217	\$ 2,574,040	\$ 34,435	\$ 583,930	(815,386)	(59,812)
GENERAL REVENUES:						
Taxes:						
Property taxes, levied for general purposes				516,503	-	516,503
Franchise taxes				86,563	-	86,563
Public service taxes				276,788	-	276,788
Fuel taxes levied for transportation				136,795	-	136,795
State shared revenue				174,365	-	174,365
Investment earnings				76	-	76
Miscellaneous				12,346	2,414	14,760
Total General Revenues				1,203,436	2,414	1,205,850
Change in net position				388,050	757,988	1,146,038
NET POSITION - beginning of year				2,522,891	2,216,108	4,738,999
NET POSITION - end of year				\$ 2,910,941	\$ 2,974,096	\$ 5,885,037

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2016**

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,149,405
Receivables, net:	
Customer accounts, net	37,997
Intergovernmental	41,705
Franchise and public service taxes	23,530
Due from other funds	3,497
Prepaid expenditures	10,000
Restricted assets:	
Cash and cash equivalents	368,972
TOTAL ASSETS	<u>\$ 1,635,106</u>
LIABILITIES AND FUND BALANCE	
Accounts payable	\$ 46,207
Accrued payroll	11,512
Due to other governments	66,254
TOTAL LIABILITIES	<u>123,973</u>
FUND BALANCE:	
Nonspendable:	
Prepaid expenditures	10,000
Restricted for:	
Highways / streets	77,018
Debt service reserves / sinking	110,597
General government facilities	49,928
Public safety capital improvements	47,525
Parks and recreation capital improvements	83,904
Assigned to:	
Emergency reserve	240,689
Subsequent year budget	82,855
Unassigned:	808,617
TOTAL FUND BALANCE	<u>1,511,133</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,635,106</u>

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2016**

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,511,133
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are financial resources and, therefore, are not reported as assets in the governmental funds.	3,088,289
Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due.	(4,866)
The deferred outflows and deferred inflows related to pensions are applied to future periods and, therefore, are not reported in the governmental funds.	
Deferred outflows related to pensions	257,045
Deferred inflows related to pensions	(72,220)
Long-term liabilities are not due and payable in the fiscal year and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Notes payable	(1,415,489)
Compensated absences payable	(35,448)
Net pension liability	(417,503)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 2,910,941

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	General Fund
REVENUES:	
Taxes	\$ 1,029,644
Licenses and permits	174,154
Intergovernmental revenue	214,700
Charges for services	283,388
Fines and forfeitures	901
Impact fees	181,357
Other	20,354
Total revenues	<u>1,904,498</u>
EXPENDITURES:	
General government	438,215
Public safety	256,779
Physical environment	299,999
Transportation	176,449
Culture/recreation	125,073
Capital outlay	30,567
Debt service	102,089
Total expenditures	<u>1,429,171</u>
NET CHANGE IN FUND BALANCE	<u>475,327</u>
FUND BALANCE, beginning of year	<u>1,035,806</u>
FUND BALANCE, end of year	<u>\$ 1,511,133</u>

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ 475,327**

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

Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as

This is the amount of capital assets additions in the current period	21,775
This is the amount of depreciation recorded in the current period	(122,976)

Long-term obligations including bonds and notes payable and compensated absences are reported as liabilities in the government-wide statement of activities but are not reported as liabilities in the governmental funds because they do not require the use of current financial resources:

This amount represents long-term debt repayments	41,969
This amount represents the change in accrued interest payable	144
This amount represents the change in compensated absence liability	(2,713)

Pension costs are recorded in the statement of activities under the full accrual basis of accounting, but are not recorded in the governmental funds until paid. The net change in liabilities in the current fiscal year:

This amount represents the change in deferred inflows related to pensions	83,342
This amount represents the change in deferred outflows related to pensions	25,390
This amount represents the change in the net pension liability	(134,208)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u>388,050</u>
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See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2016**

	<u>Enterprise Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,073,204
Customer accounts receivable, net	151,933
Total current assets	<u>1,225,137</u>
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	1,991,580
Capital assets, net:	
Non-depreciable	2,730,736
Depreciable, net	9,155,716
Total noncurrent assets	<u>13,878,032</u>
TOTAL ASSETS	<u>15,103,169</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	34,007
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>34,007</u>
LIABILITIES	
Current liabilities:	
Accounts payable	11,339
Accrued payroll	1,170
Bonds and notes payable, current portion	352,096
Accrued interest payable	72,920
Unearned revenues	114,625
Due to general fund	3,497
Total current liabilities	<u>555,647</u>
Noncurrent liabilities:	
Customer deposits	234,376
Compensated absences	773
Net pension liability	52,236
Bonds and notes payable, noncurrent portion	11,310,493
Total noncurrent liabilities	<u>11,597,878</u>
TOTAL LIABILITIES	<u>12,153,525</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	9,555
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>9,555</u>
NET POSITION	
Net investment in capital assets	223,863
Restricted for:	
Water system improvements	259,402
Waste water system improvements	437,048
Debt service	818,902
Unrestricted	1,234,881
TOTAL NET POSITON	<u>\$ 2,974,096</u>

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 FUND NET POSITION - PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Enterprise Fund</u>
OPERATING REVENUES:	
Charges for services	\$ 2,095,911
Total operating revenues	<u>2,095,911</u>
OPERATING EXPENSES:	
Personnel services	95,963
Operating expenses	803,975
Depreciation	328,751
Total operating expenses	<u>1,228,689</u>
OPERATING INCOME	<u>867,222</u>
NONOPERATING REVENUE (EXPENSE):	
Interest expense	(507,078)
Other nonoperating revenue	2,414
Total nonoperating revenues (expenses)	<u>(504,664)</u>
Income (loss) before contributions	<u>362,558</u>
CAPITAL CONTRIBUTIONS:	
Impact fees	395,430
Total capital contributions	<u>395,430</u>
Change in net position	757,988
TOTAL NET POSITION - beginning of year	<u>2,216,108</u>
TOTAL NET POSITION - end of year	<u>\$ 2,974,096</u>

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 2,139,669
Payments to suppliers	(859,895)
Payment for salaries and benefits	(88,929)
Net cash flows from operating activities	<u>1,190,845</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Increase (decrease) in due to (from) other funds	(115,066)
Other nonoperating revenue	2,414
Net cash flows from noncapital financing activities	<u>(112,652)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets, net of related payables	(53,977)
Impact fees	202,860
Principal paid on notes, bonds and lease obligations	(334,828)
Interest paid on borrowings	(508,382)
Net cash flows from capital and related financing activities	<u>(694,327)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	383,866
CASH AND CASH EQUIVALENTS, beginning of year	2,680,918
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 3,064,784</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:	
Operating Income (loss)	\$ 867,222
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	328,751
(Increase) decrease in accounts receivable	22,027
Increase (decrease) in accounts payable	(55,920)
Increase (decrease) in accrued payroll and compensated absences	474
Increase (decrease) in pension elements	6,560
Increase (decrease) in customer deposits	21,731
Net cash flows from operating activities	<u>\$ 1,190,845</u>
Noncash financing and investing activities:	<u>\$ -</u>

See Accompanying Notes to Financial Statements

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its statements (GASBS) and Interpretations (GASBI). The more significant accounting policies established in GAAP and used by the City is discussed below.

A. REPORTING ENTITY

Polk City, Florida (the "City") is a political subdivision of the State of Florida created in 1925 by Chapter 11016, Laws of the State of Florida. Ordinance No. 2014-02, approved by the City's electors, effective April 1, 2014, changed the name from the City of Polk City to Polk City. The City operates under a council/manager form of municipal government and provides general municipal services, including public safety, public works, culture, recreation, community development, and water and sewer services. These financial statements include all of the funds, organizations, agencies, departments and account groups of the City (the "primary government") and any "legally" separate entities ("component units") required by generally accepted accounting principles to be included in the reporting entity.

The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Criteria for determining if other entities are potential component units of the City which should be reported with the City's basic financial statements are identified and described in the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. The application of these criteria provides for identification of any entities for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete. A blended component unit, although legally separate, is in substance part of the City's operations and presented in the financial statements as "blended" components. Blending refers to the fact that the component unit's funds are combined with those of the primary government for financial reporting purposes. There are no entities that meet the criteria for inclusion as either blended or discreetly presented component units.

B. BASIC FINANCIAL STATEMENTS

The basic financial statements consist of the government-wide financial statements and fund financial statements.

Government-wide Financial Statements - The required government-wide financial statements are the Statement of Net Position and the Statement of Activities, which report information on all of the nonfiduciary activities of the City. The effects of interfund activity have been removed from these statements. The City has no fiduciary funds, however if it did they would be excluded from the government-wide financial statements since by definition these assets are being held for the benefit of a third party and cannot be used to fund activities or obligations of the government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *Business-type activities*, which rely to a significant extent on fees and charges for support.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

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, including depreciation. The City does not allocate the interest expense of governmental fund debt or indirect costs such as finance, personnel, legal, etc. *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*.

Fund Financial Statements - The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The GASB codification Section 2200.159 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Non-major funds by category are summarized into a single column. Due to the City's fund structure, there were no non-major funds. The various funds are reported by type within the financial statements.

The following fund types and funds are used and reported by the City:

- a) **Governmental Funds:** The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:
 - **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

- b) **Proprietary Funds:** The focus of the proprietary fund's measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:
 - **Enterprise Funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City has one *Enterprise Fund* which accounts for the activities associated with providing potable water and sewer collection, treatment and disposal services to area residents.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

C. MEASUREMENT FOCUS, AND BASIS OF ACCOUNTING

The government-wide financial statements and the proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Imposed nonexchange transactions (property taxes, fines) are reported as deferred inflows if received before the tax is levied or before the date when use is first permitted. Government mandated nonexchange transaction (grants) and voluntary nonexchange transaction (donations) resources are reported as liabilities until the eligibility requirements are met and as deferred inflows if received before time requirements are met.

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water and sewer. Operating expenses for these operations include all costs related to providing the service or product. These costs include billing and collection, personnel and purchased services, repairs and maintenance, depreciation, materials and supplies, and other expenses directly related to costs of services.

All other revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (60 days of yearend). All other revenue items are considered to be measurable and available only when cash is received by the government.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

CASH AND CASH EQUIVALENTS - Includes all short-term highly liquid investments with a maturity of three months or less when purchased, and all bank demand deposits, certificates of deposit, money-market and savings accounts. At September 30, 2016, all of the City's cash and investments met this definition.

INVESTMENTS - Debt securities owned are reported at cost plus accrued interest which approximates market. Purchases and sales of investments are reflected on trade dates. Net realized gains or losses on sales of investments are based on the cost of investments applied on a first-in, first-out basis and are reflected in current operating results.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

CUSTOMER ACCOUNTS RECEIVABLE - The City accrues its unbilled utility service fees. This represents the estimated value of service from the last billing date to year end and totaled \$169,820 at September 30, 2016. A reserve for doubtful accounts is maintained in each fund equal to the value of the utility customer receivables that are not expected to be collected. As of September 30, 2016, the reserve for doubtful accounts totaled \$59,859 for utility service receivables and \$92,262 for readiness-to-serve receivables. Receivables are reported in the financial statements net of the reserve for doubtful accounts.

INTERFUND RECEIVABLES AND PAYABLES - To the extent any interfund balances exist, management anticipates they will be settled in cash as opposed to a permanent transfer.

INVENTORIES - Supply inventories of the general fund and the enterprise funds are immaterial and not recorded as assets. Such items are charged to expense when purchased.

CAPITAL ASSETS - In the government-wide financial statements capital assets include land, buildings, improvements, utility plant, and furniture and equipment with an individual cost of \$1,000 or more and an estimated useful life in excess of two years as defined by City resolution. Such assets are recorded at historical cost, if purchased and at fair market value at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense. Governmental fund infrastructure assets (e.g., roads, bridges, sidewalks, streets, drainage systems and lighting system), acquired prior to October 1, 2003, have not been reported.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Capital asset depreciation is recognized using the straight-line method over the estimated useful lives of the related assets, as follows:

<u>Type</u>	<u>Years</u>
Utility plant in service	40
Buildings and improvements	10 - 30
Infrastructure	40
Machinery and equipment	3 - 10
Vehicles	5 - 7

RESTRICTED ASSETS - Includes cash and investments that are legally restricted to specific uses by external parties. The City generally uses restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

INTEREST COSTS - Interest costs are capitalized when incurred on debt where proceeds were used to finance the construction of enterprise fund capital assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. No net interest costs were capitalized for the year ended September 30, 2016.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

PENSIONS – In the government-wide statement of net position, liabilities are recognized for the City's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The City's retirement plans and related amounts are described in a subsequent note.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES – In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents and acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

The City has deferred outflows/inflows of resources that are related to pensions that qualify for reporting in these categories. The deferred outflows/inflows related to pensions are reported only in the government-wide and proprietary fund statement of net position. A deferred amount related to pensions results from the difference in the expected and actual amounts of experience, earnings, and contributions. These amounts are deferred and amortized over the service life of all employees that are provided with pensions through the pension plan except earnings which are amortized over five years. Actual contributions made to the pension plans subsequent to the measurement date are also reported as deferred outflows of resources at year-end and reflected as a reduction in the net pension liability in the subsequent year.

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. Bond premiums, discounts and issuance costs are deferred and amortized over the life of the bonds using the bonds outstanding method. Bond issuance costs are reported as assets, net of amortization. Bond premiums and discounts are reported, net of amortization, in the related debt balances shown in the financial statements. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements; rather the debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures when due. The accounting for the proprietary fund is the same in the fund statements as it is in the government-wide statements.

COMPENSATED ABSENCES - Sick leave is credited to an employee on the basis of nine hours per month of service not to exceed ninety days. Accumulated sick leave does not vest and is not paid upon termination of employment. Vacation leave is credited to an employee depending on years of service, ranging from four to sixteen days per year. Vacation leave accumulation is limited to 160 hours for hourly employees and 240 hours for salaried employees. Eligible employees accumulate two personal days a year not to exceed ten days.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

The liability for these compensated absences is recorded as long-term in the government-wide statements and in the proprietary fund financial statements because the maturities are not determinable. In the fund financial statements, the governmental funds do not report the compensated absence liability because it is generally not payable from expendable available financial resources.

CONNECTION FEES AND IMPACT FEES - Connection fees represent reimbursement of the costs incurred to perform the connection of the respective utilities, and are recorded as operating revenue when received. Impact fees, which are not considered connection fees since they substantially exceed the cost of connection, are recorded as capital contributions when received. Prepaid impact fees received which reserve capacity in the City's future water or sewer facilities are deferred and reported as capital contributions when the requirements of the Developer agreements are met by the City.

INTERFUND TRANSFERS - Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For purposes of the Government-wide Statement of Activities, all interfund transfers between individual enterprise funds, when applicable, are eliminated.

EQUITY CLASSIFICATIONS -

Government-wide Statements – The difference between (a) assets and deferred outflows of the resources and (b) liabilities and deferred inflows of resources is classified as net position and displayed in three components:

- a) Net investment in capital assets - Consists of capital assets including restricted assets from debt proceeds, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted net position - Consists of restricted assets reduced by liabilities related to those assets. The government-wide statement of net position reports \$1,884,324 of restricted net position of which \$954,825 is restricted by enabling legislation.
- c) Unrestricted net position - Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Statements - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor the constraints on the specific purposes for which amounts in those funds can be spent. Spendable resources are to be shown as restricted, committed, assigned and unassigned as considered appropriate in the City's circumstances. The following classifications describe the relative strength of the spending constraints:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

Committed – amounts constrained to specific purposes by formal action (ordinance) of the City using its highest level of decision making authority (the City Commission). To be reported as committed, amounts cannot be used for any other purpose unless the City Commission takes the same highest level action (ordinance) to remove or change the constraint

Assigned – amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Commission or through the City Commission delegating this responsibility to the City Manager through the budgetary process. The City Commission has not established a formal policy regarding authorization to assign fund balance amounts for a specific purpose.

Unassigned – all other spendable amounts.

The City uses 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.

NOTE 2 - PROPERTY TAX CALENDAR

Under Florida Law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Polk County Property Appraiser and Polk County Tax Collector. The tax levy of the City is established by the City Council prior to October 1 of each year and the Polk County Property Appraiser incorporates the millage into the total tax levy, which includes the municipalities, the County, independent districts and the Polk County School Board tax requirements. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's millage rate in effect for the fiscal year ended September 30, 2016 was 8.2500.

All taxes are due and payable on November 1 (levy date) of each year and unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment as follows: 4% in of November, 3% in December, 2% in January, 1% in February.

The taxes paid in March are without discount. Delinquent taxes on real and personal property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property.

NOTE 3 - BUDGETARY LAW AND PRACTICE

The budget is adopted by Ordinance on a City-wide basis for all City funds on or before October 1 of each year as required by State Statute. City Ordinance establishes the legal level of budgetary control at the individual fund level. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations subject to notification of the City Commission.

NOTE 4 - DEPOSITS AND INVESTMENTS

DEPOSITS IN FINANCIAL INSTITUTIONS - Municipalities in Florida are required by State Statute Chapter 280 - "Security for Public Deposits Act", to deposit operating funds only with financial institutions who are members of the State of Florida collateral pool ("qualified public depositories"). The State of Florida collateral pool is a multiple financial institution collateral pool with the ability to make additional assessments to satisfy the claims of governmental entities if any member financial institution fails. This ability provides protection which is similar to depository insurance.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

The captions on the government-wide statement of net position for "cash and cash equivalents" both restricted and unrestricted, are summarized below:

Cash and cash equivalents:	
Cash on hand	\$ 575
Deposits in financial institutions:	
Insured or fully collateralized bank deposits	<u>4,582,586</u>
 Total cash and cash equivalents	 <u>\$ 4,583,161</u>

INVESTMENTS - The types of investments in which the City may invest are governed by State Statutes. According to the State Statutes, the City is authorized to invest in the following instruments: Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized through the Florida Inter-local Cooperation Act; S.E.C. registered money market funds with the highest credit quality rating from a nationally recognized rating company; interest-bearing time deposits and savings accounts in qualified public depositories; direct obligations of the U.S. Treasury and federal agencies and instrumentalities or repurchase agreements fully collateralized by such securities; and interest in an entity registered under the Investment Company net of 1940 whose investments are limited to U.S. Governments. The City maintained no investments during the year other than deposits in financial institutions.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 5 - CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 412,542	\$ -	\$ -	\$ 412,542
Construction in progress	-	4,000	-	4,000
Total	\$ 412,542	\$ 4,000	\$ -	\$ 416,542
Capital assets being depreciated:				
Buildings and Improvements	\$ 3,062,995	\$ 8,688	\$ -	\$ 3,071,683
Recreational Facilities	482,262	-	-	482,262
Equipment	443,372	9,087	(13,100)	439,359
Infrastructure:				
Sidewalk Systems	111,852	-	-	111,852
Drainage Systems	75,626	-	-	75,626
Total	4,176,107	17,775	(13,100)	4,180,782
Less, Accumulated Depreciation:				
Buildings and Improvements	(727,344)	(71,729)	-	(799,073)
Recreational Facilities	(242,382)	(26,042)	-	(268,424)
Equipment	(386,369)	(20,518)	13,100	(393,787)
Infrastructure:				
Sidewalk Systems	(23,778)	(2,796)	-	(26,574)
Drainage Systems	(19,288)	(1,891)	-	(21,177)
Total Accumulated Depreciation	(1,399,159)	(122,976)	13,100	(1,509,035)
Total Depreciable Capital Assets, Net	\$ 2,776,948	\$ (105,201)	\$ -	\$ 2,671,747
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 2,730,736	\$ -	\$ -	\$ 2,730,736
Total	\$ 2,730,736	\$ -	\$ -	\$ 2,730,736
Capital assets being depreciated:				
Utility Plant	\$ 12,019,340	\$ 53,977	\$ -	\$ 12,073,317
Equipment	284,227	-	(5,240)	278,987
Total	12,303,567	53,977	(5,240)	12,352,304
Less, Accumulated Depreciation:				
Utility Plant	(2,620,844)	(318,972)	-	(2,939,816)
Equipment	(252,233)	(9,779)	5,240	(256,772)
Total Accumulated Depreciation	(2,873,077)	(328,751)	5,240	(3,196,588)
Total Depreciable Capital Assets, Net	\$ 9,430,490	\$ (274,774)	\$ -	\$ 9,155,716

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 5 - CAPITAL ASSETS (cont...)

Depreciation expense was charged to the following programs and functions:

Governmental Activities:

General government	\$ 76,989
Streets	6,997
Parks and recreation	37,100
Stormwater utility	<u>1,890</u>
Total depreciation expense - governmental activities	<u>\$ 122,976</u>

Business-type Activities:

Water and sewer	<u>\$ 328,751</u>
Total depreciation expense - business-type activities	<u>\$ 328,751</u>

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended September 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Governmental Activities					
Long-Term Debt:					
Notes Payable:					
Series 2007 Capital Improvement					
Revenue Bonds	\$ 1,457,458	\$ -	\$ (41,969)	\$ 1,415,489	\$ 43,700
Total Bonds and Notes Payable	<u>1,457,458</u>	<u>-</u>	<u>(41,969)</u>	<u>1,415,489</u>	<u>43,700</u>
Other Liabilities:					
Compensated Absences	32,735	2,713	-	35,448	-
Net Pension Liability	283,295	134,208	-	417,503	-
Total Other Liabilities	<u>316,030</u>	<u>136,921</u>	<u>-</u>	<u>452,951</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 1,773,488</u>	<u>\$ 136,921</u>	<u>\$ (41,969)</u>	<u>\$ 1,868,440</u>	<u>\$ 43,700</u>
Less Amount Due in One Year				<u>(43,700)</u>	
Net Long-Term Debt Due After One Year				<u>\$ 1,824,740</u>	
Business-Type Activities					
Long-Term Debt:					
Notes Payable:					
Installment Note to Florida Department of					
Environmental Protection	\$ 2,531,986	\$ -	\$ (113,669)	\$ 2,418,317	\$ 116,630
Tax-Exempt Leasing	126,113	-	(19,911)	106,202	20,466
Total Notes Payable	<u>2,660,099</u>	<u>-</u>	<u>(133,780)</u>	<u>2,526,319</u>	<u>137,096</u>
Revenue Certificates:					
Series 2011A Water / Sewer System					
Capital Improvement and Refunding					
Revenue Bonds	9,480,000	-	(210,000)	9,270,000	215,000
Less discount on Series 2011A	(142,682)	-	8,952	(133,730)	-
Total Revenue Certificates	<u>9,337,318</u>	<u>-</u>	<u>(201,048)</u>	<u>9,136,270</u>	<u>215,000</u>
Other Liabilities:					
Compensated Absences	621	152	-	773	-
Net Pension Liability	29,018	23,218	-	52,236	-
Total Other Liabilities	<u>29,639</u>	<u>23,370</u>	<u>-</u>	<u>53,009</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 12,027,056</u>	<u>\$ 23,370</u>	<u>\$ (334,828)</u>	<u>\$ 11,715,598</u>	<u>\$ 352,086</u>
Less Amount Due in One Year				<u>(352,086)</u>	
Net Long-Term Debt Due After One Year				<u>\$ 11,363,502</u>	

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 6 - LONG-TERM OBLIGATIONS (cont...)

Notes to Long-Term Obligations Table

Long term liabilities, including compensated absences, are typically liquidated by the individual fund to which the liability is directly associated.

Governmental Activities:

- Series 2007 Revenue Bonds - The USDA Rural Utilities Service Series 2007 Revenue Bonds are secured primarily by the communication services tax and the half cent sales Tax. The Series 2007 bonds bear interest at 4.125% with a final maturity of September 1, 2037. The bond proceeds were used to retire the Series 2006 Capital Improvement Revenue Bond Anticipation Note which was used to construct the new City administration facilities. The Series 2007 bonds require the maintenance of sinking and reserve fund.

Business-Type Activities:

- Series 2011A Capital Improvement and Refunding Revenue Bonds – The Capital Improvement and Refunding Revenue Bonds, Series 2011A are secured by net revenues of the water and sewer system, certain public service tax revenues, and moneys on deposit in various funds and accounts of the City. The Series 2011A bonds bear interest at 2.00 – 5.00% (true-interest-cost of 4.97%) with a final maturity of August 1, 2041. The Series 2011A bond proceeds were used to finance and/or reimburse the costs of certain improvements to the City's water and sewer system, refund all of the Series 1999 Revenue Bonds, Series 2004 Revenue Bonds, Series 2005 Capital Improvement Revenue Note, Polk County sprayfield loan, fund a portion of the reserve requirement and pay the costs of issuance of the bonds. The bonds require the maintenance of sinking, reserve, and renewal and replacement funds.
- Installment Note to Florida Department of Environmental Protection (WW 51201P) - This note is secured by the net revenues of the sewer system and sewer impact fees. The note bears interest at 2.41%, with semi-annual principal and interest payments on March 15 and September 15 with a final maturity in September 2033. The note proceeds were used to fund the planning, administrative, and engineering costs for construction of wastewater transmission, collection, reuse and treatment facilities. The Note requires the maintenance of a sinking fund.
- Tax Exempt Lease Purchase Agreement – This agreement is secured by a lien on the equipment acquired. The agreement bears interest at 2.79%, with annual principal and interest payments on April 15 with a final maturity in April 2021. The agreement proceeds were used to fund the purchase of water meters and related equipment.

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016**

NOTE 6 - LONG-TERM OBLIGATIONS (cont...)

Notes to Long-Term Obligations Table (cont...)

Maturities:

Annual requirements to repay all long-term bonds and notes payable as of September 30, 2016, were as follows:

Fiscal Year Ending September 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 43,700	\$ 58,389	\$ 352,096	\$ 489,814
2018	45,503	56,586	365,495	479,966
2019	47,380	54,709	373,978	469,733
2020	49,334	52,755	387,547	458,113
2021	51,369	50,720	401,206	444,854
2022-2026	290,433	220,012	2,090,012	2,013,441
2027-2031	355,485	154,959	2,507,815	1,593,627
2032-2036	435,107	75,338	2,523,170	1,047,498
2037-2041	97,178	4,009	2,795,000	433,000
Less: unamortized bond discount	-	-	(133,730)	-
Total	\$ 1,415,489	\$ 727,477	\$ 11,662,589	\$ 7,430,046

NOTE 7 – FUTURE REVENUES THAT ARE PLEDGED

The City has pledged various future revenue sources for various debt issues. For the water and sewer systems, the City has pledged future revenues, net of certain operating expenses. The following table provides a summary of the pledged revenues for the City's outstanding debt issues. Additional information regarding the City's pledged revenue can be found in Note 7.

Pledged Revenue	Principal and Interest Outstanding	Principal and Interest Paid	Current Year Revenue	Revenues to Principal and Interest Paid
Communication services tax pursuant to Section 202.19, Florida Statutes and the half cent sales tax pursuant to part VI of Chapter 218, Florida Statutes	\$ 2,142,966	\$ 102,089	\$ 239,233	234.34%
Water and sewer system net revenue and sewer impact fees	19,108,940	819,726	1,337,190	163.13%

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016**

NOTE 8 - INTERFUND TRANSACTIONS

Interfund transactions are summarized below:

Interfund receivables and payables as of September 30, 2016 consisted of:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Enterprise Fund	\$ 3,497

The above interfund balances arose from the fund with the receivable incurring cost on behalf of the fund with the payable which were not repaid prior to year end.

NOTE 9 - PENSION PLAN

Florida Retirement System (FRS) – Defined Benefit Pension Plans

General Information about the FRS

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the City are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 9 - PENSION PLAN (cont....)

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 9 - PENSION PLAN (cont....)

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2015-16 fiscal year were as follows:

<u>Class</u>	<u>Prior to</u>		<u>After</u>	
	<u>July 1, 2016</u>		<u>July 1, 2016</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
		(A)		(B)
Regular	3.00%	7.26%	3.00%	7.52%
Senior Management	3.00%	21.43%	3.00%	21.77%

Note (A) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates include 0.04 percent for administrative costs of the Investment Plan.

Note (B) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates include 0.06 percent for administrative costs of the Investment Plan.

The City's contributions to the Plan totaled \$34,559 for the fiscal year ended September 30, 2016.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 9 - PENSION PLAN (cont....)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2016, the City reported a liability of \$321,486 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2016 relative to the contributions of all participating members for that period. At June 30, 2016, the City's proportionate share was 0.00127321 percent, which was an decrease of 0.000082047 from its proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$59,401. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,614	\$ 2,993
Change of assumptions	19,449	
Net difference between projected and actual earnings on FRS pension plan investments	147,896	64,795
Changes in proportion and differences between College FRS contributions and proportionate share of contributions	46,082	9,751
City FRS contributions subsequent to the measurement date	8,926	-
Total	\$ 246,967	\$ 77,539

The deferred outflows of resources related to pensions, totaling \$8,926, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 9 - PENSION PLAN (cont...)

Fiscal Year Ending September 30	Amount
2017	\$ 27,486
2018	27,486
2019	59,884
2020	39,834
2021	4,934
Thereafter	878
	\$ 160,502

Actuarial Assumptions. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.60 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016**

NOTE 9 - PENSION PLAN (cont....)

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.0%	3.0%	1.7%
Fixed income	18%	4.7%	4.6%	4.6%
Global equity	53%	8.1%	6.8%	17.2%
Real estate	10%	6.4%	5.8%	12.0%
Private equity	6%	11.5%	7.8%	30.0%
Strategic investments	12%	6.1%	5.6%	11.1%
Total	<u>100%</u>			
Assumed inflation - Mean		2.60%		1.90%

(1) As outlined in the Pension Plan's investment policy

Discount Rate. The discount rate used to measure the total pension liability was 7.60 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.60 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.60 percent) or 1 percentage-point higher (8.60 percent) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
City's proportionate share of the net pension liability (asset)	<u>\$ 591,878</u>	<u>\$ 321,486</u>	<u>\$ 96,421</u>

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At September 30, 2016, the City reported a payable of \$-0- for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2016.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 9 - PENSION PLAN (cont....)

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2016, the HIS contribution rate for the period of July 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016 was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The City contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$6,294 for the fiscal year ended September 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions. At September 30, 2016, the City reported a net pension liability of \$151,254 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2016 relative to the contributions of all participating members for that period. At June 30, 2016, the City's proportionate share was 0.001297807% percent, which was an increase of 0.000048117 from its proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the City recognized the HIS Plan pension expense of \$8,567. In addition, the City reported deferred outflows of resources related to pensions from the following sources:

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 9 - PENSION PLAN (cont....)

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 345
Change of assumptions	23,736	-
Net difference between projected and actual earnings on HIS pension plan investments	76	-
Changes in proportion and differences between College HIS contributions and proportionate share of HIS contributions	18,445	3,891
City contributions subsequent to the measurement date	1,828	-
Total	\$ 44,085	\$ 4,236

The deferred outflows of resources, totaling \$1,828, was related to pensions resulting from City contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30</u>	<u>Amount</u>
2017	\$ 7,209
2018	7,209
2019	7,195
2020	7,188
2021	6,257
Thereafter	2,963
	\$ 38,021

Actuarial Assumptions. The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Discount rate	2.85 percent

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016**

NOTE 9 - PENSION PLAN (cont....)

Discount Rate. The discount rate used to measure the total pension liability was 2.85 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Conference.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 2.85 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.85 percent) or 1 percentage point higher (3.85 percent) than the current rate:

	1% Decrease 1.85%	Current Discount Rate 2.85%	1% Increase 3.85%
City's proportionate share of the net pension liability	\$ 173,523	\$ 151,254	\$ 132,772

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At September 30, 2016, the City reported a payable of \$-0- for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended September 30, 2016.

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS

Pursuant to the provisions of Section 112.08011, Florida Statutes, former employees and eligible dependents who retire from the City may continue to participate in the City's fully insured health and hospitalization plan. These retirees are completely responsible for payment of their insurance premiums and the City does not contribute toward this payment. Based upon prior experience, the assumed participation rate is zero percent and current insurance premiums are not affected by the requirements of Section 112.08011, Florida Statutes. An actuarial projection with a zero assumed participation rate, which is consistent with actual results, would result in a Other Post Employment Benefit (OPEB) obligation of zero. Accordingly there is no OPEB obligation recorded in the financial statements.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE 11 – COMMITMENTS AND CONTINGENCIES

- The City is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations and, therefore, liabilities from the lease agreements are not reflected in the City's account groups. Remaining minimum lease payments are not significant.
- The City participates in several programs that are fully or partially funded by grants received from Federal, state, or county agency sources. Expenditures financed by grants are subject to audit by the appropriate grantor government/agency. If expenditures are disallowed due to non-compliance with grant program regulations, the City may be required to reimburse the grantor government/agency. As of September 30, 2016, the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.
- Effective October 17, 2016, the City contracted with the Polk County Sheriff to provide enhanced law enforcement services within the City through the fiscal year ended September 30, 2021. Under the agreement, the City shall pay \$95,454 for base services for the fiscal year ended September 30, 2017. The annual cost increases 2% per year over the term of the contract. The City paid \$124,278 for the year ended September 30, 2016.
- Effective October 1, 2016, the City entered into a contract with a Aquarina Waterworks, Inc. for all routine operation and maintenance services for the City's water and wastewater utility system. The contract provides that compensation to the contractor for services performed under the contract shall not exceed the sum of \$38,542 per month during the first 12 months of the contract and shall increase by two percent each year thereafter. The contract shall remain in full force and effect through the fiscal year ended September 30, 2019.

NOTE 12 – RISK MANAGEMENT AND LITIGATION

During the ordinary course of its operations, the City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees, and natural disasters. The City maintains commercial insurance coverage in amounts management feels is adequate to protect and safeguard the assets of the City. There have been no significant reductions in coverage nor have settlement amounts exceeded the City's coverage during the year ended September 30, 2016 or the previous two years. In the opinion of the City's management and legal counsel, legal claims and litigation are not anticipated to have material impact on the financial position of the City. The City's workers compensation coverage is provided through a nonassessable, nonprofit, tax-exempt risk sharing pool. Settled claims resulting from these risks have not exceeded insurance coverage.



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REQUIRED SUPPLEMENTARY INFORMATION

**POLK CITY, FLORIDA
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (UNAUDITED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (GAAP Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
RESOURCES (inflows):				
Taxes	\$ 996,071	\$ 996,071	\$ 1,029,644	\$ 33,573
Licenses and permits	64,200	64,200	174,154	109,954
Intergovernmental revenue	264,945	264,945	214,700	(50,245)
Charges for services	263,715	263,715	283,388	19,673
Fines and forfeitures	500	500	901	401
Impact fees	-	-	181,357	181,357
Other	9,075	9,075	20,354	11,279
Amounts available for appropriations	<u>1,598,506</u>	<u>1,598,506</u>	<u>1,904,498</u>	<u>305,992</u>
CHARGES TO APPROPRIATIONS (outflows):				
General government	486,266	486,266	438,215	48,051
Public safety	226,213	226,213	256,779	(30,566)
Physical environment	316,928	316,928	299,999	16,929
Transportation	203,394	203,394	176,449	26,945
Culture/recreation	182,335	182,335	125,073	57,262
Capital outlay	16,680	16,680	30,567	(13,887)
Debt service	102,089	102,089	102,089	-
Total charges to appropriations	<u>1,533,905</u>	<u>1,533,905</u>	<u>1,429,171</u>	<u>104,734</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS				
	64,601	64,601	475,327	410,726
Reserves carried to subsequent year	<u>(56,858)</u>	<u>(56,858)</u>		
NET CHANGE IN FUND BALANCE	<u>\$ 7,743</u>	<u>\$ 7,743</u>		

**POLK CITY, FLORIDA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND
SCHEDULE OF CITY CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN**

**Schedule of the City's Proportionate Share
of the Net Pension Liability –
Florida Retirement System Pension Plan (1)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the FRS net pension liability (asset)	0.001273210%	0.001355257%	0.001118460%
City's proportionate share of the FRS net pension liability (asset)	\$ 321,486	\$ 175,050	\$ 68,243
City's covered-employee payroll	\$ 379,179	\$ 380,883	\$ 330,817
City's proportionate share of the FRS net pension liability (asset) as a percentage of its covered-employee payroll	84.78%	45.96%	20.63%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%	96.09%

Notes:

- (1) The amounts presented for each fiscal year were determined as of June 30.
- (2) Covered-employee payroll includes defined benefit plan actives, investment plan members and members in DROP because total employer contributions are determined on a uniform basis (blended rate).

**Schedule of City Contributions –
Florida Retirement System Pension Plan (1)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 34,559	\$ 32,616	\$ 24,499
FRS contributions in relation to the contractually required contribution	<u>34,559</u>	<u>32,616</u>	<u>24,499</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 379,179	\$ 380,883	\$ 330,817
FRS contributions as a percentage of covered-employee payroll	9.11%	8.56%	7.41%

Notes:

- (1) The amounts presented for each fiscal year were determined as of June 30.
- (2) Covered-employee payroll includes defined benefit plan actives, investment plan members and members in DROP.

**POLK CITY, FLORIDA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND
SCHEDULE OF CITY CONTRIBUTIONS –HEALTH INSURANCE SUBSIDY PENSION PLAN**

**Schedule of the City's Proportionate Share
of the Net Pension Liability –
Health Insurance Subsidy Pension Plan (1)**

	2016	2015	2014
City's proportion of the HIS net pension liability (asset)	0.129780700%	0.001345924%	0.001092189%
City's proportionate share of the HIS net pension liability (asset)	\$ 151,254	\$ 137,263	\$ 102,122
City's covered-employee payroll	\$ 379,179	\$ 380,883	\$ 330,817
City's proportionate share of the HIS net pension liability (asset) as a percentage of its covered-employee payroll	39.89%	36.04%	30.87%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%	0.50%

Notes:

- (1) The amounts presented for each fiscal year were determined as of June 30.
- (2) Covered-employee payroll includes defined benefit plan actives, investment plan members and members in DROP because total employer contributions are determined on a uniform basis (blended rate).

**Schedule of City Contributions –
Health Insurance Subsidy Pension Plan (1)**

	2016	2015	2014
Contractually required HIS contribution	\$ 6,294	\$ 5,455	\$ 3,741
HIS contributions in relation to the contractually required contribution	6,294	5,455	3,741
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 379,179	\$ 380,883	\$ 330,817
HIS contributions as a percentage of covered-employee payroll	1.66%	1.43%	1.13%

Notes:

- (1) The amounts presented for each fiscal year were determined as of June 30.
- (2) Covered-employee payroll includes defined benefit plan actives, investment plan members and members in DROP.

**POLK CITY, FLORIDA
NOTES TO THE SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY AND SCHEDULE OF CITY CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION
PLAN AND HEALTH INSURANCE SUBSIDY PENSION PLAN**

1. Schedule of Net Pension Liability and Schedule of Contributions – Florida Retirement System Pension Plan

Changes of Assumptions:

- a. As of June 30, 2014, the inflation rate assumption was decreased from 3 percent to 2.6 percent, the real payroll growth assumption was decreased from 1 percent to 0.65 percent, and the overall payroll growth rate assumption was decreased from 4 percent to 3.25 percent. The long-term expected rate of return decreased from 7.75 percent to 7.65 percent.
- b. For the year ended June 30, 2016, the long-term expected rate of return decreased from 7.65 percent to 7.60 percent.

2. Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes of Assumptions:

- a. The municipal rate used to determine total pension liability decreased from 4.63 percent as of the June 30, 2013 measurement date to 4.29 percent as of the June 30, 2014 measurement date.
- b. In September 2014 the Actuarial Assumptions Conference adopted the Bond Buyer General Obligation 20-Bond Municipal Bond Index as the applicable municipal bond index. The discount rate used in the 2014 valuation was updated from 4.29 percent to 3.80 percent, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2015.
- c. The discount rate used in the 2015 valuation was updated from 3.80 percent to 2.85 percent, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2016.

Program Contribution Rates – The Health Insurance Subsidy Pension Plan (HIS) uses a “pay-as-you-go” funding structure. As of June 30, 2015, accumulated HIS assets constituted less than two months of projected benefit payments. Effective July 1, 2015, the Legislature increased the HIS employer contribution rate from 1.26 percent to 1.66 percent to address the cash flow needs of the program. As of June 30, 2016, accumulated HIS assets constituted approximately three months of projected benefit payments.



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OTHER REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of the City Commission
Polk City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of Polk City, Florida as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise Polk City, Florida's basic financial statements, and have issued our report thereon dated March 7, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Polk City, Florida'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 Polk City, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Polk City, Florida'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Honorable Mayor and Members of the City Commission
Polk City, Florida

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.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
March 7, 2017



INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

Honorable Mayor and Members of the City Commission
Polk City, Florida

We have examined Polk City, Florida's compliance with Section 218.415, Florida Statutes for the year ended September 30, 2016. Management is responsible for Polk City, Florida's compliance with those requirements. Our responsibility is to express an opinion on Polk City, Florida'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 Polk City, Florida'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 Polk City, Florida's compliance with specified requirements.

In our opinion, Polk City, Florida complied, in all material respects, with the aforementioned requirements of Section 218.415, Florida Statutes for the year ended September 30, 2016.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
March 7, 2017

MANAGEMENT LETTER

Honorable Mayor and Members of the City Commission
Polk City, Florida

Report on the Financial Statements

We have audited the financial statements of the Polk City, Florida as of and for the year ended September 30, 2016, and have issued our report thereon dated March 7, 2017.

Auditor's 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 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 Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance with the requirements of Section 218.415, Florida Statutes in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 7, 2017, 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. There were no findings or recommendations made in the preceding annual financial audit report.

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. For the legal authority of Polk City, Florida, see footnote 1 of the summary of significant accounting policies in the notes to financial statements.

Financial Condition

Section 10.554(1)(i)5.a and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and report the results of our determination as to whether or not Polk City, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit of the financial statements of Polk City, Florida, the results of our tests did not indicate Polk City, Florida met any of the specified 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 Polk City, Florida'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. and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Polk City, Florida for the fiscal year ended September 30, 2016, 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, 2016. Our comparison of these two reports resulted in no material differences.

Other Matters

Section 10.554(1)(i)2., 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 did not have any such recommendations.

Section 10.554(1)(i)3., 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 the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, members of the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
March 7, 2017



City of Polk City City Commission Agenda Form

Meeting Date: March 20, 2017

Item: 4

Subject:	
Purchase of 2017 F-150 Pickup Truck	
Department:	
Public Works	
Summary:	
<p>Polk City currently has two regular cab pickup trucks that are used on a regular basis. Both trucks are used by the employees to carry personnel and equipment to multiple projects throughout the city, which leaves the newly hired Public Works Director without a truck to use on a daily basis.</p> <p>Contact was made with Weikert Ford in Lake Wales, which has the Polk County contract. As a result, it was discovered an extra truck was ordered for Lake Alfred and they only needed one. This opened up an opportunity for us to get a good deal on a truck that we need and not have to order. The City has the money to purchase this truck.</p>	
Requested Commission Action:	
Move to approve the purchase of the 2017 F-150 Pick-up Truck from Weikert Ford.	
Financial Impact: \$23,000	
Attachments: X	Supporting Documents Reviewed X
Submitting Department Head:	Date:
Keith Prestage, Public Works Director	3/16/2017
Approved by City Manager:	Date:
Patricia R. Jackson, City Manager	3/16/2017
City Commission Action: <input type="checkbox"/> Approved as Recommended <input type="checkbox"/> Approved with Modifications <input type="checkbox"/> Tabled to Time Certain Date: _____ <input type="checkbox"/> Denied	

Public Works Department

Memorandum

To: Patricia Jackson, City Manager
From: Keith Prestage, Public Works Director

Request for Equipment

1 - Ford F-150 Pickup Crew Cab

Reasons for request:

- The City owns two regular cab pickup trucks that are used on a regular basis each day. Both trucks are used by the employees to carry personnel and equipment to multiple projects throughout Polk City, which leaves the Public Works Director without a vehicle to monitor and review work for future projects.
- As a result of researching Ford trucks with Weikert Ford in Lake Wales, I discovered that they had ordered an extra truck for Lake Alfred that they did not need, which opened up an opportunity for us to get a good deal.



The Low Payment Kings with LakeWalesChrysler.com



VEHICLE DESCRIPTION

F-150

HF A88548

2017 F-150 4X2 SUPERCREW
145" WHEELBASE
2.7L V6 ECOBOOST W/ALTO S/B
ELED 9-SPEED AUTO W/TOW MOD

EXTERIOR OXFORD WHITE
INTERIOR MEDIUM GRAY VINYL 48/20/40

STANDARD EQUIPMENT INCLUDED AT NO EXTRA CHARGE

- EXTERIOR**
- DAYTIME RUNNING LIGHTS
 - EASY FUEL CAPLESS FILLER
 - FULLY BOXED STEEL FRAME
 - HALOGEN HEADLAMPS
 - HEADLAMPS - AUTOLAMP (AUTOFF)
 - LOCKING REMOVABLE TAILGATE
 - PICKUP BOX TIE DOWN HOOKS
 - SPARE TIRE & WHEEL LOCK
 - TRAILER SWAY CONTROL
 - WIPERS- INTERMITTENT

- INTERIOR**
- 60/40 FOLD-UP REAR BENCH SEAT
 - A/C W/MANUAL CLIMATE CONTROL, SINGLE ZONE
 - DUAL SUNVISORS
 - OUTSIDE TEMP DISPLAY
 - POWERPOINTS
 - TILT/TELESCOPE STR COLUMN

- FUNCTIONAL**
- 4-WHEEL DISC BRAKES W/ABS
 - CURVE CONTROL
 - FADE-TO-OFF INTERIOR LIGHT
 - FAIL-SAFE COOLING SYSTEM
 - HILL START ASSIST
 - MANUAL FOLD MIRRORS
 - OUTBOARD MOUNTED REAR SHOCKS
 - PWR RACK AND PINION STEER

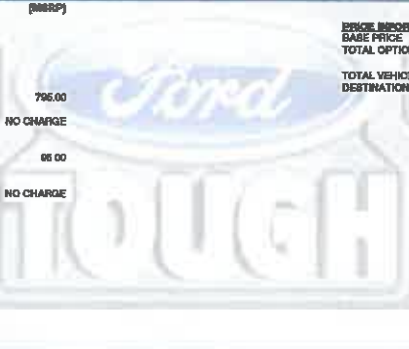
- SAFETY/SECURITY**
- ADVANCED TRAC WITH RSC
 - AIRBAGS - FRONT SEAT
 - MOUNTED SIDE IMPACT
 - AIRBAGS - SAFETY CANOPY
 - SIDE CURTAIN
 - CTR HIGH MOUNT STOP LAMP
 - SECURLOCK PASS ANTI THEFT
 - SOS POST CRASH ALERT SYS
 - TIRE PRESSURE MONITOR SYS

- WARRANTY**
- 5YR/60,000 BUMPER / BUMPER
 - 5YR/60,000 POWERTRAIN
 - 5YR/60,000 ROADSIDE ASSIST

INCLUDED ON THIS VEHICLE

- EQUIPMENT GROUP 199A**
XL SERIES

- OPTIONAL EQUIPMENT/OTHER**
1000-029-430001 BF
17" SILVER STEEL WHEELS
2.7L V6 ECOBOOST W/ALTO S/B
245/70R 17 BSW ALL-SEASON
3.15 RATIO REGULAR AXLE
62008 GVWR PACKAGE
SELECTSHIFT TRANSMISSION
CLASS IV TRAILER HITCH
AUTO START/STOP
23 GALLON FUEL TANK
VINYL 48/20/40 FRONT SEAT



PRICE INFORMATION

BASE PRICE	\$39,056.00
TOTAL OPTIONS/OTHER	590.00
TOTAL VEHICLE & OPTIONS/OTHER	39,646.00
DESTINATION & DELIVERY	1,108.00

796.00

NO CHARGE

86.00

NO CHARGE

Fuel Economy and Environment

Fuel Economy

22 MPG combined city/highway
19 MPG city
26 MPG highway

Standard Pickup Trucks range from 15 to 22 MPG. The best vehicle rates 119 MPG.

You spend \$1,250 more in fuel costs over 5 years compared to the average new vehicle.

4.5 gallons per 100 miles

These estimates reflect new EPA methods beginning with 2017 models.

Annual fuel cost \$1,650

Fuel Economy & Greenhouse Gas Rating (gasoline only) Smog Rating (gasoline only)

5 (Best 10, Worst 1)

6 (Best 10, Worst 1)

This vehicle emits 411 grams CO₂ per mile. The best emits 0 grams per mile (gasoline only). Producing and distributing fuel also creates additional greenhouse gas emissions.

fueleconomy.gov

Calculate your combined city, highway, and city MPG.

Greenhouse Gas Code

GOVERNMENT 5-STAR SAFETY RATINGS

Overall Vehicle Score ★★★★★

Based on the combined ratings of frontal, side and rollover. Should ONLY be compared to other vehicles of similar size and weight.

Frontal Crash Driver ★★★★★, Passenger ★★★★★

Based on the risk of injury in a frontal impact. Should ONLY be compared to other vehicles of similar size and weight.

Side Crash Front seat ★★★★★, Rear seat ★★★★★

Based on the risk of injury in a side impact.

Rollover ★★★★★

Based on the risk of rollover to a single vehicle.

Star ratings range from 1 to 5 stars (★★★★★), with 5 being the highest. Source: National Highway Traffic Safety Administration (NHTSA). www.safercar.gov or 1-888-327-4238

IIHS Ratings

Top Safety Pick Award Winner

Frontal Offset GOOD
Side Impact GOOD
Rear Impact GOOD
Roof Strength GOOD

The Institute rates vehicles Good, Acceptable, Marginal, or Poor based on performance.

Barcode 1FTEW1CP8HFA88548

Ford Credit Finance on Ford. This only extended service plan fully backed by Ford and honored at every Ford dealership in the U.S., Canada and Mexico. See your Ford dealer for additional details, or visit www.FordOwner.com for more information.

Ford Credit Choose the vehicle you want. Whether you decide to lease or finance, you'll find the choices that are right for you. See your Ford Dealer for details or visit www.FordCredit.com.

MODEL YEAR	CA29	TOTAL MSRP	\$35,140.00
DEALER/ZIP	DEARBORN	Title label is placed pursuant to the Federal Antitrust Information Disclosure Act. Nameplate, License, and Title Fees, Plate and Local taxes are not included. Dealer installed options or accessories are not included unless listed above.	
VERSION/DESCRIPTION	24-AD01 Q/T EB	SPECIAL ORDER	
CONVOY	GM091 N RB 2X 725 004451 12 09 16		



City of Polk City City Commission Agenda Form

Meeting Date: March 20, 2017

Item: 5

Subject:	
Discussion – Vacancy of City Commission Seat #3	
Department:	
Administrative	
Summary:	
A vacancy was created for City Commission Seat #3 on February 20, 2017, due to the resignation of Commissioner Keith Prestage. For informational purposes, in the past the Commission advertised the vacancy, as well as posting on the website to receive letters of interest. The City Commission can receive such letters of interest until the next meeting on April 17, 2017.	
Requested Commission Action:	
Decide on procedure for filling Seat #3 vacancy.	
Financial Impact:	
Attachments: <input type="checkbox"/>	Supporting Documents Reviewed <input type="checkbox"/>
Submitting Department Head:	Date:
Patricia R. Jackson	3/16/2017
Approved by City Manager:	Date:
Patricia R. Jackson	3/16/2017
City Commission Action:	
<input type="checkbox"/>	Approved as Recommended
<input type="checkbox"/>	Approved with Modifications
<input type="checkbox"/>	Tabled to Time Certain Date: _____
<input type="checkbox"/>	Denied