

POLK CITY

City Commission Workshop (6 pm) City Commission Meeting (7 pm)

September 16, 2019

Polk City Government Center
123 Broadway Blvd., SE

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

ESTABLISHMENT OF A QUORUM

PRESENTATIONS AND RECOGNITIONS

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

AGENDA

- 1. PUBLIC HEARING—Ordinance 2019-06** - An Ordinance of Polk City, Florida, amending the Polk City Comprehensive Plan, Revising the Future Land Use Element to add the Future Land Use Designation of Mixed Use; and transmitting said Amendment to the Florida Department of Economic Opportunity for Finding of Compliance; Providing for Severability; Providing for Conflict; and Providing for an Effective Date. **Second and Final Reading**
- 2. PUBLIC HEARING—Ordinance 2019-07** - An Ordinance of Polk City, Florida amending the Polk City Land Development Code, amending Article 2, regulations for specific districts, including adding a new Zoning District as Section 2.04.02.17 MU Mixed Use District; Providing for Applicability; providing for Repeal; Severability; and an Effective Date. **Second and Final Reading**
- 3. PUBLIC HEARING—Ordinance 2019-12** – An Ordinance of Polk City, Florida, amending the Polk City Code o Ordinances and the Unified Land Development Code of Polk City, Florida; amending Article 3, Development Design and Improvement Standards, to add a new Section 3.08.00, Water Conservation for Landscape Irrigation, Irrigation System Design and Installation Standards, Efficient Plumbing Requirements; providing for repeal of conflicting Ordinances; providing for severability; providing an effective date, **First Reading**
- 4. Bid Award – Replacement of Two Hydropneumatic Tanks – Mt. Olive Estates WTP**
- 5. Presentation of the Financial Statement for year ending September 30, 2018 – Audit - Mike Brynjulfson**

CITY MANAGER ITEMS

CITY ATTORNEY ITEMS

COMMISSIONER ITEMS

Vice Mayor Kimsey
Commissioner Blethen
Commissioner Carroll
Commissioner Harper
Mayor LaCascia

ANNOUNCEMENTS

ADJOURNMENT

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.

CONSENT AGENDA
September 16, 2019

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 – May 28, 2019 – City Commission Workshop
2. Accept minutes – August 12, 2019 – Special City Commission Meeting
3. Accept minutes – August 19, 2019 – City Commission Workshop
4. Accept minutes – August 19, 2019 – City Commission Meeting
5. Accept minutes – August 20, 2019 - Budget Workshop #1
6. Accept minutes – September 5, 2019 – Budget Workshop #2

B. REPORTS

1. Building Permits Report – August 2019
2. Financial Report – August 2019
3. Library Report – August 2019
4. Polk County Fire Rescue – August 2019
5. Polk Sheriff's Report – August 2019
6. Public Works Report – August 2019
7. Utilities Report – August 2019

C. OTHER

**City Commission Meeting
September 16, 2019**

CONSENT AGENDA ITEM: Department Monthly Reports

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE: Department Reports attached for review and approval.

ATTACHMENTS:

Monthly Department Reports for:

1. Building Permits Report – August 2019
2. Financial Report – August 2019
3. Library Report – August 2019
4. Polk County Fire Rescue Report – August 2019
5. Polk Sheriff's Report – August 2019
6. Public Works Report – August 2019
7. Utilities Report – August 2019

ANALYSIS:

STAFF RECOMMENDATION: Approval of Department Reports via Consent Agenda

Polk City Permits Added
From: 08/01/19 To: 08/31/2019

COMMERCIAL

<u>Permit Number</u>	<u>Address</u>	<u>Declared Value</u>	<u>Date Added</u>
BC-2019-1089	212 N COMMONWEALTH AVE, POLK CITY, FL 33868	1,500.00	08/16/2019
BC-2019-1150	120 CARTER BLVD, POLK CITY, FL 33868	7,500.00	08/26/2019
BC-2019-1179	121 N COMMONWEALTH AVE, POLK CITY, FL 33868	2,400.00	08/29/2019
Subtotal:		\$11,400.00	

MECHANICAL

<u>Permit Number</u>	<u>Address</u>	<u>Declared Value</u>	<u>Date Added</u>
BT-2019-11191	529 ASHLEY RD, POLK CITY, FL 33868	8,100.00	08/15/2019
BT-2019-11276	258 BAYBERRY DR, POLK CITY, FL 33868	13,054.00	08/19/2019
Subtotal:		\$21,154.00	

RE-ROOF

<u>Permit Number</u>	<u>Address</u>	<u>Declared Value</u>	<u>Date Added</u>
BT-2019-10741	121 N COMMONWEALTH AVE, POLK CITY, FL 33868	20,000.00	08/07/2019
BT-2019-11062	240 LARKSPUR LN, POLK CITY, FL 33868	4,000.00	08/13/2019
BT-2019-11446	303 SE BROADWAY BLVD, POLK CITY, FL 33868	22,500.00	08/21/2019
Subtotal:		\$46,500.00	

RESIDENTIAL

<u>Permit Number</u>	<u>Address</u>	<u>Declared Value</u>	<u>Date Added</u>
BR-2019-7417	420 BASCOM CT, POLK CITY, FL 33868	2,000.00	08/15/2019
BR-2019-7418	420 BASCOM CT, POLK CITY, FL 33868	1,200.00	08/15/2019
BR-2019-7470	805 LAKESHORE DR, POLK CITY, FL 33868	1,100.00	08/16/2019
BR-2019-7865	435 EDGEWATER DR, POLK CITY, FL 33868	10,000.00	08/29/2019
Subtotal:		\$14,300.00	

Grand Total: \$93,354.00

27 SFR To Date

POLK CITY
Simple Balance Sheet

For Fiscal Year: 2019 thru Fiscal Month: Aug, for Fund: 01

Account Number	Account Title	Ending Bal	Net Amount
01-101-100	Cash - Checking	1,988,111.09	
01-101-800	Cash - GF Police Public Safety Impact Fees	137,397.70	
01-101-801	Cash - GF Fire Public Safety Impact Fees	96,585.57	
01-101-802	Cash - GF Recreation Impact Fees	289,164.32	
01-101-803	Cash - GF Gen Gov't Facilities Impact Fees	257,361.01	
01-101-930	Restricted Cash - Reclass	2,000.00-	
01-101-990	Van Fleet Cycling Challenge	859.09	
01-101-999	Restricted Class - Reclass	2,000.00	
01-102-100	Cash on Hand	575.00	
01-115-100	Accounts Receivable - Utilities	23,907.92-	
01-115-110	Accounts Receivable - NSF	50.00-	
01-115-120	Accounts Receivable - Local Bus Licenses	7,100.00	
01-115-130	Accounts Receivable - Readiness to Serve	2,476.98	
01-115-200	Accounts Receivable - Year End	93,927.42-	
01-117-100	Allowance for Bad Debt	8,857.17-	
01-117-200	Allowance for Uncollectible A/R	2,476.98-	
01-133-100	Due From Other Governmental Units	86,142.26	
01-133-101	Due from Others (Franchise & Public Serv. Tax)	7,282.75	
01-153-302	Restricted Cash - New Local Opt Gas Tax	102,922.55	
01-153-303	Restricted Cash - Building and Codes	2,000.00	
01-160-902	Reserve Account	177,764.59	
01-160-903	Reserve Acct - Emergencies & Contingency	62,924.00	
	** TOTAL ASSET**		3,089,447.42
01-202-100	Accounts Payable	686.25-	
01-202-900	Customer Deposits	3,735.00	
01-208-200	Due to BCAIB - Builder's Surcharge	6.00	
01-208-300	Due to County - Impact Fees	7,946.00	
01-208-310	Due to DCA - Bldg Permit Surcharge	230.75	
01-208-320	Due to Dept of Business - License Fees	117.95	
01-208-330	Due to PCSO - Police Education Revenue	289.80	
01-217-200	Accrued Sales Tax	185.84	
01-218-050	Payroll Liabilities	87.80	
01-218-100	Payroll Taxes Payable	7,429.95	
01-218-200	FRS Retirement Payable	6,517.54	
01-218-310	Long Term Disability Payable	868.76	
01-218-320	Supplemental Insurance Payable	1,226.65	
01-218-327	CHL- Child Support	242.78-	
01-218-400	Dental Plan Payable	22.38-	
01-218-410	Vision Plan Payable	491.84	
	** TOTAL LIABILITY**		28,182.47
01-243-100	Encumbrances Placed	1,128.08	
01-245-100	Reserved for Encumbrances	1,128.08-	
	** TOTAL ENCUMBRANCE**		0.00
01-271-100	Fund Balance Unreserved	2,690,162.64	
	** TOTAL EQUITY**		2,690,162.64
	** TOTAL REVENUE**		2,263,179.40
	** TOTAL EXPENSE**		1,892,077.09
	TOTAL LIABILITY AND EQUITY		3,089,447.42

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

GENERAL FUND REVENUES
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 PRIOR YR REVENUE	2018 ANTICIPATED REVENUE	ADJ ANTICIPATED	2019 CURRENT REVENUE	2019 YTD REVENUE	(EXCESS)/DEFICIT	2019 PERCENTAGE REALIZED
01-311-100	Ad Valorem Taxes	603,369.50	735,076.00	735,076.00	1,251.93	708,207.00	26,869.00	96.34 %
01-312-300	9th Cent Gas Tax	14,594.37	14,500.00	14,500.00	1,295.55	11,395.15	3,104.85	78.59 %
01-312-400	Local Option Gas Tax	81,004.82	82,534.00	82,534.00	7,059.11	70,325.47	12,208.53	85.21 %
01-312-410	New Local Option Gas Tax	50,528.73	50,775.00	50,775.00	4,182.49	44,696.55	6,078.45	88.03 %
01-314-100	Electric - Utility Tax	102,386.61	86,200.00	86,200.00	12,278.92	95,485.59	(9,285.59)	110.77 %
01-314-300	Water - Utility Tax	57,257.65	54,630.00	54,630.00	6,362.20	55,583.41	(953.41)	101.75 %
01-314-301	Water - Utility Tax - Readiness to Se	0.00	200.00	200.00	0.00	0.00	200.00	0.00 %
01-314-400	Gas - Utility Tax	5,226.08	4,100.00	4,100.00	417.82	6,766.31	(2,666.31)	165.03 %
01-315-100	Communications Services Tax	209,573.77	206,035.00	206,035.00	17,029.71	181,103.08	24,931.92	87.90 %
01-316-100	Local Business Licenses	19,008.66	7,800.00	7,800.00	0.00	3,091.59	4,708.41	39.64 %
01-316-102	County Business Tax	0.00	0.00	0.00	364.14	463.85	(463.85)	0.00 %
01-322-100	Building Permits	175,413.07	100,000.00	100,000.00	877.50	38,782.77	61,217.23	38.78 %
01-322-101	Bldg Permit - Plan Checking	102,905.22	47,747.00	47,747.00	814.50	18,763.94	28,983.06	39.30 %
01-322-102	Bldg Permit - Admin Fee	5,078.00	2,000.00	2,000.00	180.00	4,840.00	(2,840.00)	242.00 %
01-322-103	Bldg Permit - Electrical	16,770.00	12,000.00	12,000.00	450.00	8,770.00	3,230.00	73.08 %
01-322-104	Bldg Permit - Plumbing	14,788.00	12,000.00	12,000.00	325.00	7,900.00	4,100.00	65.83 %
01-322-105	Bldg Permit - Mechanical	14,900.00	12,000.00	12,000.00	375.00	8,600.00	3,400.00	71.67 %
01-322-107	Bldg Permit - Cert of Occupancy	3,185.00	390.00	390.00	60.00	3,000.00	(2,610.00)	769.23 %
01-322-108	Bldg Permit - Inspections	139,603.65	150,000.00	150,000.00	3,200.10	173,229.65	26,770.35	82.15 %
01-322-109	Bldg Permit - Demolition	0.00	0.00	0.00	0.00	57.50	(57.50)	0.00 %
01-323-100	Electric	68,314.25	58,732.00	58,732.00	15,391.00	57,293.26	1,438.74	97.55 %
01-323-300	Solid Waste	30,157.38	31,050.00	31,050.00	11,127.76	29,127.76	1,922.24	93.81 %
01-324-100	Police - Public Safety Impact Fee	62,564.03	66,434.00	66,434.00	644.99	27,089.58	39,344.42	40.78 %
01-324-110	Fire/Rescue - Public Safety Impact Fe	33,475.67	35,546.00	35,546.00	345.11	14,494.62	21,051.38	40.78 %
01-324-310	Transportation Impact Fee	0.00	0.00	0.00	0.00	(995.10)	995.10	0.00 %
01-324-610	Parks & Recreation Impact Fee	100,895.52	107,136.00	107,136.00	1,040.16	42,646.56	64,489.44	39.81 %
01-324-710	Public Facilities Impact Fee	169,556.97	180,045.00	180,045.00	1,748.01	73,416.42	106,628.58	40.78 %
01-329-220	Site Plan Reviews	1,600.00	0.00	0.00	0.00	9,285.00	(9,285.00)	0.00 %
01-331-400	FEMA Federal Reimb. - Irma 2017	0.00	0.00	0.00	0.00	60,999.44	(60,999.44)	0.00 %
01-331-510	CDBG	15,860.00	0.00	0.00	0.00	0.00	0.00	0.00 %
01-334-201	Justice Assistance Grant (JAG)	0.00	5,113.00	5,113.00	0.00	0.00	5,113.00	0.00 %
01-334-400	FEMA State Reimb. - Irma 2017	0.00	0.00	0.00	0.00	1,250.00	(1,250.00)	0.00 %
01-334-910	DEO GRANT	61,000.00	25,000.00	25,000.00	30,000.00	30,000.00	(5,000.00)	120.00 %
01-335-120	MRS - State Sales Tax	57,403.00	57,580.00	57,580.00	5,466.71	53,187.70	4,392.30	92.37 %
01-335-122	SRS - 8th Cent. Motor Fuel Tax	17,888.27	17,260.00	17,260.00	1,602.34	16,293.43	966.57	94.40 %
01-335-123	MRS - Municipal Fuel Tax	16.21	8.00	8.00	1.13	51.08	(43.08)	638.50 %
01-335-140	Mobile Home License	5,485.35	4,800.00	4,800.00	132.50	5,336.05	(536.05)	111.17 %
01-335-150	Alcoholic Beverage License	1,125.71	1,125.00	1,125.00	0.00	1,125.71	(0.71)	100.06 %
01-335-180	Half-Cent Sales Tax	107,782.73	114,645.00	114,645.00	9,585.29	101,417.30	13,227.70	88.46 %

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

GENERAL FUND REVENUES
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 PRIOR YR REVENUE	2019 ANTICIPATED REVENUE	ADJ ANTICIPATED	2019 CURRENT REVENUE	2019 YTD REVENUE	(EXCESS)/DEFICIT	2019 PERCENTAGE REALIZED
01-337-100	Library Coop Funding	31,990.11	31,990.00	31,990.00	0.00	33,876.08	(1,886.08)	105.90 %
01-340-400	Solid Waste	280,018.50	281,000.00	281,000.00	45.12	226,536.24	54,463.76	80.62 %
01-340-700	Stormwater Utility Fees	23,879.67	24,922.00	24,922.00	10.50	23,344.44	1,577.56	93.67 %
01-340-900	Notary Fees	25.00	0.00	0.00	0.00	150.00	(150.00)	0.00 %
01-344-900	FDOT Maintenance Agreement	16,303.82	16,303.00	16,303.00	0.00	12,227.86	4,075.14	75.00 %
01-347-100	Library Income	8,394.78	6,000.00	6,000.00	576.70	6,765.19	(765.19)	112.75 %
01-351-200	Fines, Penalties, and Forfeitures	7,305.73	2,000.00	2,000.00	1,899.76	9,238.70	(7,238.70)	451.94 %
01-359-100	Other Fines and/or Forfeitures	0.00	0.00	0.00	845.00	902.50	(902.50)	0.00 %
01-359-300	Late Fees	466.75	200.00	200.00	0.00	214.00	(14.00)	107.00 %
01-361-100	Interest Income	390.85	200.00	200.00	0.00	983.21	(783.21)	491.61 %
01-362-100	Activity Center Rentals	2,300.00	1,500.00	1,500.00	300.00	3,050.00	(1,550.00)	203.33 %
01-362-200	Donald Bronson Community Center Renta	4,000.00	2,500.00	2,500.00	1,050.00	7,850.00	(5,350.00)	314.00 %
01-365-100	Sales of Surplus Property	3,586.39	500.00	500.00	25.00	136.10	363.90	27.22 %
01-366-100	Private Donations	0.00	0.00	0.00	0.00	740.00	(740.00)	0.00 %
01-366-101	Private Donations - Christmas	1,800.00	1,000.00	1,000.00	0.00	2,000.00	(1,000.00)	200.00 %
01-366-102	Private Donations - Halloween	1,450.00	200.00	200.00	0.00	1,000.00	(800.00)	500.00 %
01-366-104	Private Donations - Music Festival	0.00	500.00	500.00	0.00	0.00	500.00	0.00 %
01-366-110	Private Donations - Library	836.00	500.00	500.00	0.20	7,145.00	(6,645.00)	1429.00 %
01-369-100	Misc. Income	5,549.12	300.00	300.00	25.00	116.20	183.80	38.73 %
01-369-101	Misc Income - Copies and Faxes	53.50	0.00	0.00	0.00	104.00	(104.00)	0.00 %
01-369-102	Misc Income - Collection Allowance	17,854.83	5,000.00	5,000.00	44.44	8,040.11	(3,040.11)	160.80 %
01-369-120	Misc Income - Christmas	160.00	100.00	100.00	0.00	180.00	(80.00)	180.00 %
01-369-130	Misc Income - Halloween	140.00	100.00	100.00	0.00	260.00	(160.00)	260.00 %
01-369-400	Insurance Proceeds	4,451.63	0.00	0.00	0.00	2,214.91	(2,214.91)	0.00 %
01-369-401	Insurance - Claims	0.00	0.00	0.00	0.00	2,265.16	(2,265.16)	0.00 %
01-369-500	Refund of State Gas Tax	489.56	200.00	200.00	0.00	759.03	(559.03)	379.52 %
01-381-400	Transfer From Enterprise Fund	183,591.50	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
01-381-900	Cash Carry Forward	0.00	100,000.00	100,000.00	0.00	0.00	100,000.00	0.00 %
01-387-100	Loan Proceeds	1,389,020.56	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTALS		4,331,776.52	2,782,476.00	2,782,476.00	138,429.49	2,263,179.40	519,296.60	81.34 %

POLK CITY
 AUGUST 2019 MONTHLY FINANCIALS

General Fund Expenditures
 91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MYD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
LEGISLATIVE								
01-511-120	Regular Salary - Wages - Legislative	5,415.00	5,415.00	5,415.00	1,800.00	6,963.60	(1,548.60)	128.60 %
01-511-160	Bonuses and Gift Certificates - Legis	2,165.66	2,500.00	2,500.00	0.00	2,165.65	334.35	86.63 %
01-511-210	Fica Taxes - Legislative	579.92	1,020.00	1,020.00	137.70	698.34	321.66	68.46 %
01-511-240	Worker's Compensation - Legislative	15.20	16.00	16.00	0.00	11.00	5.00	68.75 %
01-511-400	Travel and Training - Legislative	2,305.49	5,500.00	5,500.00	0.00	5,034.30	465.70	91.53 %
01-511-470	Printing and Reproduction - Legislati	0.00	500.00	500.00	0.00	54.69	445.31	10.94 %
01-511-480	Promo Activities & Legal Ads - Legislat	0.00	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-511-490	Other Current Charges - Legislative	171.28	2,500.00	2,500.00	0.00	150.00	2,350.00	6.00 %
01-511-510	Office Supplies - Legislative	0.00	400.00	400.00	0.00	108.04	291.96	27.01 %
01-511-520	Operating Supplies - Legislative	0.00	1,000.00	1,000.00	0.00	618.46	381.54	61.85 %
01-511-540	Books, Pub., Sub., & Memberships - Le	2,041.00	6,000.00	6,000.00	0.00	3,420.00	2,580.00	57.00 %
DEPARTMENT TOTAL		12,693.55	26,851.00	26,851.00	1,937.70	19,224.08	7,626.92	71.60 %
EXECUTIVE								
01-512-120	Regular Salary - Wages - Executive	128,486.14	136,760.00	136,760.00	15,780.11	123,347.89	13,412.11	90.19 %
01-512-130	Other Salaries and Wages - Executive	4,707.81	4,800.00	4,800.00	553.86	4,430.88	369.12	92.31 %
01-512-160	Bonuses and Gift Certificates - Execu	15,538.72	22,750.00	22,750.00	0.00	21,056.34	1,693.66	92.56 %
01-512-210	Fica Taxes - Executive	11,092.93	14,600.00	14,600.00	1,230.17	11,385.90	3,214.10	77.99 %
01-512-220	Retirement Contribution - Executive	22,476.63	25,100.00	25,100.00	3,036.66	23,262.55	1,837.45	92.68 %
01-512-230	Life & Health Insurance - Executive	16,930.03	18,489.00	18,489.00	1,540.74	16,302.52	2,186.48	88.17 %
01-512-240	Worker's Compensation - Executive	233.41	315.00	315.00	0.00	194.00	121.00	61.59 %
01-512-310	Professional Services - Executive	0.00	300.00	300.00	0.00	32.00	268.00	10.67 %
01-512-400	Travel and Training - Executive	1,983.13	3,500.00	3,500.00	0.00	4,174.50	(674.50)	119.27 %
01-512-410	Communication Services - Executive	1,278.40	680.00	680.00	62.14	676.75	3.25	99.52 %
01-512-470	Printing and Reproduction - Executive	54.69	200.00	200.00	0.00	0.00	200.00	0.00 %
01-512-480	Promo Activities & Legal Ads - Execut	0.00	800.00	800.00	0.00	0.00	800.00	0.00 %
01-512-490	Other Current Charges - Executive	1,494.42	2,500.00	2,500.00	0.00	2,780.48	(280.48)	111.22 %
01-512-510	Office Supplies - Executive	463.67	900.00	900.00	81.31	260.74	639.26	28.97 %
01-512-520	Operating Supplies - Executive	137.36	500.00	500.00	0.00	1,361.70	(861.70)	272.34 %
01-512-540	Books, Pub., Sub., & Memberships - Ex	1,204.65	2,000.00	2,000.00	0.00	859.35	1,140.65	42.97 %
01-512-640	Machinery & Equipment - Executive	2,719.97	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		208,801.96	234,194.00	234,194.00	22,284.99	210,135.60	24,068.40	89.72 %

POLK CITY
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General Fund Expenditures
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G/L ACCDWNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
	CITY CLERK							
01-513-310	Professional Services - City Clerk	373.00	1,000.00	1,000.00	0.00	120.00	880.00	12.00 %
01-513-400	Travel and Training - City Clerk	1,333.50	3,000.00	3,000.00	0.00	2,467.10	532.90	82.24 %
01-513-460	Repairs and Maintenance - City Clerk	0.00	0.00	0.00	0.00	160.00	(160.00)	0.00 %
01-513-470	Printing and Reproduction - City Clerk	1,583.90	4,000.00	4,000.00	0.00	2,564.06	1,435.94	64.10 %
01-513-480	Promo Activities & Legal Ads - City C	1,210.16	0.00	0.00	0.00	0.00	0.00	0.00 %
01-513-490	Other Current Charges - City Clerk	1,880.80	1,500.00	1,500.00	0.00	7,580.01	(6,080.01)	505.33 %
01-513-492	Recording & Other Fees - City Clerk	0.00	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
01-513-510	Office Supplies - City Clerk	307.00	700.00	700.00	68.50	68.50	631.50	9.79 %
01-513-520	Operating Supplies - City Clerk	0.00	800.00	800.00	0.00	307.95	492.05	38.49 %
01-513-540	Books, Pub., Sub., & Memberships - Ci	175.00	500.00	500.00	448.00	701.00	(201.00)	140.20 %
	DEPARTMENT TOTAL	6,863.36	13,000.00	13,000.00	516.50	13,968.62	(968.62)	107.45 %
	LEGAL COUNSEL							
01-514-310	Professional Services - Legal Counsel	42,952.86	60,000.00	60,000.00	2,987.50	34,679.42	25,320.58	57.80 %
01-514-480	Promo Activities & Legal Ads - Legal	8,588.77	7,500.00	7,500.00	7,143.25	16,714.28	(9,214.28)	222.86 %
	DEPARTMENT TOTAL	51,541.63	67,500.00	67,500.00	10,130.75	51,393.70	16,106.30	76.14 %
	COMPREHENSIVE PLANNING							
01-515-310	Professional Services - Comp Planning	74,875.00	22,000.00	22,000.00	0.00	30,625.00	(8,625.00)	139.20 %
01-515-312	Professional Services-Other- Comp Pla	0.00	3,000.00	3,000.00	0.00	3,000.00	0.00	100.00 %
01-515-320	DEO - Grants	0.00	25,000.00	25,000.00	0.00	30,000.00	(5,000.00)	120.00 %
	DEPARTMENT TOTAL	74,875.00	50,000.00	50,000.00	0.00	63,625.00	(13,625.00)	127.25 %

POLK CITY
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G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MYD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	PERCENTAGE REALIZED
FINANCE AND ACCOUNTING								
01-516-120	Regular Salary - Wages - Fin & Acctng	66,123.78	78,915.00	78,915.00	8,594.40	67,327.76	11,587.24	85.32 %
01-516-140	Overtime - Fin & Acctng	0.00	495.00	495.00	0.00	0.00	495.00	0.00 %
01-516-210	Fica Taxes - Fin & Acctng	4,642.87	6,075.00	6,075.00	612.61	4,894.61	1,180.39	80.57 %
01-516-220	Retirement Contribution - Fin & Acctn	5,173.42	6,559.00	6,559.00	727.95	5,702.56	856.44	86.94 %
01-516-230	Life & Health Insurance - Fin & Acctn	8,615.29	18,201.00	18,201.00	1,516.76	16,768.40	1,432.60	92.13 %
01-516-240	Worker's Compensation - Fin & Acctng	122.40	183.00	183.00	0.00	124.00	59.00	67.76 %
01-516-310	Professional Services - Fin & Acctng	0.00	0.00	0.00	0.00	1,500.00	(1,500.00)	0.00 %
01-516-400	Travel and Training - Fin & Acctng	44.19	3,000.00	3,000.00	0.00	2,003.39	996.61	66.78 %
01-516-410	Communication Services - Fin & Acctng	0.00	0.00	0.00	66.14	520.58	(520.58)	0.00 %
01-516-420	Education Reimbursement - Fin & Acctn	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00 %
01-516-470	Printing and Reproduction - Fin & Acc	237.46	700.00	700.00	0.00	320.61	379.39	45.80 %
01-516-510	Office Supplies - Fin & Acctng	742.71	1,400.00	1,400.00	427.25	714.86	685.14	51.06 %
01-516-520	Operating Supplies - Fin & Acctng	180.92	2,500.00	2,500.00	0.00	2,947.21	(447.21)	117.89 %
01-516-540	Books, Pub., Sub., & Memberships - Fi	35.00	250.00	250.00	0.00	463.74	(213.74)	185.50 %
01-516-640	Machinery & Equipment - Fin & Acctng	1,099.99	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		90,518.03	118,278.00	118,278.00	11,945.11	103,287.72	14,990.28	87.33 %
DEBT SERVICE								
01-517-710	Principal - CB&T Debt Service Pmts	46,613.43	74,088.00	74,088.00	6,203.03	68,102.66	5,985.34	91.92 %
01-517-711	Principal - USDA Pay Off	1,371,789.00	0.00	0.00	0.00	0.00	0.00	0.00 %
01-517-720	Interest - CB&T Debt Service Pmts	33,260.25	45,722.00	45,722.00	3,781.18	41,723.58	3,998.42	91.25 %
01-517-721	Interest - USDA Pay Off	17,231.56	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		1,468,894.24	119,810.00	119,810.00	9,984.21	109,826.24	9,983.76	91.67 %
LAW ENFORCEMENT								
01-521-305	Contract Labor - Law Enf	97,363.00	99,310.00	99,310.00	0.00	99,374.00	(64.00)	100.06 %
01-521-310	Professional Services - Law Enf	0.00	28,288.00	28,288.00	2,176.00	25,080.00	3,208.00	88.66 %
01-521-460	Repairs and Maintenance - Law Enf	598.95	300.00	300.00	0.00	0.00	300.00	0.00 %
01-521-510	Office Supplies - Law Enf	168.00	100.00	100.00	0.00	0.00	100.00	0.00 %

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G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MYD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
01-521-520	Operating Supplies - Law Enf	0.00	100.00	100.00	0.00	0.00	100.00	0.00 %
01-521-649	Machinery & Equip - JAG Grant - Law E	0.00	5,113.00	5,113.00	0.00	0.00	5,113.00	0.00 %
DEPARTMENT TOTAL								
		98,129.95	133,211.00	133,211.00	2,176.00	124,454.00	8,757.00	93.43 %
BUILDING AND ZONING								
01-524-120	Regular Salary - Wages - Bldg & Zonin	46,975.41	82,243.00	82,243.00	9,490.52	73,675.33	8,567.67	89.58 %
01-524-140	Overtime - Bldg & Zoning	0.00	433.00	433.00	54.16	368.29	64.71	85.06 %
01-524-210	Fica Taxes - Bldg & Zoning	3,419.14	6,325.00	6,325.00	709.77	5,572.21	752.79	88.10 %
01-524-220	Retirement Contribution - Bldg & Zoni	3,679.53	4,312.00	4,312.00	808.42	6,224.01	(1,912.01)	144.34 %
01-524-230	Life & Health Insurance - Bldg & Zoni	8,415.06	18,244.00	18,244.00	1,520.37	16,047.19	2,196.81	87.96 %
01-524-240	Worker's Compensation - Bldg & Zoning	1,121.16	1,266.00	1,266.00	0.00	912.00	354.00	72.04 %
01-524-310	Professional Services - Bldg & Zoning	159,662.55	150,000.00	150,000.00	0.00	138,376.81	11,623.19	92.25 %
01-524-311	Engineering Services - Bldg & Zoning	440.15	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-524-400	Travel and Training - Bldg & Zoning	0.00	500.00	500.00	0.00	0.00	500.00	0.00 %
01-524-410	Communication Services - Bldg & Zonin	46.45	0.00	0.00	0.00	0.00	0.00	0.00 %
01-524-510	Office Supplies - Bldg & Zoning	229.29	400.00	400.00	11.90	289.83	110.17	72.46 %
01-524-520	Operating Supplies - Bldg & Zoning	417.04	350.00	350.00	3.34	1,888.16	(1,538.16)	539.47 %
01-524-540	Books, Pub., Sub., & Memberships - Bl	0.00	0.00	0.00	0.00	196.70	(196.70)	0.00 %
01-524-640	Machinery & Equipment - Bldg & Zoning	2,499.99	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL								
		226,905.77	265,073.00	265,073.00	12,598.48	243,550.53	21,522.47	91.88 %
CODE ENFORCEMENT								
01-529-120	Regular Salary - Wages - Code Enf	0.00	22,824.00	22,824.00	2,664.00	19,057.50	3,766.50	83.50 %
01-529-210	Fica Taxes - Code Enf	0.00	1,746.00	1,746.00	198.01	1,423.16	322.84	81.51 %
01-529-220	Retirement Contribution - Code Enf	0.00	1,885.00	1,885.00	225.64	1,583.55	301.45	84.01 %
01-529-230	Life & Health Insurance - Code Enf	0.00	243.00	243.00	742.23	5,937.84	(5,694.84)	2443.56 %
01-529-240	Worker's Compensation - Code Enf	0.00	523.00	523.00	0.00	372.00	151.00	71.13 %
01-529-310	Professional Services - Code Enf	0.00	2,500.00	2,500.00	500.00	3,500.00	(1,000.00)	140.00 %
01-529-400	Travel and Training - Code Enf	0.00	500.00	500.00	0.00	1,030.86	(530.86)	206.17 %
01-529-410	Communication Services - Code Enf	0.00	0.00	0.00	56.14	502.58	(502.58)	0.00 %
01-529-464	Vehicle Fuel - Code Enf	0.00	400.00	400.00	0.00	0.00	400.00	0.00 %

POLK CITY
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G/L	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
01-529-470	Printing and Reproduction - Code Enf	0.00	500.00	500.00	0.00	330.69	169.31	66.14 %
01-529-480	Promo Activities & Legal Ads - Code E	0.00	300.00	300.00	0.00	0.00	300.00	0.00 %
01-529-492	Recording & Other Fees	0.00	100.00	100.00	0.00	0.00	100.00	0.00 %
01-529-510	Office Supplies - Code Enf	0.00	600.00	600.00	4.68	165.95	434.05	27.66 %
01-529-520	Operating Supplies - Code Enf	0.00	400.00	400.00	0.00	1,611.39	(1,211.39)	402.85 %
DEPARTMENT TOTAL								
		0.00	32,521.00	32,521.00	4,390.70	35,515.52	(2,994.52)	109.21 %
REFUSE/SANITATION								
01-534-341	Refuse Disposal - Residential - Refus	141,971.04	157,930.00	157,930.00	13,989.70	133,513.74	24,416.26	84.54 %
01-534-342	Refuse Disposal - Commercial - Refuse	72,039.20	80,440.00	80,440.00	7,471.41	85,664.63	(5,224.63)	106.50 %
DEPARTMENT TOTAL								
		214,010.24	238,370.00	238,370.00	21,461.11	219,178.37	19,191.63	91.95 %
STORMWATER								
01-538-310	PROFESSIONAL SERVICES - STORMWATER	0.00	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
01-538-315	Inmate Labor - Stormwater	5,749.68	0.00	0.00	0.00	0.00	0.00	0.00 %
01-538-400	Travel and Training - Stormwater	1,377.41	2,000.00	2,000.00	0.00	812.28	1,187.72	40.61 %
01-538-460	Repairs and Maintenance - Stormwater	16,627.51	14,000.00	14,000.00	0.00	0.00	14,000.00	0.00 %
01-538-492	Recording & Other Fees - Stormwater	0.00	500.00	500.00	0.00	100.00	400.00	20.00 %
01-538-540	Books, Pub., Sub., & Memberships - St	500.00	500.00	500.00	500.00	1,000.00	(500.00)	200.00 %
DEPARTMENT TOTAL								
		24,254.60	20,000.00	20,000.00	500.00	1,912.28	18,087.72	9.56 %
GENERAL GOV'T BUILDINGS								
01-539-310	Professional Services - Gen Gov't Bld	23,669.74	22,000.00	22,000.00	5,815.42	17,327.01	4,672.99	78.76 %
01-539-312	Professional Services - Other - Gen G	330.00	5,000.00	5,000.00	0.00	1,498.66	3,501.34	29.97 %
01-539-315	Inmate Labor - Gen Gov't Bldgs	5,749.68	0.00	0.00	0.00	0.00	0.00	0.00 %
01-539-411	City Hall - Communication - Gen Gov't	12,085.93	15,500.00	15,500.00	1,114.61	12,445.28	3,054.72	80.29 %
01-539-413	Public Works - Communication - Gen Go	1,400.11	2,000.00	2,000.00	169.29	1,696.56	(898.04)	84.83 %

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G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	PERCENTAGE REALIZED
01-539-414	Community Center-Communication-Gen Go	1,519.15	2,000.00	2,000.00	142.66	1,543.49	456.51	77.17 %
01-539-431	City Hall - Utilities - Gen Gov't Bid	17,869.70	25,000.00	25,000.00	2,012.95	15,242.47	9,757.53	60.97 %
01-539-432	Activity Center - Utilities - Gen Gov	2,307.70	3,000.00	3,000.00	1,312.21	4,399.36	(1,399.36)	146.65 %
01-539-433	Public Works - Utilities - Gen Gov't	2,306.72	3,000.00	3,000.00	448.84	2,195.83	804.17	73.19 %
01-539-434	Community Center-Utilities-Gen Gov't	4,272.30	5,000.00	5,000.00	674.85	4,565.07	434.93	91.30 %
01-539-440	Rentals and Leases - Gen Gov't Bldgs	5,044.15	5,000.00	5,000.00	633.89	7,513.58	(2,513.58)	150.27 %
01-539-461	City Hall - Repairs & Maint - Gen Gov	11,553.50	25,000.00	25,000.00	859.15	6,377.80	18,622.20	25.51 %
01-539-462	Activity Center - Repairs & Maint - G	17,203.32	1,500.00	1,500.00	151.66	474.58	1,025.42	31.64 %
01-539-463	Public Works I - Repairs & Maint - Ge	1,373.71	500.00	500.00	0.00	68.71	431.29	13.74 %
01-539-464	Community Center-Repairs & Maint-Gen	826.90	3,500.00	3,500.00	365.32	3,395.89	104.11	97.03 %
01-539-466	Public Works/Utilities Oper - Repairs	1,422.45	3,000.00	3,000.00	45.16	11,705.61	(8,705.61)	390.19 %
01-539-490	Other Current Charges - Gen Gov't Bid	0.00	0.00	0.00	0.00	65.00	(65.00)	0.00 %
01-539-510	Office Supplies - Gen Gov't Bldgs	495.20	600.00	600.00	0.00	107.37	492.63	17.90 %
01-539-521	City Hall - Operating Supplies - Gen	11,602.98	6,000.00	6,000.00	0.00	3,461.81	2,538.19	57.70 %
01-539-522	Activity Center - Operating Supplies	515.77	1,000.00	1,000.00	3.40	693.14	306.86	69.31 %
01-539-523	Public Works - Operating Supplies - G	67.98	0.00	0.00	0.00	62.92	(62.92)	0.00 %
01-539-524	Community Center-Operating Supplies-G	463.38	1,400.00	1,400.00	30.98	1,424.41	(24.41)	101.74 %
01-539-526	Public Works/Utilities Oper - Operati	1,051.12	1,400.00	1,400.00	0.00	953.11	446.89	68.08 %
01-539-631	City Hall - Improv. O/T Bldgs - Gen G	9,986.26	0.00	0.00	0.00	0.00	0.00	0.00 %
01-539-640	Public Works - Bldgs/Property - Gen G	326,092.84	0.00	0.00	0.00	0.00	0.00	0.00 %
01-539-642	Activity Center - Mach. & Equipment -	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		465,210.59	131,400.00	131,400.00	13,780.39	97,217.66	32,980.86	73.99 %
ROADS AND STREETS		156,300.67	181,296.00	181,296.00	19,069.89	154,031.48	27,264.52	84.96 %
01-541-120	Regular Salary - Wages - Roads & Stre	487.00	2,824.00	2,824.00	0.00	1,203.96	1,620.04	42.63 %
01-541-140	Overtime - Roads & Streets	11,685.48	14,085.00	14,085.00	1,437.55	11,949.21	2,135.79	84.84 %
01-541-210	Fica Taxes - Roads & Streets	12,071.97	15,208.00	15,208.00	1,615.22	13,123.22	2,084.78	86.29 %
01-541-220	Retirement Contribution - Roads & Str	27,717.55	26,037.00	26,037.00	3,419.75	35,719.97	(9,682.97)	137.19 %
01-541-230	Life & Health Insurance - Roads & Str	10,695.95	17,073.00	17,073.00	0.00	14,034.00	3,039.00	82.20 %
01-541-240	Worker's Compensation - Roads & Stree	1,371.02	0.00	0.00	0.00	3,205.21	(3,205.21)	0.00 %
01-541-310	Professional Services - Roads & Street	0.00	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00 %
01-541-311	Engineering Services - Roads & Street	17,249.12	0.00	0.00	0.00	0.00	0.00	0.00 %
01-541-315	Inmate Labor - Roads & Streets	15.00	2,500.00	2,500.00	0.00	284.44	2,215.56	11.38 %
01-541-400	Travel and Training - Roads & Streets	2,616.35	3,500.00	3,500.00	112.83	2,217.96	1,282.04	63.37 %

**POLK CITY
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G/L	ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
01-541-430	Utilities - Roads & Streets		25,220.78	30,000.00	30,000.00	1,805.97	20,933.76	9,066.24	69.78 %
01-541-460	Repairs and Maintenance - Roads & Str		9,723.48	10,000.00	10,000.00	0.00	3,090.93	7,192.07	30.91 %
01-541-461	Repairs & Maintenance-Equipment - Roa		5,656.79	8,000.00	8,000.00	1,020.91	18,641.28	(10,641.28)	233.02 %
01-541-464	Vehicle Fuel - Roads & Streets		8,260.41	7,000.00	7,000.00	1,014.89	6,702.16	297.84	95.75 %
01-541-465	Vehicle Maintenance - Roads & Streets		5,163.24	7,000.00	7,000.00	183.12	3,491.48	3,508.52	49.88 %
01-541-466	Public Works/Utilities Facility - Rep		1,058.32	0.00	0.00	0.00	0.00	0.00	0.00 %
01-541-480	Promo Activities & Legal Ads - Roads		0.00	0.00	0.00	0.00	34.99	(34.99)	0.00 %
01-541-490	Other Current Charges - Roads & Stree		0.00	0.00	0.00	0.00	6.60	(6.60)	0.00 %
01-541-493	Equipment Rental - Roads & Streets		0.00	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00 %
01-541-510	Office Supplies - Roads & Streets		846.77	1,000.00	1,000.00	194.56	685.44	165.69	68.54 %
01-541-520	Operating Supplies - Roads & Streets		7,232.03	10,000.00	10,000.00	2,682.20	7,489.74	2,510.26	74.90 %
01-541-524	Chemicals - Roads & Streets		0.00	1,000.00	1,000.00	0.00	141.98	858.02	14.20 %
01-541-525	Uniforms - Roads & Streets		358.65	0.00	0.00	0.00	0.00	0.00	0.00 %
01-541-530	Road Materials & Supplies - Roads & S		1,034.90	15,000.00	15,000.00	0.00	3,376.09	11,623.91	22.51 %
01-541-540	Books, Pub., Sub., & Memberships - Ro		420.44	500.00	500.00	13.33	178.22	321.78	35.64 %
01-541-620	Buildings - Roads & Streets		500.00	0.00	0.00	0.00	0.00	0.00	0.00 %
01-541-630	Improvements Other than Building - Ro		9,600.01	150,000.00	150,000.00	0.00	0.00	150,000.00	0.00 %
01-541-640	Machinery & Equipment - Roads & Stree		20,697.08	30,000.00	30,000.00	0.00	9,061.76	20,938.24	30.21 %
DEPARTMENT TOTAL			335,983.01	539,023.00	539,023.00	32,570.22	309,603.88	229,553.25	57.44 %
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LIBRARY									
01-571-120	Regular Salary - Wages - Library		53,011.22	76,245.00	76,245.00	8,845.65	68,368.00	7,877.00	89.67 %
01-571-140	Overtime - Library		240.29	917.00	917.00	24.84	321.96	595.04	35.11 %
01-571-210	Fica Taxes - Library		3,880.55	5,903.00	5,903.00	656.88	5,158.46	744.54	87.39 %
01-571-220	Retirement Contribution - Library		4,173.77	6,374.00	6,374.00	751.31	5,788.29	585.71	90.81 %
01-571-230	Life & Health Insurance - Library		16,581.91	18,377.00	18,377.00	1,520.98	16,057.41	2,319.59	87.38 %
01-571-240	Worker's Compensation - Library		79.65	177.00	177.00	0.00	0.00	177.00	0.00 %
01-571-310	Professional Services - Library		1,559.50	2,000.00	2,000.00	327.06	4,627.94	(2,627.94)	231.40 %
01-571-312	Professional Services - Other - Libra		1,700.00	2,500.00	2,500.00	0.00	1,752.50	747.50	70.10 %
01-571-400	Travel and Training - Library		175.00	700.00	700.00	0.00	194.75	505.25	27.82 %
01-571-410	Communication Services - Library		2,075.91	6,100.00	6,100.00	174.90	3,271.32	2,828.68	53.63 %
01-571-420	Education Reimbursement - Library		0.00	2,040.00	2,040.00	0.00	0.00	2,040.00	0.00 %
01-571-430	Utilities - Library		6,339.15	7,500.00	7,500.00	521.47	2,850.45	4,649.55	38.01 %
01-571-460	Repairs and Maintenance - Library		5,201.54	2,500.00	2,500.00	0.00	3,297.59	(797.59)	131.90 %
01-571-480	Promo Activities & Legal Ads - Librar		1,268.82	2,500.00	2,500.00	0.00	54.44	2,445.56	2.18 %

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

General Fund Expenditures

91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
01-571-510	Office Supplies - Library	1,142.42	1,300.00	1,300.00	34.37	321.17	918.10	24.71 %
01-571-520	Operating Supplies - Library	7,873.96	7,500.00	7,500.00	19.58	2,811.44	4,688.56	37.49 %
01-571-540	Books, Pub., Sub., & Memberships - Li	809.94	600.00	600.00	0.00	569.27	30.73	94.88 %
01-571-630	Improvements Other than Building - Li	2,775.00	0.00	0.00	0.00	0.00	0.00	0.00 %
01-571-660	Books, Pub. & Library Materials - Libr	12,423.07	16,000.00	16,000.00	1,723.13	14,388.64	1,611.36	89.93 %
DEPARTMENT TOTAL		121,310.70	159,233.00	159,233.00	14,600.17	129,833.63	29,338.64	81.54 %
=====								
PARKS								
01-572-310	Professional Services - Parks	806.00	0.00	0.00	62.00	870.00	(870.00)	0.00 %
01-572-315	Inmate Labor - Parks	5,749.72	0.00	0.00	0.00	0.00	0.00	0.00 %
01-572-400	Travel and Training - Parks	15.00	0.00	0.00	0.00	0.00	0.00	0.00 %
01-572-430	Utilities - Parks	17,676.88	23,000.00	23,000.00	532.42	6,389.43	16,610.57	27.78 %
01-572-460	Repairs and Maintenance - Parks	26,486.80	15,000.00	15,000.00	481.67	6,894.23	8,105.77	45.96 %
01-572-520	Operating Supplies - Parks	1,020.72	1,200.00	1,200.00	4.16	1,048.83	151.17	87.40 %
01-572-630	Improvements Other than Building - Pa	6,570.00	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		58,325.12	39,200.00	39,200.00	1,080.25	15,202.49	23,997.51	38.78 %
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SPECIAL EVENTS								
01-574-310	Professional Services - Spec Events	888.00	2,000.00	2,000.00	0.00	680.00	1,320.00	34.00 %
01-574-440	Rentals and Leases - Spec Events	125.00	1,000.00	1,000.00	0.00	125.00	875.00	12.50 %
01-574-470	Printing and Reproduction - Spec Even	0.00	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
01-574-480	Promo Activities & Legal Ads - Spec E	0.00	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
01-574-520	Operating Supplies - Spec Events	5,066.80	7,500.00	7,500.00	9.40	8,652.46	(1,152.46)	115.37 %
DEPARTMENT TOTAL		6,079.80	13,000.00	13,000.00	9.40	9,457.46	3,542.54	72.75 %
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NON-DEPARTMENTAL								
01-590-310	Professional Services - Non-Dept	3,495.61	25,000.00	25,000.00	427.50	8,189.66	16,810.34	32.76 %

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

General Fund Expenditures
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	PERCENTAGE REALIZED
01-590-311	Engineering Services - Non-Dept	0.00	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
01-590-312	Professional Services - Other - Non-D	2,310.00	8,000.00	8,000.00	2,310.00	2,310.00	5,690.00	28.88 %
01-590-315	Inmate Labor - GF Non - Dept	0.00	28,749.00	28,749.00	0.00	28,748.50	0.50	100.00 %
01-590-320	Accounting and Auditing - Non-Dept	18,790.41	15,000.00	15,000.00	4,276.80	16,139.74	(1,139.74)	107.60 %
01-590-450	Liability Insurance - Non-Dept	37,729.00	39,900.00	39,900.00	0.00	65,121.50	(25,221.50)	163.21 %
01-590-464	Vehicle Fuel - Non- Departmental	436.25	400.00	400.00	19.25	371.27	28.73	92.82 %
01-590-465	Vehicle Maintenance - Non-Departmental	21.24	500.00	500.00	806.28	823.41	(323.41)	164.68 %
01-590-510	Office Supplies - Non-Departmental	0.00	0.00	0.00	0.00	760.14	(760.14)	0.00 %
01-590-520	Operating Supplies - Non-Dept	248.65	1,000.00	1,000.00	486.21	2,621.94	(1,621.94)	262.19 %
01-590-521	Emergencies & Contingencies - Operati	0.00	20,000.00	20,000.00	1,000.00	1,000.00	19,000.00	5.00 %
01-590-525	Uniforms - Non Dept	0.00	4,000.00	4,000.00	246.96	2,899.14	1,100.86	72.48 %
01-590-528	Postage - Non-Dept	3,277.15	3,000.00	3,000.00	0.00	639.20	2,360.80	21.31 %
01-590-930	Transfer - Police Public Safety Impact	0.00	66,434.00	66,434.00	0.00	0.00	66,434.00	0.00 %
01-590-931	Transfer to Fire Public Safety Impact	0.00	35,546.00	35,546.00	0.00	0.00	35,546.00	0.00 %
01-590-932	Transfer - Parks & Rec Impact Reserve	0.00	107,136.00	107,136.00	0.00	0.00	107,136.00	0.00 %
01-590-933	Transfer - Public Facility Impact Rese	0.00	180,045.00	180,045.00	0.00	0.00	180,045.00	0.00 %
01-590-940	Reserves - Unrestricted Reserves - No	0.00	24,101.00	24,101.00	0.00	0.00	24,101.00	0.00 %
01-590-941	Reserves - Emergencies & Contingenc	363.92	0.00	0.00	0.00	(27.50)	27.50	0.00 %
01-590-991	Aids to Private Organizations - Non-D	742.00	2,000.00	2,000.00	0.00	2,340.00	(340.00)	117.00 %
01-590-992	Unemployment Claims - Non-Dept	0.00	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00 %
01-590-994	Bank Fees - Non-Dept	7.50	0.00	0.00	0.00	0.00	0.00	0.00 %
01-590-996	Bad Debt - Non-Dept	(3,210.22)	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
01-590-999	Other - Non-Operating Charges - Non-D	20,480.02	5,500.00	5,500.00	11.56	2,763.31	2,736.69	50.24 %
DEPARTMENT TOTAL								
		84,691.53	581,811.00	581,811.00	9,584.56	134,700.31	447,110.69	23.15 %
=====								
General Fund Revenues Total		4,831,776.52	2,782,476.00	2,782,476.00	138,429.49	2,263,179.40	519,296.60	18.66%
General Fund Expenditures Total		-3,531,047.45	-2,782,476.00	-2,782,476.00	-169,550.54	-1,891,272.09	-889,269.83	31.96%
Total Revenue vs. Expenditures		800,729.07	0.00	0.00	-31,121.05	371,907.31	-369,973.23	

POLK CITY
Simple Balance Sheet

For Fiscal Year: 2019 thru Fiscal Month: Aug, for Fund: 05

Account Number	Account Title	Ending Bal	Net Amount
05-101-100	Cash - Checking	33,496.18	
05-101-710	Cash - Enterprise Fund Capital Imprvmnts	52,898.45	
05-101-800	Cash - Sewer Impact Fee Account	1,422,248.49	
05-101-900	Cash - Water Impact Fee Account	348,155.55	
05-101-913	DEP Loan - Sinking Fund	159,690.74	
05-101-915	Tax Exempt Leasing - Sinking Fund	68,497.35	
05-101-916	US Bank - Sink Fund	0.04-	
05-101-917	US Bank - Renewal & Replacement Series	9,375.23	
05-101-920	Cash - Customer Deposits	328,205.31	
05-101-930	Restricted Cash - Reclass	784,452.47-	
05-101-934	Fifth Third Bank - Reserves	610,967.73	
05-101-935	Fifth Third Bank - Renewal & Replacement	150,000.00	
05-101-999	Restricted Class - Reclass	784,452.47	
05-115-100	Accounts Receivable - Utilities	130,963.18-	
05-115-105	Accounts Receivable - Invoicing	505.68	
05-115-130	Accounts Receivable - Readiness to Serve	64,026.69	
05-117-100	Allowance for Bad Debt	42,672.50-	
05-117-200	Allowance for Uncollectible A/R	57,398.98-	
05-155-300	Prepaid Insurance - Deferred Bond Series 2017	43,322.15	
05-159-100	Deferred Outflows - Related to Pension	82,455.25	
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	
05-160-906	Reserve Acct - Cardinal Hill	25,000.00	
05-161-900	Fixed Assets - Land	2,730,735.50	
05-164-100	Utility Plant in Service	12,268,964.59	
05-164-900	Improvements Other than Buildings	33,331.74-	
05-164-910	Improvements Other than Buildings - MO3N	33,331.74	
05-165-900	Acc.Dep. - Improvements Other than Build	316,892.74-	
05-166-900	Equipment & Furniture	400,049.61	
05-167-900	Accumulated Depreciation - Equipment	3,519,580.52-	
05-169-900	CIP - Construction Costs	161,736.60	
	** TOTAL ASSET**		15,192,037.92
05-202-100	Accounts Payable	0.00	
05-202-900	Customer Deposits	310,409.36	
05-203-100	Accumulated Interest Payable	55,257.08	
05-203-600	SRF Loan WW51201P	2,182,029.05	
05-203-610	SRF Loan WW53140/SG531401 Effluent Disposal	160,000.00	
05-203-710	US Bank 2017 Bond Note	8,425,000.00	
05-203-750	Tax Exempt Leasing Loan	66,698.77	
05-203-910	Unamortized Bond Premiums - US Bank	699,050.30	
05-208-305	Taxes Payable	10,351.54-	
05-225-100	Deferred Inflows - Related to Pension	15,306.77	
05-234-100	L-T-D - Current Portion	509,139.61	
05-234-901	Less: Current Portion of LTD	509,139.61-	
05-235-900	Net Pension Liability	151,555.85	
	** TOTAL LIABILITY**		12,054,955.64
05-243-100	Encumbrances Placed	2,145.50	
05-245-100	Reserved for Encumbrances	2,145.50-	
	** TOTAL ENCUMBRANCE**		0.00
05-250-100	Contributed Capital	598,715.40	
05-255-100	Change in Fund Balance	36,514.20	
05-271-100	Fund Balance Unreserved	2,156,834.47	

POLK CITY
 Simple Balance Sheet

For Fiscal Year: 2019 thru Fiscal Month: Aug, for Fund: 05

Account Number	Account Title	Ending Bal	Net Amount
05-271-200	Net Asset Adjustment Account	10,071.23-	
05-272-100	Retained Earnings	734,552.82	
	** TOTAL EQUITY**		3,516,545.66
	** TOTAL REVENUE**		2,683,947.53
	** TOTAL EXPENSE**		3,063,410.91
	TOTAL LIABILITY AND EQUITY		15,192,037.92

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

ENTERPRISE FUND REVENUE
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L	DESCRIPTION	2018	2019	ADJ	2019	2019	2019	PERCENTAGE
ACCOUNT		PRIOR YR REVENUE	ANTICIPATED REVENUE	ANTICIPATED	CURRENT REVENUE	YTD REVENUE	(EXCESS)/DEFICIT	REALIZED
05-314-301	RTS - City 10% UTY T	0.00	0.00	0.00	0.00	2,112.49	(2,112.49)	0.00 %
05-324-210	Water Impact Fees	222,302.01	139,760.00	139,760.00	3,494.00	85,603.00	54,157.00	61.25 %
05-324-220	Sewer Impact Fees	616,545.00	353,200.00	353,200.00	8,830.00	211,920.00	141,280.00	60.00 %
05-325-111	Connection Fees - Water - Cash Basis	94,787.56	69,600.00	69,600.00	1,305.00	42,430.16	27,169.84	60.96 %
05-325-112	Connection Fees - Water - Accrual Bas	435.00	0.00	0.00	435.00	3,045.00	(3,045.00)	0.00 %
05-325-210	Readiness to Serve Charge - Sewer	29,599.10	28,696.00	28,696.00	0.00	30,892.30	(2,196.30)	107.65 %
05-325-211	Readiness to Serve Charge - Water	21,687.31	26,000.00	26,000.00	0.00	21,260.00	4,740.00	81.77 %
05-329-200	Other Lic./Fees/Permits	1,839.80	2,000.00	2,000.00	0.00	2,561.00	(561.00)	128.05 %
05-331-350	Sewer/Wastewater Grants	0.00	0.00	0.00	488,108.00	488,108.00	(488,108.00)	0.00 %
05-340-300	Water Utility Revenue	1,096,000.10	1,135,299.00	1,135,299.00	46.91	887,768.44	247,530.56	78.20 %
05-340-500	Sewer Utility Revenue	982,047.76	1,032,993.00	1,032,993.00	129.51	832,369.19	200,623.81	80.58 %
05-359-100	Other Fines and/or Forfeitures	20,095.50	20,000.00	20,000.00	4,075.00	27,880.00	(7,880.00)	139.40 %
05-359-200	Non Sufficient Funds	1,285.00	1,000.00	1,000.00	0.00	1,290.00	(290.00)	129.00 %
05-359-300	Late Fees	26,460.00	20,000.00	20,000.00	(21.00)	24,727.50	(4,727.50)	123.64 %
05-369-100	Misc. Income	9.67	0.00	0.00	0.00	14,957.00	(14,957.00)	0.00 %
05-369-401	Insurance - Claims	0.00	0.00	0.00	0.00	7,023.45	(7,023.45)	0.00 %
05-369-700	Misc Income - Reimbursement - Invoice	781.42	0.00	0.00	0.00	0.00	0.00	0.00 %
05-381-900	Cash Carry Forward	0.00	205,677.00	205,677.00	0.00	0.00	205,677.00	0.00 %
DEPARTMENT TOTALS		3,113,875.23	3,034,225.00	3,034,225.00	506,402.42	2,683,947.53	350,277.47	88.46 %

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

Enterprise Fund Expenditures
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	PERCENTAGE REALIZED
	Water							
05-533-120	Regular Salary - Wages - Water Oper	99,153.31	187,341.00	187,341.00	18,977.13	155,207.06	32,133.94	82.85 %
05-533-140	Overtime - Water Oper	837.90	4,529.00	4,529.00	239.06	2,576.18	1,952.82	56.88 %
05-533-210	Fica Taxes - Water Oper	7,379.29	14,678.00	14,678.00	1,433.48	11,933.85	2,744.15	81.30 %
05-533-220	Retirement Contribution - Water Oper	37,216.19	15,848.00	15,848.00	1,627.60	13,458.28	2,389.72	84.92 %
05-533-230	Life & Health Insurance - Water Oper	25,356.43	49,859.00	49,859.00	3,793.69	40,391.80	9,467.20	81.01 %
05-533-240	Worker's Compensation - Water Oper	124.26	9,199.00	9,199.00	0.00	7,570.00	1,629.00	82.29 %
05-533-305	Contract Labor - Water Oper	59,148.75	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-310	Professional Services - Water Oper	61,472.16	20,000.00	20,000.00	1,117.40	27,151.91	(7,151.91)	135.76 %
05-533-311	Engineering Services - Water Oper	14,870.00	30,000.00	30,000.00	0.00	(1,558.00)	31,558.00	(5.19) %
05-533-312	Professional Services - Other - Water	3,441.17	20,000.00	20,000.00	94.80	3,491.59	16,508.41	17.46 %
05-533-313	Professional Services - Polk Regional	233.21	5,000.00	5,000.00	0.00	2,871.00	2,129.00	57.42 %
05-533-315	Inmate Labor - Water Oper	11,499.40	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-400	Travel and Training - Water Oper	280.00	500.00	500.00	0.00	797.57	(297.57)	159.51 %
05-533-410	Communication Services - Water Oper	2,826.49	3,500.00	3,500.00	269.34	3,841.88	(1,543.36)	109.77 %
05-533-430	Utilities - Water Oper	146.76	1,500.00	1,500.00	157.49	1,111.02	388.98	74.07 %
05-533-431	Mt. Olive WTP - Utilities - Water Ope	3,820.97	6,900.00	6,900.00	478.96	2,871.38	4,028.12	41.62 %
05-533-432	Commonwealth WTP - Utilities - Water	1,409.27	4,620.00	4,620.00	67.61	1,401.67	3,218.33	30.34 %
05-533-433	V.Matt Williams WTP - Utilities - Wat	10,271.92	12,000.00	12,000.00	950.05	11,891.32	108.68	99.09 %
05-533-450	Repairs and Maintenance - Water Oper	21,916.83	40,000.00	40,000.00	14,989.06	33,176.71	7,106.29	82.94 %
05-533-461	Mt. Olive WTP - Repairs and Maint - W	6,320.07	15,000.00	15,000.00	500.00	34,080.99	(19,080.99)	227.21 %
05-533-462	Commonwealth WTP - Repairs and Maint	6,560.56	10,000.00	10,000.00	0.00	0.00	10,000.00	0.00 %
05-533-463	V.Matt Williams WTP - Repairs and Mai	3,983.04	8,000.00	8,000.00	0.00	0.00	8,000.00	0.00 %
05-533-464	Vehicle Fuel - Water Oper	4,414.28	7,000.00	7,000.00	1,326.36	9,050.48	(2,050.48)	129.29 %
05-533-465	Vehicle Maintenance - Water Oper	12,559.15	8,000.00	8,000.00	28.97	11,165.89	(3,165.89)	139.57 %
05-533-466	Public Works/Utilities Facility - Rep	2,586.07	0.00	0.00	0.50	4,105.31	(4,105.31)	0.00 %
05-533-490	Other Current Charges - Water Oper	100.00	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-492	Recording & Other Fees - Water Oper	5,450.00	4,300.00	4,300.00	1,000.00	5,200.00	(900.00)	120.93 %
05-533-493	Equipment Rental - Water Oper	0.00	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00 %
05-533-510	Office Supplies - Water Oper	567.87	1,000.00	1,000.00	42.09	236.99	608.74	23.70 %
05-533-520	Operating Supplies - Water Oper	14,215.85	30,000.00	30,000.00	432.86	21,597.37	8,402.63	71.99 %
05-533-521	Mt.Olive WTP - Operating Supplies - W	155.56	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-522	Commonwealth WTP - Operating Supplies	155.55	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-523	V.Matt Williams WTP - Operating Suppl	155.55	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-524	Chemicals - Water Oper	3,275.91	9,000.00	9,000.00	68.00	2,938.99	6,061.01	32.66 %
05-533-525	Uniforms - Water Oper	910.44	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-526	Meter Supplies - New Installs - Water	113,698.27	69,600.00	69,600.00	0.00	56,117.68	13,482.32	80.63 %
05-533-527	Meter Supplies - Repairs & Maintenan	0.00	20,000.00	20,000.00	5,146.08	11,814.64	8,185.36	59.07 %

POLK CITY
 AUGUST 2019 MONTHLY FINANCIALS

Enterprise Fund Expenditures
 91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	PERCENTAGE REALIZED
05-533-540	Books, Pub., Sub., & Memberships - Wa	1,098.92	2,000.00	2,000.00	13.33	1,253.27	746.73	62.66 %
05-533-605	Depreciation Expense - Water Oper	115,680.80	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-630	Improvements Other than Building - Wa	0.00	0.00	0.00	0.00	22,275.35	(22,275.35)	0.00 %
05-533-640	Machinery & Equipment - Water Oper	0.00	30,000.00	30,000.00	0.00	32,567.60	(2,567.60)	108.56 %
05-533-641	Mt. Olive WTP - Machinery & Equipment	0.00	130,000.00	130,000.00	0.00	0.00	130,000.00	0.00 %
05-533-650	Construction In Progress - Water Oper	0.00	0.00	0.00	0.00	23,505.00	(23,505.00)	0.00 %
05-533-660	Other Capital Assets - Water Operatio	0.00	0.00	0.00	0.00	3,906.25	(3,906.25)	0.00 %
05-533-710	Principal - Water Oper	0.00	76,392.00	76,392.00	54,768.00	76,391.99	0.01	100.00 %
05-533-720	Interest - Water Oper	46,872.24	74,490.00	74,490.00	37,245.09	76,351.08	(1,861.08)	102.50 %
05-533-920	Transfer to General Fund - Water Oper	79,295.75	0.00	0.00	0.00	0.00	0.00	0.00 %
05-533-999	Other Non-Operating Charges - Water O	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		784,700.19	924,256.00	924,256.00	144,766.95	710,744.60	212,438.65	76.90 %
=====								
Sewer								
05-535-120	Regular Salary - Wages - Sewer Oper	84,565.66	115,606.00	115,606.00	10,807.21	95,504.85	20,101.15	82.61 %
05-535-130	Other Salaries and Wages - Sewer Oper	4.37	0.00	0.00	0.00	0.00	0.00	0.00 %
05-535-140	Overtime - Sewer Oper	923.00	3,109.00	3,109.00	901.14	3,216.20	(107.20)	103.45 %
05-535-210	Fica Taxes - Sewer Oper	6,009.12	9,082.00	9,082.00	881.59	7,578.54	1,503.46	83.45 %
05-535-220	Retirement Contribution - Sewer Oper	29,885.33	9,806.00	9,806.00	991.71	8,619.56	1,186.44	87.90 %
05-535-230	Life & Health Insurance - Sewer Oper	15,126.98	27,149.00	27,149.00	1,905.41	21,970.87	5,178.13	80.93 %
05-535-240	Worker's Compensation - Sewer Oper	0.00	9,794.00	9,794.00	0.00	3,694.00	6,100.00	37.72 %
05-535-305	Contract Labor - Sewer Oper	59,148.75	0.00	0.00	0.00	0.00	0.00	0.00 %
05-535-310	Professional Services - Sewer Oper	31,422.19	25,000.00	25,000.00	860.00	31,185.80	(6,185.80)	124.74 %
05-535-311	Engineering Services - Sewer Oper	18,070.00	20,000.00	20,000.00	0.00	(1,558.00)	21,558.00	(7.79) %
05-535-312	Professional Services - Other - Sewer	2,190.00	14,000.00	14,000.00	0.00	4,327.35	9,672.65	30.91 %
05-535-315	Inmate Labor - Sewer Oper	11,499.40	0.00	0.00	0.00	0.00	0.00	0.00 %
05-535-400	Travel and Training - Sewer Oper	1,686.96	2,500.00	2,500.00	0.00	1,852.65	647.35	74.11 %
05-535-410	Communication Services - Sewer Oper	2,659.79	3,500.00	3,500.00	213.55	3,085.65	(787.13)	88.16 %
05-535-411	Cardinal Hill WWTP - Comm Svcs - Sew	1,396.78	1,500.00	1,500.00	0.00	975.47	524.53	65.03 %
05-535-412	Mt. Olive WWTP - Comm Svcs - Sewer O	2,180.40	2,500.00	2,500.00	198.00	2,178.00	322.00	87.12 %
05-535-430	Utilities - Sewer Oper	15,610.94	7,000.00	7,000.00	408.60	5,617.25	1,382.75	80.25 %
05-535-431	Cardinal Hill WWTP - Utilities - Sewe	17,756.34	21,000.00	21,000.00	1,630.93	17,111.05	3,888.95	81.48 %
05-535-432	Mt. Olive WWTP - Utilities - Sewer Op	7,849.08	11,000.00	11,000.00	597.85	6,733.83	4,266.17	61.22 %
05-535-460	Repairs and Maintenance - Sewer Oper	96,540.19	90,000.00	90,000.00	5,238.88	49,943.12	40,339.88	55.49 %
05-535-461	Cardinal Hill - Repairs and Maint - S	52,129.78	90,000.00	90,000.00	0.00	4,887.70	85,112.30	5.43 %

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

Enterprise Fund Expenditures
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	2019 PERCENTAGE REALIZED
05-535-464	Vehicle Fuel - Sewer Oper	3,200.22	4,000.00	4,000.00	1,233.69	10,408.14	(6,408.14)	260.20 %
05-535-465	Vehicle Maintenance - Sewer Oper	12,490.89	8,000.00	8,000.00	568.88	12,913.11	(4,913.11)	161.41 %
05-535-466	Public Works/Utilities Facility - Rep	2,275.16	0.00	0.00	0.49	4,260.94	(4,260.94)	0.00 %
05-535-470	Printing and Reproduction - Sewer Oper	54.69	60.00	60.00	0.00	0.00	60.00	0.00 %
05-535-490	Other Current Charges - Sewer Oper	113.09	0.00	0.00	168.22	168.22	(168.22)	0.00 %
05-535-492	Recording & Other Fees - Sewer Oper	100.00	350.00	350.00	0.00	125.00	225.00	35.71 %
05-535-493	Equipment Rental - Sewer Oper	337.00	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00 %
05-535-510	Office Supplies - Sewer Oper	412.13	1,000.00	1,000.00	42.10	247.35	598.38	24.74 %
05-535-520	Operating Supplies - Sewer Oper	12,246.40	8,000.00	8,000.00	248.51	8,334.37	(334.37)	104.18 %
05-535-521	Cardinal Hill WWTP - Operating Suppli	0.00	0.00	0.00	0.00	27.34	(27.34)	0.00 %
05-535-522	Cardinal Hill WWTP - Sludge Hauling	0.00	16,000.00	16,000.00	0.00	15,360.00	640.00	96.00 %
05-535-524	Chemicals - Sewer Oper	23,374.71	17,000.00	17,000.00	3,604.00	30,025.99	(13,025.99)	176.62 %
05-535-525	Uniforms - Sewer Oper	709.04	0.00	0.00	0.00	0.00	0.00	0.00 %
05-535-530	Road Materials & Supplies - Sewer Oper	0.00	1,000.00	1,000.00	0.00	27.74	972.26	2.77 %
05-535-540	Books, Pub., Sub., & Memberships - Se	469.57	1,000.00	1,000.00	13.33	418.27	581.73	41.83 %
05-535-605	Depreciation Expense - Sewer Oper	207,310.77	0.00	0.00	0.00	0.00	0.00	0.00 %
05-535-640	Machinery & Equipment - Sewer Oper	898.99	50,000.00	50,000.00	0.00	37,497.61	12,502.39	75.00 %
05-535-641	Cardinal Hill - Mach & Equip - Sewer	0.00	104,000.00	104,000.00	0.00	34,355.00	69,645.00	33.03 %
05-535-650	Construction In Progress - Sewer Oper	0.00	0.00	0.00	781,344.85	1,284,411.24	(1,284,411.24)	0.00 %
05-535-710	Principal - Sewer Oper	0.00	307,586.00	307,586.00	185,232.00	246,042.58	61,543.42	79.99 %
05-535-720	Interest - Sewer Oper	313,451.20	303,789.00	303,789.00	125,967.41	278,228.28	25,560.72	91.59 %
05-535-920	Transfer to General Fund - Sewer Oper	79,295.75	0.00	0.00	0.00	0.00	0.00	0.00 %
DEPARTMENT TOTAL		1,113,394.67	1,288,331.00	1,288,331.00	1,123,058.35	2,229,775.07	(942,516.82)	173.07 %
=====								
EF Non-Departmental								
05-590-310	Professional Services - Non-Dept	19,391.06	24,300.00	24,300.00	2,021.67	24,948.97	(648.97)	102.67 %
05-590-312	Professional Services - Other - Non-D	8,240.00	18,500.00	18,500.00	8,240.00	8,240.00	10,260.00	44.54 %
05-590-315	Inmate Labor - EF Non - Dept	0.00	28,749.00	28,749.00	0.00	28,748.50	0.50	100.00 %
05-590-320	Accounting and Auditing - Non-Dept	33,055.84	27,306.00	27,306.00	8,683.20	24,139.01	3,166.99	88.40 %
05-590-440	Rentals and Leases - Non-Dept	4,118.91	4,074.00	4,074.00	353.70	3,871.22	202.78	95.02 %
05-590-450	Liability Insurance - Non-Dept	36,702.00	50,000.00	50,000.00	0.00	26,351.50	23,648.50	52.70 %
05-590-492	Recording & Other Fees - Non-Dept	0.00	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00 %
05-590-510	Office Supplies - Non-Departmental	0.00	0.00	0.00	0.00	663.16	(663.16)	0.00 %
05-590-520	Operating Supplies - Non-Dept	179.88	0.00	0.00	0.00	843.76	(843.76)	0.00 %
05-590-521	Emergencies & Contingencies - Operati	0.00	20,000.00	20,000.00	1,000.00	1,000.00	19,000.00	5.00 %

POLK CITY
AUGUST 2019 MONTHLY FINANCIALS

Enterprise Fund Expenditures
91.66 % Yr Complete For Fiscal Year: 2019 / 8

G/L ACCOUNT	DESCRIPTION	2018 ACTUALS	2019 ADOPTED BUDGET	2019 ADJ BUDGET	2019 MTD EXPENSES	2019 YTD EXPENSES	2019 AVAIL BUDGET	PERCENTAGE REALIZED
05-590-525	Uniforms - Non Dept	0.00	4,000.00	4,000.00	190.13	1,493.52	2,506.48	37.34 %
05-590-528	Postage - Non-Dept	1,000.00	3,000.00	3,000.00	0.00	0.00	3,000.00	0.00 %
05-590-720	Interest - Bond 2017 Issue	178,341.52	0.00	0.00	0.00	0.00	0.00	0.00 %
05-590-730	Other Debt Service Costs	1,005,929.75	0.00	0.00	0.00	0.00	0.00	0.00 %
05-590-920	Transfer to General Fund - Non-Dept	25,000.00	25,000.00	25,000.00	0.00	0.00	25,000.00	0.00 %
05-590-930	Transfer to Water Impact Fee Reserves	0.00	139,760.00	139,760.00	0.00	0.00	139,760.00	0.00 %
05-590-931	Transfer to Sewer Impact Fee Reserves	0.00	353,200.00	353,200.00	0.00	0.00	353,200.00	0.00 %
05-590-940	Reserves - Unrestricted Reserves NON-	0.00	72,686.00	72,686.00	0.00	0.00	72,686.00	0.00 %
05-590-941	Reserves - Emergencies & Contingencie	255.70	0.00	0.00	0.00	0.00	0.00	0.00 %
05-590-992	Unemployment Claims - Non-Dept	0.00	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00 %
05-590-993	Transfer to Reserve - Non-Dept	0.00	7,013.00	7,013.00	0.00	0.00	7,013.00	0.00 %
05-590-994	Bank Fees - Non-Dept	0.00	1,550.00	1,550.00	0.00	0.00	1,550.00	0.00 %
05-590-996	Bad Debt - Non-Dept	2,170.57	40,000.00	40,000.00	0.00	(187.62)	40,187.62	(0.47) %
05-590-999	Other - Non-Operating Charges - Non-D	608.78	0.00	0.00	11.55	348.84	(348.84)	0.00 %
DEPARTMENT TOTAL		1,314,994.01	821,638.00	821,638.00	20,500.25	120,460.86	701,177.14	14.66 %

Enterprise Fund Revenues Total	3,224,341.74	3,034,225.00	3,034,225.00	506,402.42	2,683,947.53	350,277.47	88.45%
Enterprise Fund Expenditures Total	-3,348,699.42	-3,034,225.00	-3,034,225.00	-1,288,325.55	-3,060,980.53	28,901.03	100.85%
Total Revenue vs. Expenditures	-124,357.68	0.00	0.00	-781,923.13	-377,033.00	379,178.50	

Library Reports 10/2018 - 09/2019

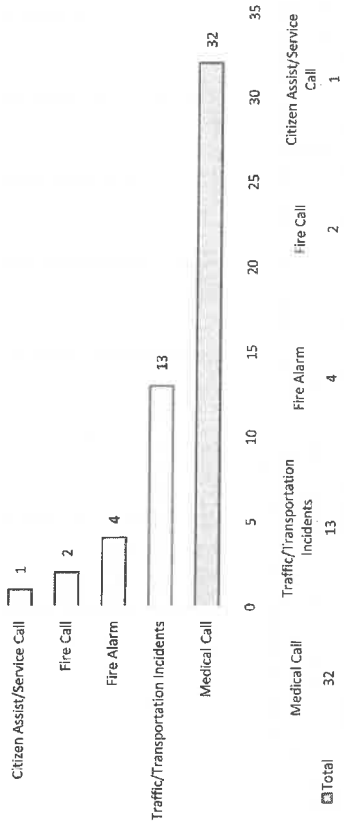
	Oct-18	Nov-18	Dec-18	Jan-19	* Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Totals
Circulation													
Adult Books	982	869	788	1004	897	813	919	934	863	1076	1122		10267
Juvenile Books	995	832	660	680	668	621	826	935	1261	1361	935		9774
DVD'S	946	726	766	1010	612	800	786	976	790	960	954		9326
Hot-Spots	20	16	25	20	20	20	25	20	20	25	20		231
Digital	0	58	23	44	37	49	41	62	63	73	84		534
Total Circulation	2943	2501	2262	2758	2234	2303	2597	2927	2997	3495	3115		30,132
New Borrowers													
In City	13	12	6	18	16	10	11	11	28	8	22		155
In County	2	7	3	5	3	2	3	5	2	3	4		39
Digital	0	27	4	8	6	5	8	5	12	7	6		88
Total New Borrowers	15	46	13	31	25	17	22	21	42	18	32		282
Number of Programs													
Adult	1	3	2	1	1	2	2	2	1	0	6		21
Juvenile	2	2	4	4	2	3	3	7	7	6	9		49
Young Adult	1	1	1	1	0	1	1	1	2	2	0		11
Total Programs	4	6	7	6	3	6	6	10	10	8	15		81
Program Attendance													
Adult	30	44	114	36	9	16	48	41	4	185	0		527
Juvenile	47	32	139	42	10	38	73	164	445	360	12		1362
Young Adult	5	36	34	5	0	3	5	6	90	48	0		232
Total Attendance	82	112	287	83	19	57	126	211	539	593	12		2121
Reference Questions													
Phone Calls	232	207	197	208	163	194	197	194	198	228	233		2251
Number of Computer Users													
	288	225	205	292	210	303	244	248	231	205	236		2687
Total Patrons													
	1505	1273	1207	1580	1012	1350	1277	1553	2134	1928	1093		15912

*Library Closed 1 week due to sewer issue.

City of Polk City Summary Report

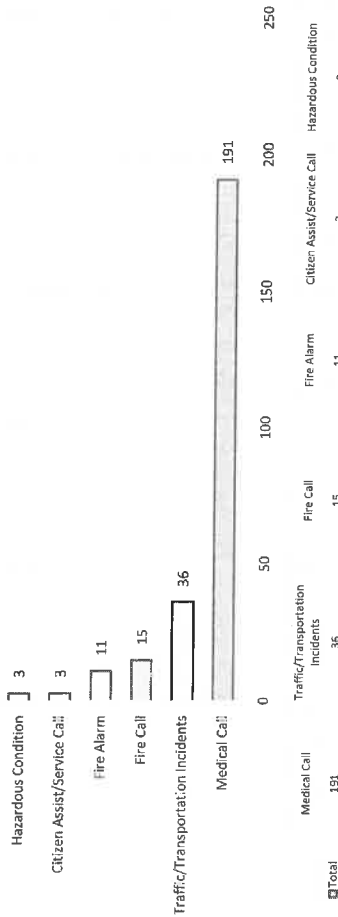
Previous Month Incidents by Call Category

Total Incidents: 52



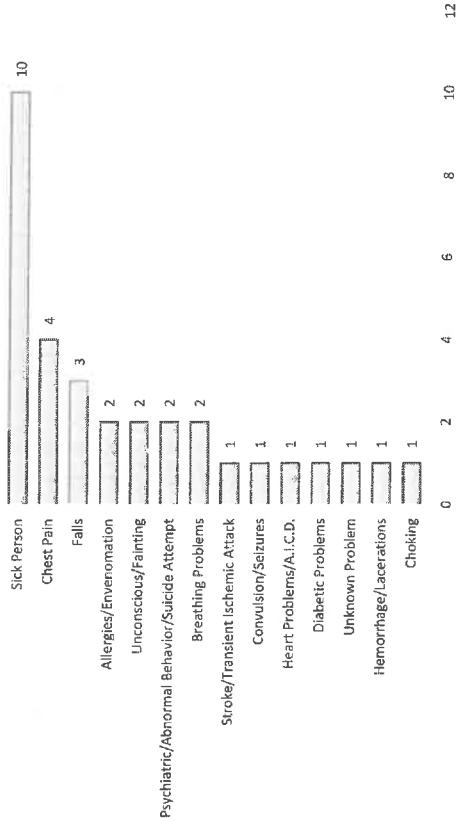
Year to Date Incidents by Call Category

Total Incidents: 259



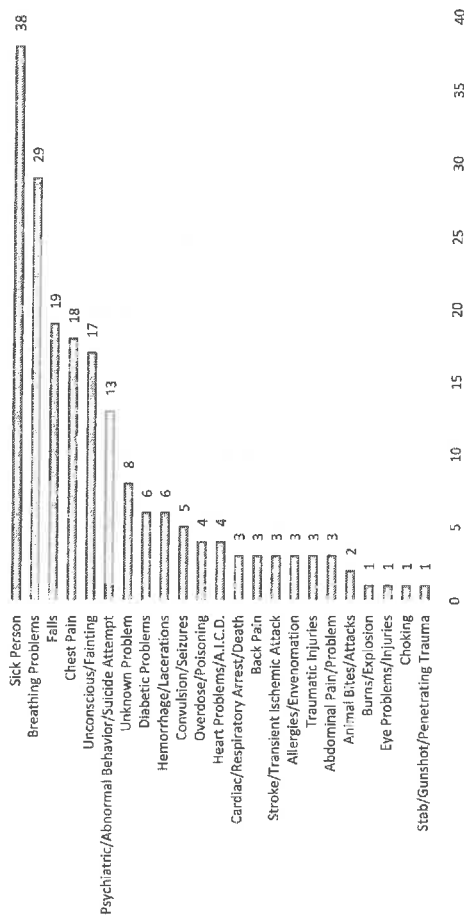
Previous Month Medical Calls by Category

Total Incidents: 32



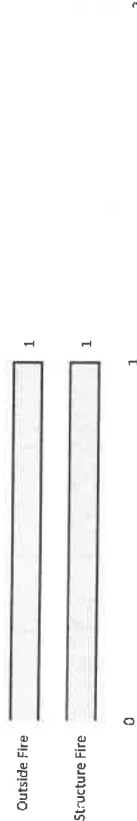
Year to Date Medical Calls by Category

Total Incidents: 191



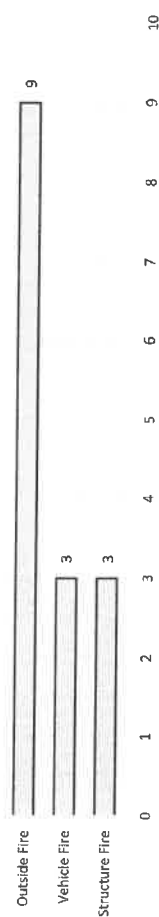
Previous Month Fire Calls by Category

Total Incidents: 2



Year to Date Fire Calls by Category

Total Incidents: 15



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

STATISTICAL DATA

West Division

September 10, 2019

Northwest District

To: Patricia Jackson , City Manager
 From: Deputy Christina Poindexter #7376
 Subject: Statistical report for August, 2019.

ACTIVITY	
FELONY ARREST	5
AFFIDAVITS FELONY	0
MISDEMEANOR ARREST	4
AFFIDAVITS MISDEMEANOR	
OUT OF COUNTY/STATE WARRANT ARRESTS	0
PROCAP WARRANT ARREST	0
TOTAL ARRESTS	9
SEARCH WARRANTS	0
FIELD INTERROGATION REPORTS	2
TRAFFIC CITATIONS	5
INTELLIGENCE REPORTS	0
STOLEN PROPERTY RECOVERED	0
HRS. TRANSPORTING/ AGENCIES/DIVISIONS	2 hrs
OFFENSE REPORTS	47
NARCOTICS SEIZED	2.36 grams of meth/51 grams cannabis
ASSETS SEIZED	0
PATROL NOTICES	0
FOXTROT REPORTS	10
TOW-AWAY NOTICES	0
COMMUNITY CONTACTS	1500
TRAFFIC STOPS	9

TOTAL DISPATCHED CALLS
FOR SERVICE

130

In June 2019, there were four (4) PROCAP captured crimes as compared to one (1) in August 2018. In August 2019 there was one Grand Theft reported however the item was not stolen from this location, it was located at this location. There was one reported mail theft on Bascom ct. involving the explanation of death benefits. There were two reported Criminal Mischiefs one at 411 Sunrise Blvd. which is possibly an ex-boyfriend, as well as the incident at 205 Commonwealth Ave. appears to be an ex-boyfriend as well. These cases do not pose to be a trend and are not related at this time.

Case No	Inc From	Inc To	DOW	Location	Narrative	Det	PRINTS	VIDEO	CASE STATUS
GRAND THEFT									
PCSO-190037982	2019-07-27/1200hrs	2019-08-12/1825hrs	Sat	348 HONEY BEE LN	gray/red 17' Bass Tracker boat with a Tracker 44 motor with boat trailer was last seen on 7/27 & when vict went back to property on 9th-11th the boat was missing 10'15: NOAH FUJICOMER w/m 02/16/1997	Coggins	no	no	CA
MAIL THEFT									
PCSO-190038199	2019-08-13/1600hrs	2019-08-14/0525hrs	Wed	432 BASCOM CT	unk susp removed a letter from victs mail box; vict adv that the letter was addressed to the SS Administration documenting death benefits Called Victim. NO VIDEO, NO WITNESSES, NO SUSPECT X43 AT THIS TIME. Confirmed not picked up by mail carrier.	Coggins	no	no	pending
CRIMINAL MISCHIEF									
PCSO-190037693	2019-08-09/2130hrs	2019-08-10/1030hrs	Sat	411 SUNRISE BLVD	dried brown paint on front of veh. envelope containing profanities to include "you like a hore" & "get the homeless out or your car pay bitch" was tucked underneath windshield wiper. cut up magazine letters spelling "ELEN" on outside of envelope. vic recently ended friendship w/ subj known only as "Harry" who lives in Polk City. New boyfriends veh also had paint on it but washed off. Susp: Harry H/M OBTAINED VIDEO FROM NEARBY BUSINESS, NOTHING OBSERVED SO FAR, ATTEMPTING TO LOCATE "HARRY". Victim provided a bad address for potential suspect. Still ATL to conduct suspect interview. No leads at this time.	Coggins	No	cctv-no value	Pending
PCSO-190040770	2019-08-30/1530hrs	2019-08-30/1550hrs	Fri	205 COMMONWEALTH AVE N	known susp ripped off door handle to veh and threw it into the truck bed and fled the scene / COM AFF: Pedro Garcia HM 11061964				

Department of Law Enforcement																												
Polk City - 2018 - 2019																												
	January		February		March		April		May		June		July		August		September		October		November		December		YTD Totals		Monthly Change	YTD
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Burg. Business	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	0	1	0	0	0	1	0	0	2	0	0
Burg. Residence	2	2	1	2	0	0	0	0	6	1	0	0	0	0	0	0	6	0	1	0	2	0	9	6	0	1	1	0.6
Burg. Structure	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	2	0	0	0	0	0	0	0	0	0	1	-100%	0.1
Burg. Conveyance	0	0	0	1	1	0	0	0	0	1	3	0	0	14	0	0	1	0	5	0	1	0	0	0	4	18	-1400%	0.5
Vehicle Theft	1	0	0	0	1	2	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	2	3	0%	0.3	
Grand Theft	0	1	0	1	0	1	0	0	1	0	1	1	0	0	0	1	1	0	1	0	0	0	0	2	5	100%	0.3	
Petit Theft	0	0	0	0	0	0	0	0	0	0	2	0	0	1	0	0	1	0	1	0	0	0	0	2	1	-100%	0.3	
Mail Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	1	100%	0.0	
Retail Theft	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0%	0.1	
Criminal Mischief	0	0	0	0	0	0	0	1	0	0	0	1	0	1	2	0	0	0	0	0	0	1	0	3	2	200%	0.4	
Totals	3	4	1	4	2	3	1	0	8	3	6	2	1	16	1	4	6	0	15	0	3	0	4	0	23	36	-75%	2.9
% Change	33%	300%	50%	N/A	-63%	-67%	1500%	300%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	57%	57%		
FIR's	0	0	0	3	0	1	3	0	0	4	2	4	0	6	0	2	8	0	1	0	1	0	0	0	13			

Public Works Report

August 2019

Public Works

Summary: Public Works maintained all Public facilities to include Library, City Hall, Freedom Park, Bronson Center, Old Public Works Facility, Courts, McManigle Park, Fishing Pier, New Public Work/Utility facilities, and Activity Center.

- Mowed and trimmed all City facilities
- Inspected Freedom Park, Recreation Courts, Fishing Pier, and McManigle Park,
- Activity Center – Set up and tear down of facility for Rental of Building
- Bronson Center- Set up and tear down of facility for Rental of Building
- Monitored and serviced all storm drains throughout Polk City.
- Completed Work Orders-17 (Repairs and Maintenance of Equipment, Electrical, plumbing, Building Maintenance, Vehicle Maintenance, etc.)

September Objectives:

Continue maintaining the mowing and preventive maintenance of all City facilities, service equipment.

Installing gutter at the Activity Center.

Installing new WIFI thermostats in City Buildings.

Installing new door locking system in City Government Center.

Installing new automatic locking system at Freedom Park.

UTILITY DEPARTMENT

August 2019 MONTHLY REPORT

Summary: Water/Wastewater continued to maintain sampling of the Wastewater Treatment Plant. Continued to pull all samples for the Water Plants. All samples were in-compliance. Completed monthly MORs/DMR reports for DEP.. Met all of DEP requirements to keep Polk City in compliance.

- All lift stations continue to have preventive maintenance. We are continuing to get all Verbatims/Auto dialers running properly. Generators are being maintained. Prepare for Hurricane.

Service Completed

- Monthly meter reading
- No reads for the Utility Billing
- Work Orders 134
- Turn On 23
- Turn off 22
- Misc -(rereads, laptops, vacation turn on, TBO from shut off) -89
- Fire Hydrant flushing and maintenance is being done weekly.
- Valve exercising is being done weekly.
- Continue preventative maintenance/housekeeping is being done.
- WWTF is maintained by wasting, decanting, housekeeping.

September OBJECTIVES: Meet all DEP requirements to stay in compliance, continuing to maintain work orders and locates.

**City Commission Meeting
September 16, 2019**

CONSENT AGENDA ITEM: Accept minutes for:

1. Accept minutes – May 28, 2019 – City Commission Workshop
2. Accept minutes – August 12, 2019 – Special City Commission Meeting
3. Accept minutes – August 19, 2019 – City Commission Workshop
4. Accept minutes – August 19, 2019 – City Commission Meeting
5. Accept minutes – August 20, 2019 - Budget Workshop #1
6. Accept minutes – September 5, 2019 – Budget Workshop #2

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE: Minutes attached for review and approval

ATTACHMENTS:

1. Accept minutes – May 28, 2019 – City Commission Workshop
2. Accept minutes – August 12, 2019 – Special City Commission Meeting
3. Accept minutes – August 19, 2019 – City Commission Workshop
4. Accept minutes – August 19, 2019 – City Commission Meeting
5. Accept minutes – August 20, 2019 - Budget Workshop #1
6. Accept minutes – September 5, 2019 – Budget Workshop #2

ANALYSIS: N/A

STAFF RECOMMENDATION: Approval of Minutes

CITY COMMISSION WORKSHOP MINUTES

May 28, 2019

Mayor Joe LaCascia called the Workshop to order at 6:00 p.m.

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

Present: Mayor Joe LaCascia, Vice Mayor Don Kimsey, Commissioner Wayne Harper, City Attorney Thomas Cloud and City Manager Patricia Jackson

Absent: Commissioner Mike Blethen and Commissioner Randy Carroll

ORDER OF BUSINESS

Community Garden, Trail Town and Wayfinding Concepts

Jennifer Codo-Salisbury, Brenda Torres and Mike Wadley (All from CFRPC) presented a Public Workshop on the possibilities of a Community Garden, Trail Town and Wayfinding Concepts in Polk City.

Community Garden

Mike Wadley stated the Community Garden will be located in between the Library and the Activity Center. The infrastructure of the garden will be City's responsibility. There are grants available that would pay for the garden. The Community Garden provides an opportunity for the residents to get to know each other. The average cost is \$20-\$40 for each garden.

Vice Mayor Kimsey does not think this is a viable idea.

Commissioner Harper suggested the Wednesday seniors group manage this garden.

City Manager Jackson reminded the group that these ideas are from the Community Workshops held in 2017 and 2018.

Mayor LaCascia suggested David Burr spearhead this project.

Trail Town

Brenda Torres provided an overview of exactly what a Trail Town is and its benefits.

Wayfinding Concept

Jennifer Codo-Salisbury explained that this concept is signage throughout Polk City...which way to go to specific places such as the ones in Lake Alfred.

Vice Mayor Kimsey shared that he likes to see pretty flowers.

Jennifer Codo-Salisbury suggested the first sign needs to be at MOSN and SR 33.

ADJOURNMENT – 7:00 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

SPECIAL CITY COMMISSION MINUTES

August 12, 2019

Mayor Joe LaCascia called the meeting to order at 6:30 p.m.

Commissioner Randy Carroll gave the invocation.

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

ROLL CALL – Assistant to the City Manager Sheandolen Dunn

Present: Mayor Joe LaCascia, Vice Mayor Don Kimsey, Commissioner Randy Carroll, Commissioner Mike Blethen, Commissioner Wayne Harper and City Manager Patricia Jackson

Absent: City Attorney Thomas Cloud

ORDER OF BUSINESS

Change Order for Reuse Project #WW531402

Gerry Hartman provided a brief overview about the Change Order #2 for the Reuse Project #WW531402. Change Order #1 decreased the bid price to the current \$726,000. Change Order #2 takes the price back up \$100,000 due to sod, 4/1 slopes, banks, valleys opened up, specs to be redressed. Need to sod the banks and there are huge drop offs in certain areas. The borings that were done did not reflect the lenses that were found. This will stabilize the washouts. You cannot anticipate everything, but when items are added, they must be paid for. The piping is almost complete. We are holding the \$84,000 contingency. As of now, this project is approximately 83% complete.

Motion by Vice Mayor Kimsey to approve the Change Order #2 for Reuse Project #WW531402; this motion was seconded by Commissioner Harper.

Roll Call Vote: Commissioner Carroll–nay, Commissioner Blethen–nay, Commissioner Harper–aye, Mayor LaCascia–aye, Vice Mayor Kimsey–aye

Motion carried 3/2.

CITY MANAGER ITEMS

FY 2019/20 Budget – Will be in your mailboxes on Tuesday, August 13, 2019.
Rollback Rate – 6.6487.

Florida League of Cities Conference – City Manager Jackson and Commissioner Blethen will be attending the remainder of this week.

COMMISSIONER ITEMS

Vice Mayor Kimsey – Nothing
Commissioner Blethen – Nothing
Commissioner Harper – Nothing
Commissioner Carroll – Nothing
Mayor LaCascia – Nothing

ANNOUNCEMENTS - None

ADJOURNMENT – 6:50 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

CITY COMMISSION WORKSHOP MINUTES

August 19, 2019

Vice Mayor Kimsey called the Workshop to order at 6:00 p.m.

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

Present: Mayor Joe LaCascia, Vice Mayor Don Kimsey, Commissioner Mike Blethen, Commissioner Randy Carroll, Commissioner Wayne Harper, City Attorney Thomas Cloud and City Manager Patricia Jackson

ORDER OF BUSINESS

Agenda Review - City Commission Meeting – August 19, 2019

Mayor LaCascia stated the purpose of the Workshop is to discuss items being presented on the 7pm Regular Meeting Agenda and address any questions or concerns and ultimately be able to proceed in a more efficient manner at the Regular Meeting.

Public Hearing – Ordinance 2019-09

An Ordinance of the City Commission of Polk City, Florida; ratifying Ordinance No 2018-03, which voluntarily annexed certain property into the corporate limits of Polk City, Florida, pursuant to Section 171.044, Florida Statutes; redefining the boundary lines of the municipality to include said property; providing for publication of notice of the proposed annexation and filing of a certified copy of this Ordinance with the Clerk of the Circuit Court in and for Polk County and with the Department of State; providing an effective date, **Second and Final Reading**

City Manager Jackson and City Attorney Cloud discussed this Ordinance was done at the request of the property appraisers office adding Exhibit B to clarify the Meets and Bounds.

City Commission is in agreement with this Ordinance.

Public Hearing - Ordinance 2019-06

An Ordinance of Polk City, Florida, amending the Polk City Comprehensive Plan, Revising the Future Land Use Element to add the Future Land Use Designation of Mixed Use; and transmitting said Amendment to the Florida Department of Economic Opportunity for Finding of Compliance; Providing for Severability; Providing for Conflict; and Providing for an Effective Date. **First Reading**

City Manager Jackson stated the Planning Commission has recommended approval of this Ordinance.

Jeff Schmucker (CFRPC) stated this Ordinance is adding a Mixed Use Category to the Comp Plan Amendment and is City-initiated at the owner's request. This is establishing that *Mixed Use* Category in the Comp Plan.

City Attorney Cloud stated this ordinance creates an additional land use. This will benefit the property owner, giving them options in terms of selling the property. Florida law requires municipalities to put this in their Comp Plan Amendment.

Public Hearing – Ordinance 2019-07

An Ordinance of Polk City, Florida amending the Polk City Land Development Code, amending Article 2, regulations for specific districts, including adding a new Zoning District as Section 2.04.02.17 MU Mixed Use District; Providing for Applicability; Repealer; Severability; and an Effective Date. **First Reading**

City Manager Jackson stated this Ordinance allows for zoning maps to create an element in the Comp Plan that will allow Polk City to change the use of the Zoning Map. This is a companion ordinance to Ordinance 2019-06.

Jeff Schmucker (CFRPC) provided further explanation.

Lengthy discussion ensued.

Financial Reporting Officer/Comptroller Services Agreement – George Cotellis, Jr.

City Manager Jackson provided a brief discussion on George Cotellis' role with Polk City. This Agreement will be for the year ending September 30, 2019. Mr. Cotellis will assist the City staff in making the necessary adjustments to provide for year-end closing of the accounting records and preparation of the schedules required to properly prepare the financial statements and related footnotes as well as for supporting documentation for the annual financial statement audit; preparation of the basic financial statements, required supplementary information, other supplementary information and related footnotes. He will not provide any opinion or form of assurance on these financial statements. The financial statements will be used solely by the City's independent auditors. Mr. Cotellis will also provide additional accounting services as requested by management as the need arises. Total estimated cost is \$13,600.

City Commission is in agreement with this contract being renewed.

Purchase and Sale Agreement - Tennis Court Property by Jacobs Water Plant

City Manager Jackson stated the City Commission approved the purchase of the tennis court property located next to the Jacobs Water Treatment Plant, and to offer the appraised price of \$32,000. Mr. Gregory and Tyler Arneson agreed to the purchase amount of \$32,000. Once the Purchase and Sale Agreement has been signed by both parties, a Closing date will be set.

City Commission is in agreement of this purchase in the amount of \$32,000.

Approval of Final Plat Fountain Park Phase 3

City Manager Jackson stated the purpose of the Final Plat is to establish a legal record of the subdivision of land. The Final Plat shall be reviewed for consistency with the approved Preliminary Plat.

The Engineer has submitted additional comments to the Developer regarding information required prior to the final plat being approved (as-built information, survey information and drainage information). If those changes are not completed, this item will be removed from the Agenda.

On August 5, 2019 the Planning Commission approved to forward the Fountain Park Phase 3 Final Plat to the City Commission with a recommendation of approval (there were no changes from the preliminary plat).

The Plat is now ready, there are ten models. A Certificate of Occupancy cannot be issued until the Plat is recorded. There are 103 lots and it will be less than one year for completion.

ADJOURNMENT – 6:25 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

CITY COMMISSION MINUTES

August 19, 2019

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

Pastor Walter Lawlor gave the invocation.

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

ROLL CALL – Assistant to the City Manager Sheandolen Dunn

Present: Mayor Joe LaCascia, Vice Mayor Don Kimsey, Commissioner Mike Blethen, Commissioner Randy Carroll, Commissioner Wayne Harper, City Attorney Thomas Cloud and City Manager Patricia Jackson

APPROVE CONSENT AGENDA

Mayor LaCascia requested the August 12, 2019 minutes be resubmitted in September as he wanted to verify calculations for Change Order #2 of the Reuse Project #531402.

Motion by Commissioner Harper to approve the Consent Agenda, removing the August 12, 2019 minutes and resubmitting in September; this motion was seconded by Commissioner Blethen.

Motion carried unanimously by Voice Vote.

PRESENTATIONS AND RECOGNITIONS - None

PUBLIC COMMENT

ORDER OF BUSINESS

PUBLIC HEARING - ORDINANCE 2019-09 – An Ordinance of the City Commission of Polk City, Florida; ratifying Ordinance No 2018-03, which voluntarily annexed certain property into the corporate limits of Polk City, Florida, pursuant to Section 171.044, Florida Statutes; redefining the boundary lines of the municipality to include said property; providing for publication of notice of the proposed annexation and filing of a certified copy of this Ordinance with the Clerk of the Circuit Court in and for Polk County and with the Department of State; providing an effective date, **Second and Final Reading**

City Attorney Cloud read the Ordinance by title only. Mayor LaCascia opened the Public Hearing; hearing no one speak for or against this Ordinance, Mayor LaCascia closed the Public Hearing.

Motion by Vice Mayor Kimsey to approve Ordinance 2019-09 on Second and Final Reading; this motion was seconded by Commissioner Carroll.

Roll Call Vote: Commissioner Blethen – aye, Vice Mayor Kimsey – aye, Commissioner Harper – aye, Commissioner Carroll – aye, Mayor LaCascia – aye

Motion carried unanimously.

PUBLIC HEARING–ORDINANCE 2019-06 - An Ordinance of Polk City, Florida, amending the Polk City Comprehensive Plan, Revising the Future Land Use Element to add the Future Land Use Designation of Mixed Use; and transmitting said Amendment to the Florida Department of Economic Opportunity for Finding of Compliance; Providing for Severability; Providing for Conflict; and Providing for an Effective Date. **First Reading**

City Attorney Cloud read the Ordinance by title only. Mayor LaCascia opened the Public Hearing.

Jeff Schmucker (CFRPC) provided a brief presentation regarding this Ordinance and was available to address any questions or concerns.

Joseph Richey (Agent for Property) spoke in favor of Ordinance 2019-06.

Mayor LaCascia closed the Public Hearing.

Motion by Vice Mayor Kimsey to approve Ordinance 2019-06 on First Reading; this motion was seconded by Commissioner Harper.

Roll Call Vote: Commissioner Carroll–aye, Commissioner Harper–aye, Commissioner Blethen–aye, Mayor LaCascia–aye, Vice Mayor Kimsey–aye

Motion carried unanimously.

PUBLIC HEARING–ORDINANCE 2019-07 - An Ordinance of Polk City, Florida amending the Polk City Land Development Code, amending Article 2, regulations for specific districts, including adding a new Zoning District as Section 2.04.02.17 MU Mixed Use District; Providing for Applicability; Repealer; Severability; and an Effective Date. **First Reading**

City Attorney Cloud read the Ordinance by title only. Mayor LaCascia opened the Public Hearing.

Christina Nichols Jackson (Property Owner) spoke in favor of this Ordinance.

Mayor LaCascia closed the Public Hearing.

Motion by Vice Mayor Kimsey to approve Ordinance 2019-07 on First Reading; this motion was seconded by Commissioner Harper.

Roll Call Vote: Commissioner Harper-aye, Commissioner Carroll-aye, Mayor LaCascia-aye, Vice Mayor Kimsey-aye, Commissioner Blethen-aye

Motion carried unanimously.

Financial Reporting Officer/Comptroller Services Agreement – George Cotellis, Jr.
City Manager Jackson stated this Agreement will be for the year ending September 30, 2019. Mr. Cotellis will assist City staff in making the necessary adjustments to provide for year-end closing of the accounting records and preparation of the schedules required to properly prepare the financial statements and related footnotes as well as supporting documentation for the annual financial statement audit; preparation of the basic financial statements, required supplementary information, other supplementary information and related footnotes. He will not provide any opinion or form of assurance on these financial statements. The financial statements will be used solely by the City's independent auditors. Mr. Cotellis will also provide additional accounting services as requested by management as the need arises. Total estimated cost is \$13,600.

Motion by Commissioner Harper to approve the Financial Reporting Officer/Comptroller Services Agreement with George Cotellis, Jr., this motion was seconded by Vice Mayor Kimsey.

Motion carried unanimously by Voice Vote.

Purchase and Sale Agreement - Tennis Court Property by Jacobs Water Plant
City Manager Jackson stated the City Commission approved the purchase of the tennis court property located next to the Jacobs Water Treatment Plant, and to offer the appraised price of \$32,000. Mr. Gregory and Tyler Arneson agreed to the purchase amount of \$32,000.

Motion by Commissioner Harper to approve the Purchase and Sale Agreement for the Tennis Court Property by Jacobs Water Plant; this motion was seconded by Vice Mayor Kimsey.

Motion carried unanimously by Voice Vote.

Approval of Final Plat Fountain Park Phase 3
The purpose of the Final Plat is to establish a legal record of the subdivision of land. The Final Plat shall be reviewed for consistency with the approved Preliminary Plat.

The Engineer has submitted additional comments to the Developer regarding information required prior to the final plat being approved (as-built information, survey

information and drainage information). If those changes are not completed, this item will be removed from the Agenda.

The Planning Commission approved to forward the Fountain Park Phase 3 Final Plat to the City Commission with a recommendation of approval (there were no changes from the preliminary plat).

City Manager Jackson stated to date everything is complete.

Motion by Vice Mayor Kimsey to approve the Final Plat – Fountain Park Phase; this motion was seconded by Commissioner Blethen.

Motion carried unanimously by Voice Vote.

CITY MANAGER ITEMS

Thanked the Commission for allowing her to attend the Florida League of Cities Conference.

Budget Workshop – Tuesday, August 20, 2019 – 7:00 pm

CITY ATTORNEY ITEMS – None

COMMISSIONER ITEMS

Vice Mayor Kimsey – Nothing

Commissioner Harper – Thanked everyone for coming

Commissioner Blethen – Brief update on his attendance at the Florida League of Cities Conference. Thanked everyone for coming.

Commissioner Carroll – Thanked everyone for coming

Mayor LaCascia – None

ANNOUNCEMENTS - None

ADJOURNMENT – 7:20 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

CONSENT AGENDA
August 19, 2019

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 – July 15, 2019 – City Commission Workshop
2. Accept minutes – July 15, 2019 – City Commission Meeting
3. Accept minutes – July 29, 2019 – Special City Commission Workshop
4. Accept minutes – July 29, 2019 – Special City Commission Meeting
5. Accept minutes – August 12, 2019 – Special City Commission Meeting

B. REPORTS

1. Building Permits Report – July 2019
2. Code Enforcement Report – July 2019
3. Library Report – July 2019
4. Polk County Fire Rescue – July 2019
5. Polk Sheriff's Report – July 2019
6. Public Works Report – July 2019

C. OTHER

BUDGET WORKSHOP MINUTES

August 20, 2019

Mayor LaCascia called the Workshop to order at 6:00 p.m.

Present: Mayor Joe LaCascia, Vice Mayor Don Kimsey, Commissioner Mike Blethen, Commissioner Randy Carroll, Commissioner Wayne Harper and City Manager Patricia Jackson

Absent: City Attorney Thomas Cloud

ORDER OF BUSINESS

Discussion of Fiscal Year 2019-2020 Budget

City Manager Jackson discussed the highlights of the Proposed FY 2019-2020 Budget of which a copy is available in the City Manager's Office (see attached)

Please be advised we are still making some changes to the proposed budget; however, the bottom line will not change. We are putting revenue in the unrestricted reserves while we are putting together a pay plan for the city employees with paygrades, etc., as well as looking at a 2.5% cost of living for all employees. Any merit increases will have to be justified by an employee evaluation.

The FY 2019/20 Budget is based on a **Millage Rate of 6.6487**, which is the Roll-back Rate (current Millage Rate is 7.2500).

Please note the following:

- 1) The total budget for FY 2019/2020 is \$6,141,647, which is an increase of 5.59% (\$324,946)
 - a. Capital Projects
 - b. New Employee
 - c. Benefits
- 2) Ad Valorem is based on the Roll-Back Millage Rate of 6.6487 mills.
- 3) The budget includes a position of "mechanic" to be split between G.F. and E.F.
- 4) Building Permits, Inspections, etc. decreased in Revenue.
- 5) Capital Improvement Projects total \$932,389 (includes remainder of S.R. 33 Sprayfield Relocation)

- 6) Transfer to G.F. Unrestricted Reserves and E.F. Unrestricted Reserves.
- 7) Impact Fees decreased in G.F. and E.F.
- 8) Debt Service is \$885,447 (\$119,787) in the General Fund and (\$765,660) in the Enterprise Fund), which includes the relocation of the S.R. 33 sprayfield.

General Fund Revenues

- Ad Valorem is based the Roll-Back Rate of 6.6487, which will bring in \$1,028,168 (\$293,092) more than what is budgeted for FY 2019).
- There will be a small increase in Utility Tax.
- There will be a small increase in estimated Communication Services Tax based on State estimate – approximately \$9,209.00.
- Building Permits shows a decrease.
- Impact Fees will show a decrease.
- Grants from Other Local Units – DEO Grant (\$25,000); JAG Grant (\$5,113)
- Charges for Services had a slight increase due to growth.
- Intergovernmental Transfers -- Enterprise Fund (\$25,000 budgeted this year).
- There is no cash-carry forward budgeted.

Total General Fund Revenue increased \$232,402 over FY 2019/2020.

General Fund Expenditures

- **Legislative** had a slight increase - \$4,398
- **Executive** had an increase - \$5,221
- **City Clerk** slight increase - \$2,706
- **Legal Counsel** slight increase - \$2,500
- **Comprehensive Planning** increase to include DEO Grant and slight increase in professional services - \$3,000.
- **Finance and Accounting** had an increase - \$8,957
- **Debt Service** slight decrease
- **Law Enforcement** slight increase - \$2,152 for annual increase in contract
- **Building & Zoning** decrease - \$39,326
- **Code Enforcement** increase - \$6,000 software
- **Refuse/Sanitation** increase for growth - \$24,192
- **Stormwater** slight increase
- **General Gov't** increase - \$17,300
- **Streets and Roads** decrease - \$8,209
- **Library** increase - \$5,298
- **Parks & Recreation** increase - \$11,000
- **Special Events** increase - \$3,500
- **Non-Departmental** increase - \$170,370 (decrease in impact fees and increase in Unrestricted Reserves)

Total General Fund Expenditures are up \$232,402

Enterprise Fund Revenues

- **Impact Fees** increase - \$80,106 (Water-\$22,711; Sewer-\$57,395)
- **Special Assessments** increase - \$8,896
- **Grants and Aids from Federal or State** – None for FY2019/2020
- **Charges for Services** increase water and sewer revenue - \$196,119
- **Other Judgments, fines & forfeitures** increase - \$13,100
- **Interest Income** - None for FY2019/2020
- **Cash carry-forward** - None for FY2019/2020

The Enterprise Fund Revenues increased \$92,544

Enterprise Fund Expenditures

Water Operations

- Personnel Expenses has an increase of \$14,909 (split mechanic with sewer dept)
- Operating Supplies decreased - \$15,000 (separated out meters/registers last year)
- Increase in Meter Supplies for new installs - \$20,400
- Money budgeted for Repairs and Maintenance to Water Treatment Plants
- Capital Outlay \$179,681 (increase of \$19,681)

Overall increase in Water Operations: \$37,732

Sewer Operations

- Personnel Expenses has an increase of \$14,175 (split mechanic with water)
- Sewer Operating Expenses decreased - \$42,850
- Capital Outlay increased due to the Relocation of the S.R. 33 Spray field - \$416,595 (Spray field \$410,595)
- Debt Service – slight increase

Overall increase in Sewer Operations: \$390,080

Non-Departmental

- **Non-Departmental Other**
 - 1) Transfer to unrestricted reserves \$105,100

Overall decrease in Non-Departmental: \$335,268

Enterprise Fund had a total increase of \$92,544

The total General Fund and Enterprise Fund is \$6,141,648, which is \$324,947 more than Fiscal Year 2019 (5.59%).

Commissioner Blethen is not in favor of a mechanic.

Vice Mayor Kimsey stated the City needs a well-rounded mechanic.

Commissioner Harper asked if the cost to outsource exceeded the budget last year.

Public Works Director Keith Prestage stated that 90% of the work done for Public Works is done in-house.

Commissioner Harper is in favor of a Mechanic.

Vice Mayor Kimsey questioned the kind of software that will be purchased for Code Enforcement and is not in favor of having a Code Enforcement Officer.

The Consensus of the Commission was the keep the Code Enforcement Officer.

Vice Mayor Kimsey wants more Law Enforcement presence in Polk City.

Commissioner Blethen would like to see the payroll information in the budget and the total debt amount.

Commissioner Carroll left the Workshop at 7:45 pm.

Mayor LaCascia discussed the City staff's 2.5% COLA and programmable thermostats in the Polk City Facilities.

Commissioner Blethen discussed the employee benefits being paid by the employees.

Mayor LaCascia stated that if the City is giving the employees a 5% increase, the millage rate needs to decrease. Would like to see calculations for a 6.1 millage rate and a 6.0 millage rate.

City Manager Jackson provided a thorough explanation to each of the Commissioners questions or concerns.

The next Workshop will be scheduled after Labor Day. An email will be sent with the confirmed date.

ADJOURNMENT – 9:10 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

BUDGET WORKSHOP MINUTES

September 5, 2019

Mayor LaCascia called the Workshop to order at 6:00 p.m.

Present: Mayor Joe LaCascia, Vice Mayor Don Kimsey (6:05pm), Commissioner Mike Blethen, Commissioner Randy Carroll, Commissioner Wayne Harper and City Manager Patricia Jackson

Absent: City Attorney Thomas Cloud

ORDER OF BUSINESS

Discussion of Fiscal Year 2019-2020 Budget

City Manager Jackson addressed questions and concerns based on the August 20 Budget Workshop. The Commission consensus was to lower the millage rate from 6.487 to 6.0000. City Manager would bring those calculations back to the Commission at the next workshop on September 5, 2019.

City Manager Jackson advised that changes are still being made to the proposed budget; however, the bottom line will not change. We are putting revenue in the Unrestricted Reserves while we are putting together a pay plan for the city employees with paygrades, etc., as well as looking at a 2.5% COLA for all employees. Any merit increases will be justified by an employee evaluation.

The FY 2019/20 Budget is based on a Millage Rate of 6.0000, which is the Roll-back Rate (current Millage Rate is 7.2500).

City Manager Jackson addressed the following Capital Projects updated items:

General Fund

Building and Zoning - \$8,000 - ADG Software to tie Finance and Code Enforcement together

Code Enforcement - \$6,000 - ADG Code Enforcement Module (software)

General Government - \$100,000 - Paving North and South Hydrangea Avenue
\$50,000 - New/Used Van for Inmates/New truck to replace 2002 Truck

Library - \$17,000 - new books, other publications and media

Parks - \$10,000 - Future improvements Freedom Park, 2nd Street Park, Fishing Pier

Enterprise Fund

Water Department - \$120,000 – New F-250 Utility Truck split with sewer, inmate van, mini excavator/portable lift/jetter on trailer/by-pass portable generator, jetter on trailer

\$150,000 - ARV replacement, C12 pumps (upgrade)/2 hydro tanks – Jacob Water Plant

\$20,000 - CI2 System Upgrades/ARV replacement – Commonwealth Water Plant
\$20,000 - CI2 System Upgrades/ARV replacement – Matt Williams Water Plant
Sewer Department - \$30,000 F-250 Utility Truck, van for inmates
\$90,000 - mini excavator/portable lift/jetter on trailer/ portable generator, jetter on trailer
\$410,595 - Relocation of SR 33 Sprayfield
\$50,000 - WWTF splitter box/surge protectors for by-pass at lift stations.

ADJOURNMENT – 7:20 pm

Patricia Jackson, City Manager

Joe LaCascia, Mayor

**City Commission Meeting
September 16, 2019**

AGENDA ITEM #1:

PUBLIC HEARING—Ordinance 2019-06 – Amend the Polk City Comprehensive Plan, Revising the Future Land Use Element to add the Future Land Use Designation of Mixed Use

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE:

Public Hearing – Ordinance 2019-06, An Ordinance of Polk City, Florida, amending the Polk City Comprehensive Plan, Revising the Future Land Use Element to add the Future Land Use Designation of Mixed Use, and transmitting said amendment to the Florida Department of Economic Opportunity for finding of compliance; second and final reading.

ATTACHMENTS:

- Ordinance 2019-06
- Staff Overview Report

ANALYSIS:

Ordinance 2019-06 is a City-initiated text amendment to the Polk City Comprehensive Plan to add the “Mixed Use” Future Land Use designation to the Future Land Use Element.

The City Commission approved First Reading of this Ordinance on August 19, 2019.

STAFF RECOMMENDATION:

Adopt Ordinance 2019-06 on Second and final Reading

ORDINANCE 2019-06

AN ORDINANCE OF POLK CITY, FLORIDA, AMENDING THE POLK CITY COMPREHENSIVE PLAN; REVISING THE FUTURE LAND USE ELEMENT TO ADD THE FUTURE LAND USE DESIGNATION OF MIXED USE; TRANSMITTING SAID AMENDMENT TO THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY FOR A FINDING OF COMPLIANCE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF POLK CITY, FLORIDA:

SECTION 1. FINDINGS AND INTENT. In adopting this Ordinance and amending the City's Future Land Use Element, the City Commission of Polk City, Florida hereby makes the following findings:

(1) Chapter 163, Part II, Florida Statutes, establishes the Community Planning Act ("Act"), which empowers and mandates Polk City, Florida (the "City") to plan for future development and growth and to adopt and amend comprehensive plans, or elements or portions thereof, to guide the future growth and development of the City.

(2) Pursuant to the Act, the City has adopted a comprehensive plan ("Comprehensive Plan").

(3) The Act authorizes a local government desiring to revise its comprehensive plan to prepare and adopt comprehensive plan amendments.

(4) The City has prepared a text amendment to the Future Land Use Element of the Comprehensive Plan to amend Policies 4.2 and 4.3, which would create the "Mixed Use" Future Land Use designation.

(5) In exercise of its authority the Commission has determined it necessary to adopt this amendment to the Plan, which is attached hereto as **Exhibit "A"** and by this reference made a part hereof, to insure that the Plan is in full compliance with the laws of the State of Florida.

(6) Pursuant to Section 163.3184, Florida Statutes, the City Commission held a meeting and hearing on Ordinance 2019-06, with due public notice having been provided, to obtain public comment, and considered all written and oral comments received during public hearings, including support documents.

(7) In the exercise of its authority, the City Commission has determined that it is necessary to adopt the proposed text amendment to the Future Land Use Element contained herein to encourage the most appropriate use of land, water, and resources

consistent with the public interest; to deal effectively with future problems that may result from the use and development of land within the City; and to ensure that the Comprehensive Plan is in full compliance with State law.

(8) The City Commission finds that the proposed text amendment to the Future Land Use Element contained herein is in the best interests of the health, safety, and welfare of the general public and the City's residents, furthers the purposes of, and is consistent with, the City's Comprehensive Plan, and is consistent with and compliant with State law, including, but not limited to, Chapter 163, Part II, Florida Statutes.

SECTION 2. FUTURE LAND USE MAP AMENDMENT. The Future Land Use Element of the City's Comprehensive Plan is hereby amended to include the text amendment set forth in Exhibit "A," which is attached hereto and incorporated herein by reference, and which amends Policies 4.2 and 4.3 to create the "Mixed Use" Future Land Use designation.

SECTION 3. SEVERABILITY. If any provision or portion of this Ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this Ordinance shall remain in full force and effect.

SECTION 4. CONFLICTS. All existing ordinances or parts of existing ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. CODIFICATION. An official, true and correct copy of this Ordinance and the City's Comprehensive Plan, as adopted and amended from time to time, shall be maintained by the City Clerk. The City Clerk will make copies available to the public for a reasonable publication charge.

SECTION 6. TRANSMITTAL. Within ten (10) days of final passage and adoption of this Ordinance, the City shall forward a copy hereof, and all supporting data and analysis, to the Florida Department of Economic Opportunity and any other agency or local government that provided timely comments to the City, as required by Section 163.3184(3)(c)2, Florida Statutes.

SECTION 7. EFFECTIVE DATE. The effective date of this Plan amendment, if the amendment is not timely challenged, shall be 45 days after the State Land Planning Agency notifies the local government that the plan amendment package is complete. If timely challenged, this amendment shall become effective on the date the State Land Planning Agency or the Administration Commission enters a final order determining this adopted amendment to be in compliance. No development orders, development permits, or land uses dependent on this amendment may be issued or commence before it has become effective. If a final order of noncompliance is issued by the Administration Council, this amendment may nevertheless be made effective by adoption of a resolution affirming its effective status, a copy of which resolution shall be sent to the state land planning agency.

INTRODUCED AND PASSED on First Reading this **19th** day of **August**, 2019.

POLK CITY, FLORIDA

Joe LaCascia, Mayor

ATTEST:

**APPROVED AS TO FORM AND
CORRECTNESS:**

Patricia R. Jackson, City Manager/Clerk

Thomas A. Cloud, City Attorney

PASSED AND DULY ADOPTED ON SECOND READING, with a quorum present and voting by the City Commission of Polk City, Florida meeting in Regular Session this ___ day of _____, 2019.

Joe LaCascia, Mayor

ATTEST:

Patricia R. Jackson, City Manager/Clerk

EXHIBIT "A"
POLK CITY ORDINANCE 2019-06

AMENDED FUTURE LAND USE ELEMENT

Proposed Text Amendments to the Future Land Use Element

The proposed amendments to the Comprehensive Plan are provided below. Text that is underlined is text to be added and text that is shown as ~~strikeout~~ is to be removed.

Policy 4.2: The following land use categories are hereby established for the purpose of managing future development and redevelopment activities. The Future Land use categories are identified by location in the Polk City Exemption Area, Polk City Special Protection Area and Polk County Rural Special Protection Area:

a. Polk City Exemption Area Future Land Use Categories
Policy 4.3 of the Future Land Use Element provides density and intensity standards for the following Future Land Use categories.

- i. Residential Very Low Density
- ii. Residential Low Density
- iii. Residential Medium Density
- iv. Mixed Use
- v. Commercial
- vi. Industrial
- vii. Public Use
- viii. Recreation
- ix. Conservation
- x. Conservation/ Passive Recreation

Policy 4.3: Polk City Exemption Area Future Land Use Categories and Description. The following Future Land Use Categories are located

within the Polk City Exemption Area. Policy 4.1.a. provides a description of the Polk City Exemption Area.

- a. The primary function of the Residential Very Low Density classification is to accommodate very low density residential development consisting of single family dwellings. This category permits one single family dwelling unit on each lot, along with structures accessory to residential use. Maximum density is 1 dwelling unit per 5 acres for single family uses; agricultural uses are permissible in this category, with or without a dwelling unit included; single family homes with horses are allowed, one home per lot and a minimum density of 1 dwelling unit per 5 acres. This category allows for the establishment of 1 manufactured (mobile) home per 5 acres for undeveloped and previously unplatted areas having severe soil suitability for septic tanks and buildings without basements, until central sewer and water services become available. This category permits schools and other public uses appropriate to agricultural areas and single family neighborhoods.
- b. The primary function of the Residential Low Density classification is to accommodate low density residential development consisting of single family dwellings. This category permits one single family dwelling unit on each lot, along with structures accessory to residential use. Maximum density is four dwelling units per acre. This category permits schools and other public uses appropriate to residential neighborhoods.
- c. The primary function of the Residential Medium Density classification is to accommodate multi-family residential development. Permitted uses include duplexes, apartments, condominiums, manufactured (mobile) home parks or subdivisions, RV parks, and single family homes. Intensity is one single family home per lot; or one duplex per lot; or two buildings of five units each per lot. Maximum density is 10.0 residential dwelling units per acre. This category permits schools and other public uses appropriate to residential neighborhoods.

Ordinance 1239-A: The 63.29 +/- acres located in Sections 28 and 33, Township 26 South, Range 25 East; generally located on Smith Road in the eastern quadrant of the City, shall be designated "Residential Medium" on the Future Land Use Map; shall be developed with central potable water and sewer

and shall be limited to a residential density not to exceed 861 dwelling units (achieved by a density of 6.68 dwelling units per acre on the 63.29 acres, and a density transfer of 6.68 dwelling units per acre from the 65.58 acres of Conservation directly adjacent to the RM); and shall be subject to other applicable land development regulations within the City. (Ordinance 1239-A, December 9, 2008, adoption)

d. Mixed Use: The primary function of the Mixed Use classification is to apply to developments in which a mix of residential and non-residential uses (commercial, office, light industrial, institutional, and civic uses) are planned. Such development shall be served by central water and wastewater services. A balanced mix of residential and non-residential uses including residences, shops, work places, parks, and other urban uses shall allow for internal capture of daily trips as well as interconnectivity for vehicle and pedestrian access.

de. The primary function of the Commercial classification is to accommodate the shopping needs of residents living in and near Polk City. The Commercial classification permits neighborhood service commercial uses; and accommodates traditional retail commercial needs of the market area both along the highway and in the downtown core of the market area. This category permits schools and other public uses appropriate to commercial areas. Floor area ratio for commercial structures shall not exceed 0.35.

ef. The primary function of the Industrial classification is to accommodate the industrial needs of the market area, both light industry and heavy industry. This category permits vocational and technical schools and other public uses appropriate to industrial areas. Floor area ratio for industrial structures shall not exceed 0.35.

fg. The primary function of the Public Uses classification is to provide for areas for existing or future government-owned or leased buildings or grounds including schools, libraries, medical facilities, parks and open space areas; and private buildings or grounds such as hospitals, camps, clubs, private schools, museums and similar land uses. Floor area ratio for public and private use structures under this classification shall not exceed 0.35. For schools, one residential unit per school is permitted to accommodate an on-site security guard/ caretaker. For parks, one residential unit per 40 acres is

permitted to accommodate an on-site security guard/ park ranger.

- gh. The primary function of the Recreation classification is to provide for areas for existing or future public parks, recreation uses and open space areas. Permitted uses include public open space, recreation areas and parks; and private parks and recreation uses, such as golf courses. All recreation uses within Polk City shall be included in this category. One dwelling unit per park is allowed for caretakers and park rangers, with the density not to exceed one dwelling unit per 20 acres. Maximum lot coverage by buildings plus all impervious surface area shall not exceed 5% of the total parcel.
- hi. The primary function of the Conservation classification is to protect natural resources, improve lake, river and groundwater quality. The Conservation designation includes land within the 100-year floodplain of any lake or river; wetlands; soils-limited areas; wellhead protection areas; and ancient scrub lands. No development is allowed in conservation areas. One dwelling unit per park is allowed for caretakers and park rangers, with the density not to exceed one dwelling unit per 20 acres. Maximum lot coverage by buildings and all impervious surface shall not exceed 1% of the total land area of the parcel. No other uses are allowed in this classification.
- ij. The primary function of the Conservation/Passive Recreation classification is to protect natural resources while allowing passive recreation. Commercial uses such as equipment rental shops and snack huts are permissible to serve the users of the recreation area. Passive recreation land uses, such as boat docks, beaches and hiking trails are permissible. One dwelling unit per park is allowed for caretakers and park rangers, with the density not to exceed one dwelling unit per 20 acres. Maximum lot coverage by buildings and all impervious surface shall not exceed 1% of the total land area of the parcel.
- jk. Public schools are allowed in all land use classifications except Polk City's Future Land Use classifications of Conservation and Conservation/ Passive Recreation. This provision applies to lands contiguous to existing schools, as well as development of vacant land for new schools. Further, Polk City hereby encourages the co-location of public facilities such as parks, libraries, and community centers, with schools,

when planning and reviewing a proposed site for new or expanded facilities, and shall adopt criteria for collocation in the Unified Land Development Code.



TEXT AMENDMENT

**FUTURE LAND USE ELEMENT
OF THE
POLK CITY COMPREHENSIVE PLAN**

JUNE 17, 2019

TO: POLK CITY COMMISSION

FROM: CENTRAL FLORIDA REGIONAL PLANNING COUNCIL

SUBJECT: **Ordinance No. 2019-06:** City-initiated text amendment to the Polk City Comprehensive Plan to add the "Mixed Use" Future Land Use designation to the Future Land Use Element.

AGENDA & HEARING DATES:

May 30, 2019 at 6:00 PM: Planning Commission Hearing

June 17, 2019 at 7:00 PM: City Commission (First Reading, Public Transmittal Hearing)

August 19, 2019: City Commission Meeting (Second Reading, Public Adoption Hearing)

AGENDA & HEARING DATES:

On Thursday, May 30, 2019, the Polk City Planning Commission held a public Hearing to amend the Polk City Comprehensive Plan to create a new Future Land Use designation of Mixed Use. The Planning Commission voted unanimously to forward the proposed amendment to the City Commission with a recommendation of approval.

OVERVIEW REPORT:

The Future Land Use Element of the Polk City Comprehensive Plan currently provides for the following Future land Use designations within the Green Swamp Exemption Area of the City.

Residential Very Low Density

Residential Low Density

Residential Medium Density

Commercial

Industrial

Public Use

Recreation

Conservation

Conservation/ Passive Recreation

Staff has determined that a new Future Land Use designation of “Mixed Use” should be added to the Comprehensive Plan. Mixed Use will allow for developments that are comprised of multiple or mixed uses which require specific or selected land use districts. This type of flexible land use category is not set forth by the City’s existing Future Land Use designations.

The proposed text to be added to Policy 4.2 and as Policy 4.3 of the Future Land Use Element is provided below. All subsequent policies will be renumbered.

PROPOSED AMENDMENTS

The proposed amendments to the Comprehensive Plan are provided below. Text that is underlined is text to be added and text that is shown as ~~strikeout~~ is to be removed.

Policy 4.2: The following land use categories are hereby established for the purpose of managing future development and redevelopment activities. The Future Land use categories are identified by location in the Polk City Exemption Area, Polk City Special Protection Area and Polk County Rural Special Protection Area:

a. Polk City Exemption Area Future Land Use Categories

Policy 4.3 of the Future Land Use Element provides density and intensity standards for the following Future Land Use categories.

- i. Residential Very Low Density
- ii. Residential Low Density
- iii. Residential Medium Density
- iv. Mixed Use
- v. Commercial
- vi. Industrial
- vii. Public Use
- viii. Recreation
- ix. Conservation
- x. Conservation/ Passive Recreation

Policy 4.3: Polk City Exemption Area Future Land Use Categories and Description. The following Future Land Use Categories are located within the Polk City Exemption Area. Policy 4.1.a. provides a description of the Polk City Exemption Area.

- a. The primary function of the Residential Very Low Density classification is to accommodate very low density residential development consisting of single family dwellings. This category permits one single family dwelling unit on each lot, along with structures accessory to residential use. Maximum density is 1 dwelling unit per 5 acres for single family uses; agricultural uses are permissible in this category, with or without a dwelling unit included; single family homes with horses are allowed, one home per lot and a minimum density of 1 dwelling unit per 5 acres. This category allows

for the establishment of 1 manufactured (mobile) home per 5 acres for undeveloped and previously unplatted areas having severe soil suitability for septic tanks and buildings without basements, until central sewer and water services become available. This category permits schools and other public uses appropriate to agricultural areas and single family neighborhoods.

- b. The primary function of the Residential Low Density classification is to accommodate low density residential development consisting of single family dwellings. This category permits one single family dwelling unit on each lot, along with structures accessory to residential use. Maximum density is four dwelling units per acre. This category permits schools and other public uses appropriate to residential neighborhoods.
- c. The primary function of the Residential Medium Density classification is to accommodate multi-family residential development. Permitted uses include duplexes, apartments, condominiums, manufactured (mobile) home parks or subdivisions, RV parks, and single family homes. Intensity is one single family home per lot; or one duplex per lot; or two buildings of five units each per lot. Maximum density is 10.0 residential dwelling units per acre. This category permits schools and other public uses appropriate to residential neighborhoods.

Ordinance 1239-A: The 63.29 +/- acres located in Sections 28 and 33, Township 26 South, Range 25 East; generally located on Smith Road in the eastern quadrant of the City, shall be designated "Residential Medium" on the Future Land Use Map; shall be developed with central potable water and sewer and shall be limited to a residential density not to exceed 861 dwelling units (achieved by a density of 6.68 dwelling units per acre on the 63.29 acres, and a density transfer of 6.68 dwelling units per acre from the 65.58 acres of Conservation directly adjacent to the RM); and shall be subject to other applicable land development regulations within the City. (Ordinance 1239-A, December 9, 2008, adoption)

3d. Mixed Use: The primary function of the Mixed Use classification is to apply to developments in which a mix of residential and non-residential uses (commercial, office, light industrial, institutional, and civic uses) are planned. Such development shall be served by central water and wastewater services. A balanced mix of residential and non-residential uses including residences, shops, work places, parks, and other urban uses shall allow for internal capture of daily trips as well as interconnectivity for vehicle and pedestrian access.

de. The primary function of the Commercial classification is to accommodate the shopping needs of residents living in and near Polk City. The Commercial classification permits neighborhood service commercial uses; and accommodates traditional retail commercial needs of the market area both along the highway and in the downtown

core of the market area. This category permits schools and other public uses appropriate to commercial areas. Floor area ratio for commercial structures shall not exceed 0.35.

- ef. The primary function of the Industrial classification is to accommodate the industrial needs of the market area, both light industry and heavy industry. This category permits vocational and technical schools and other public uses appropriate to industrial areas. Floor area ratio for industrial structures shall not exceed 0.35.
- fg. The primary function of the Public Uses classification is to provide for areas for existing or future government-owned or leased buildings or grounds including schools, libraries, medical facilities, parks and open space areas; and private buildings or grounds such as hospitals, camps, clubs, private schools, museums and similar land uses. Floor area ratio for public and private use structures under this classification shall not exceed 0.35. For schools, one residential unit per school is permitted to accommodate an on-site security guard/ caretaker. For parks, one residential unit per 40 acres is permitted to accommodate an on-site security guard/ park ranger.
- gh. The primary function of the Recreation classification is to provide for areas for existing or future public parks, recreation uses and open space areas. Permitted uses include public open space, recreation areas and parks; and private parks and recreation uses, such as golf courses. All recreation uses within Polk City shall be included in this category. One dwelling unit per park is allowed for caretakers and park rangers, with the density not to exceed one dwelling unit per 20 acres. Maximum lot coverage by buildings plus all impervious surface area shall not exceed 5% of the total parcel.
- hi. The primary function of the Conservation classification is to protect natural resources, improve lake, river and groundwater quality. The Conservation designation includes land within the 100-year floodplain of any lake or river; wetlands; soils-limited areas; wellhead protection areas; and ancient scrub lands. No development is allowed in conservation areas. One dwelling unit per park is allowed for caretakers and park rangers, with the density not to exceed one dwelling unit per 20 acres. Maximum lot coverage by buildings and all impervious surface shall not exceed 1% of the total land area of the parcel. No other uses are allowed in this classification.
- ij. The primary function of the Conservation/Passive Recreation classification is to protect natural resources while allowing passive recreation. Commercial uses such as equipment rental shops and snack huts are permissible to serve the users of the recreation area. Passive recreation land uses, such as boat docks, beaches and hiking trails are permissible. One dwelling unit per park is allowed for caretakers and park rangers, with the density not to exceed one dwelling unit per 20 acres. Maximum lot coverage by buildings and

all impervious surface shall not exceed 1% of the total land area of the parcel.

- jk. Public schools are allowed in all land use classifications except Polk City's Future Land Use classifications of Conservation and Conservation/ Passive Recreation. This provision applies to lands contiguous to existing schools, as well as development of vacant land for new schools. Further, Polk City hereby encourages the co-location of public facilities such as parks, libraries, and community centers, with schools, when planning and reviewing a proposed site for new or expanded facilities, and shall adopt criteria for collocation in the Unified Land Development Code.

CITY COMMISSION MOTION OPTIONS:

1. I move the City Commission **transmit** Ordinance 2019-06 to the Florida Department of Economic Opportunity for review.
2. I move the City Commission **transmit with changes** Ordinance 2019-06 to the Florida Department of Economic Opportunity for review.
3. I move the City Commission **not transmit** Ordinance 2019-06 to the Florida Department of Economic Opportunity for review.

**City Commission Meeting
September 16, 2019**

AGENDA ITEM #2:

PUBLIC HEARING–Ordinance 2019-07 – Amend the Polk City Land Development Code; Amend Article 2, Regulations for Specific Districts, including adding a new zoning district as Section 2.04.02.17 MU Mixed Use District. Second and Final Reading

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE:

Public Hearing – Ordinance 2019-07 - An Ordinance of Polk City, Florida, Amending the Polk City Land Development Code; Amending Article 2, Regulations for Specific Districts, including adding a new zoning district as Section 2.04.02.17 MU Mixed Use District; Second and Final Reading.

ATTACHMENTS:

- Ordinance 2019-07
- Staff Overview Report

ANALYSIS:

Ordinance 2019-07 is a City-initiated text amendment to the Polk City Comprehensive Plan to add a new zoning district as Section 2.04.02.17 MU Mixed Use District.

The City Commission approved First Reading of this Ordinance on August 19, 2019.

STAFF RECOMMENDATION:

Adopt Ordinance 2019-07 on Second and final Reading

ORDINANCE 2019-07

AN ORDINANCE OF POLK CITY, FLORIDA, AMENDING THE POLK CITY LAND DEVELOPMENT CODE; AMENDING ARTICLE 2, REGULATIONS FOR SPECIFIC DISTRICTS, INCLUDING ADDING A NEW ZONING DISTRICT AS SECTION 2.04.02.17 MU MIXED USE DISTRICT; PROVIDING FOR APPLICABILITY; PROVIDING FOR REPEAL OF INCONSISTENT ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF POLK CITY, FLORIDA:

SECTION 1. FINDINGS AND INTENT. In adopting this Ordinance and amending the City's Unified Land Development Code, the City Commission of Polk City, Florida hereby makes the following findings:

(1) Section 163.3167(c), Florida Statutes, empowers the City to adopt land development regulations to guide the growth and development of the City.

(2) Pursuant to state law, the City adopted a unified land development code ("Land Development Code").

(3) The City has prepared a text amendment to Article 2 – Regulations for Specific Districts to Table 3 – Zoning Districts Name and Section 2.04.02.17 adding the new Mixed Use Zoning District.

(4) The City Commission of Polk City has determined it necessary and desirable to amend the regulations to allow for the new Mixed Use Zoning District.

(5) Pursuant to Section 166.041(c)2, Florida Statutes, the Planning Commission and the City Commission have held duly advertised and noticed public meetings and hearings to obtain public comment for the purpose of amending the Unified Land Development Code as presented in the exhibit attached to and incorporated in this Ordinance as Exhibit "A".

(6) Having considered written and oral comments received during public hearings, the City Commission find the changes necessary and appropriate to the needs of the City.

(7) The City Commission finds that the proposed text amendment to the Land Development Code is in the best interests of the health, safety, and welfare of the general public and the City's residents, further the purposes of, and is consistent with the City's Land Development Code, and is consistent with and compliant with State law, including, but not limited to Chapter 163, Part II, Florida Statutes.

SECTION 2. LAND DEVELOPMENT CODE AMENDMENT. Article 2 – Regulations for Specific Districts is hereby amended to include the text set forth in Exhibit "A", which is attached hereto and included herein by reference, which amends Table 3 and creates a new Section 2.04.02.17 MU Mixed Use Zoning District.

SECTION 3. SEVERABILITY. If any provision or portion of this Ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this Ordinance shall remain in full force and effect.

SECTION 4. CONFLICTS. All existing ordinances or parts of existing ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. CODIFICATION. An official, true and correct copy of this Ordinance and the City's Comprehensive Plan, as adopted and amended from time to time, shall be maintained by the City Clerk. The City Clerk will make copies available to the public for a reasonable publication charge.

SECTION 6. EFFECTIVE DATE. This Ordinance shall be effective 10 days after passage upon Second Reading.

INTRODUCED, PASSED on FIRST READING, this 19th day of August, 2019.

POLK CITY, FLORIDA

Joe LaCascia, Mayor

ATTEST:

**APPROVED AS TO FORM AND
CORRECTNESS**

Patricia R. Jackson, City Manager/Clerk

Thomas A. Cloud, City Attorney

PASSED AND DULY ADOPTED ON SECOND READING, with a quorum present and voting by the City Commission of Polk City, Florida meeting in Regular Session this ___ day of _____, 2019.

Joe LaCascia, Mayor

ATTEST:

Patricia R. Jackson, City Manager/Clerk

POLK CITY ORDINANCE 2019-07

EXHIBIT "A"
AMENDMENTS TO

ARTICLE 2 - REGULATIONS FOR SPECIFIC DISTRICTS

The proposed amendments to the Land Development Code (LDC) are provided below. Text that is underlined is text to be added and text that is shown as ~~strikeout~~ is to be removed.

Table 3 – Zoning Districts Map Designation	Zoning District Name
AG1	Agriculture
AG2	Single Family Residential Plus Horses
R1	Single Family Residential
R2	Single Family Residential
R3	Single Family and Duplex Residential
R4	Mixed Residential Use
R5	Multi Family Residential
MH	Mobile Home Park
C1	Residential, Business and Professional District
C2	General Commercial
M1	Light Industrial
M2	Heavy Industrial
PB	Public Buildings and Grounds
PR	Public Recreation
CON	Conservation
PD	Planned Unit Development
<u>MU</u>	<u>Mixed Use</u>

The following zoning designations are hereby established within the City of Polk City:

2.04.02.17 MU Mixed Use District

(A) FLUM Designation:
Mixed Use

(B) Purpose:
To designate areas within Polk City in which proposed development encompasses a mix of residential and non-residential uses (commercial, office, light industrial, institutional, and civic uses) are planned. Such development shall be served by central water and wastewater services. A balanced mix of residential and non-residential uses including residences, shops, work places, parks, and other urban uses shall allow for internal capture of daily trips as well as interconnectivity for vehicle and pedestrian access.

(C) Permitted Principal Uses & Structures:
Uses permitted in this district are detailed in the Table of Land Uses in Section 2.04.01, Table 4 in the residential and commercial zoning districts. Permitted uses are designated by the letter "P". Uses designated by the letter "D" are also permitted, but require the submission and approval of a Site Development Plan prior to application for a Development Permit. Review of an application for approval of a Site Development Plan is governed by Article 7.

(D) Accessory Uses:
Accessory uses and structures customarily incidental and subordinate to permitted principal uses and structures; provided, however, that no accessory structures shall be located on property other than that on which the principal structure is located. Section 2.05 contains detailed guidance and regulations for permitted accessory uses.

(E) Development Standards: Development standards for uses in this district are detailed in the Table of Development Standards in Section 2.04.01, Table 5. Specifically, standards are established for Maximum Density; Minimum Lot Size; Minimum Lot Width; Minimum Lot Depth; Minimum Floor Area; Floor Area Ratio (as applicable); Setbacks; Maximum Lot Coverage; and Maximum Building Height.

(F) Other Requirements: none.



TEXT AMENDMENT

**TEXT AMENDMENT
OF THE
POLK CITY LAND DEVELOPMENT CODE**

JUNE 17, 2019

TO: POLK CITY PLANNING COMMISSION

FROM: CENTRAL FLORIDA REGIONAL PLANNING COUNCIL

SUBJECT: **Ordinance 2019-07: City-initiated text amendment to the Polk City Land Development Code** to add the “Mixed Use” Zoning District to Article 2 – Regulations for Specific Districts.

AGENDA & HEARING DATES:

May 30, 2019 at 6:00 PM: Planning Commission Hearing

June 17, 2019 at 7:00 PM: City Commission (First Reading, Public Transmittal Hearing)

August 19, 2019: City Commission Meeting (Second Reading, Public Adoption Hearing)

AGENDA & HEARING DATES:

On Thursday, May 30, 2019, the Polk City Planning Commission held a public Hearing to amend the Polk City Comprehensive Plan to create a new Zoning District titled of Mixed Use. The Planning Commission voted unanimously to forward the proposed amendment to the City Commission with a recommendation of approval.

CITY COMMISSION MOTION OPTIONS:

1. I move the City Commission **approve** Ordinance 2019-07 on First Reading.
2. I move the City Commission **approve with changes** Ordinance 2019-07 on First Reading.

3. I move the City Commission **deny** Ordinance 2019-07 on First Reading.

OVERVIEW REPORT:

Article 2 of the Polk City Land Development Code currently provides for the following Zoning Districts within the Green Swamp Exemption Area of the City.

Table 3 – Zoning Districts Map Designation	Zoning District Name
AG1	Agriculture
AG2	Single Family Residential Plus Horses
R1	Single Family Residential
R2	Single Family Residential
R3	Single Family and Duplex Residential
R4	Mixed Residential Use
R5	Multi Family Residential
MH	Mobile Home Park
C1	Residential, Business and Professional District
C2	General Commercial
M1	Light Industrial
M2	Heavy Industrial
PB	Public Buildings and Grounds
PR	Public Recreation
CON	Conservation
<u>PD</u>	<u>Planned Unit Development</u>
<u>MU</u>	<u>Mixed Use</u>

Staff has determined that a new Zoning District of “Mixed Use” should be added to the Land Development Code. Mixed Use will allow for developments that are comprised of multiple or mixed uses which require specific or selected land use districts. This type of flexible land use category is not set forth by the City’s existing Zoning Districts.

The proposed text to be added to Section 2.04.02 of Article 2 of the Land Development Code. All subsequent regulations will be renumbered.

PROPOSED AMENDMENTS

The proposed amendments to the Comprehensive Plan are provided below. Text that is underlined is text to be added and text that is shown as ~~strikeout~~ is to be removed.

2.04.02 Establishment of Zoning Districts

The following zoning designations are hereby established within the City of Polk City:

2.04.02.17 MU Mixed Use District

(A) FLUM Designation:

Mixed Use

(B) Purpose:

To designate areas within Polk City in which proposed development encompasses a mix of residential and non-residential uses (commercial, office, light industrial, institutional, and civic uses) are planned. Such development shall be served by central water and wastewater services. A balanced mix of residential and non-residential uses including residences, shops, work places, parks, and other urban uses shall allow for internal capture of daily trips as well as interconnectivity for vehicle and pedestrian access.

(C) Permitted Principal Uses & Structures:

Uses permitted in this district are detailed in the Table of Land Uses in Section 2.04.01, Table 4 in the residential and commercial zoning districts. Permitted uses are designated by the letter "P". Uses designated by the letter "D" are also permitted, but require the submission and approval of a Site Development Plan prior to application for a Development Permit. Review of an application for approval of a Site Development Plan is governed by Article 7.

(D) Accessory Uses:

Accessory uses and structures customarily incidental and subordinate to permitted principal uses and structures; provided, however, that no accessory structures shall be located on property other than that on which the principal structure is located. Section 2.05 contains detailed guidance and regulations for permitted accessory uses.

(E) Development Standards: Development standards for uses in this district are detailed in the Table of Development Standards in Section 2.04.01, Table 5. Specifically, standards are established for Maximum Density; Minimum Lot Size; Minimum Lot Width; Minimum Lot Depth; Minimum Floor Area; Floor Area Ratio (as applicable); Setbacks; Maximum Lot Coverage; and Maximum Building Height.

(F) Other Requirements: none.

**City Commission Meeting
September 16, 2019**

AGENDA ITEM #3:

PUBLIC HEARING—Ordinance 2019-12 – Amend the Polk City Code of Ordinances and the Unified Land Development Code of Polk City, Florida, amending Article 3, Development Design and Improvement Standards, to add a new section 3.08.00, Water Conservation for Landscape Irrigation, Irrigation System Design and Installation Standards, and Efficient Plumbing Requirements; First Reading

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE:

Ordinance 2019-12 is AMENDING ARTICLE 3, DEVELOPMENT DESIGN AND IMPROVEMENT STANDARDS, TO ADD A NEW SECTION 3.08.00, WATER CONSERVATION FOR LANDSCAPE IRRIGATION, IRRIGATION SYSTEM DESIGN AND INSTALLATION STANDARDS, AND EFFICIENT PLUMBING REQUIREMENTS

ATTACHMENTS:

- Ordinance 2019-12
- Staff Overview Report

ANALYSIS:

Is a City-initiated text amendment to add procedures and standards for water conservation. This includes adding a new Section 3.08.00 to Article 3, development Design and Improvement Standards.

The new Section 3.08.00 addresses Water Conservation for Landscaping Irrigation, Irrigation System Design and Installation Standards, and Efficient Plumbing Requirements.

This process was recently implanted as part of the PUD granted to the property known as “The Landings at Mt. Olive.”

STAFF RECOMMENDATION:

Adopt Ordinance 2019-12 on First Reading

ORDINANCE 2019-12

AN ORDINANCE OF POLK CITY, FLORIDA; AMENDING THE POLK CITY CODE OF ORDINANCES AND THE UNIFIED LAND DEVELOPMENT CODE OF POLK CITY, FLORIDA; AMENDING ARTICLE 3, DEVELOPMENT DESIGN AND IMPROVEMENT STANDARDS, TO ADD A NEW SECTION 3.08.00, WATER CONSERVATION FOR LANDSCAPE IRRIGATION, IRRIGATION SYSTEM DESIGN AND INSTALLATION STANDARDS, AND EFFICIENT PLUMBING REQUIREMENTS; PROVIDING FOR APPLICABILITY; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF POLK CITY, FLORIDA:

SECTION 1. COMMISSION FINDINGS. In adopting this Ordinance and modifying the Polk City Code and the therein-incorporated Unified Land Development Code, the City Commission of Polk City, Florida, hereby makes the following findings:

- (1) Section 163.3167(c), Florida Statutes, empowers the City to adopt land development regulations to guide the growth and development of the City.
- (2) The City Commission recognizes the need for procedures and regulations for the review and consideration of conditional use permits within Polk City.
- (3) The City Commission has determined that having the ability to issue conditional use permits will provide additional flexibility and enforceability for the City Commission in its review and implementation of its Unified Land Development Code.
- (4) Pursuant to Section 166.041(c)2, Florida Statutes, the Planning Commission and the City Commission have held meetings and hearings to amend the Unified Land Development Code as presented in the attached exhibit, such exhibit attached as Exhibit "A" and made a part hereof.
- (5) The meetings were advertised and held with due public notice, to obtain public comment; and having considered written and oral comments received during public hearings, find the changes necessary and appropriate to the needs of the City.

SECTION 2. CREATION OF SECTION 3.08.00, UNIFIED LAND DEVELOPMENT CODE, CONTAINED IN SECTION 78-1, POLK CITY CODE. Section 3.08.00, Unified Land Development Code, is hereby created to read as follows:

“Section 3.08.00 Water Conservation for Landscape Irrigation, Irrigation System Design and Installation Standards, and Efficient Plumbing Requirements

3.08.01 Intent and Purpose

It is the intent and purpose of this Section to implement uniform procedures that promote water conservation through more efficient landscape irrigation and the installation of more efficient plumbing fixtures.

3.08.02 Definitions

For the purposes of this Section, the following words, and terms shall have the meaning given herein:

- 1) Automatic irrigation system. An irrigation system designed to operate following a preset program entered into an automatic controller.
- 2) Distribution equipment. The water emitters on irrigation systems, including but not limited to sprinklers, rotors, spray heads and micro-irrigation devices.
- 3) ENERGY STAR® (“Energy Star”). For this Section, Energy Star is the joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy, which certifies products and practices that protect the environment and lead to money saving through energy and water conservation.
- 4) Florida Water Star® (“Florida Water Star”). A program for new residential and commercial construction that is intended to provide indoor and outdoor water efficient options and help prevent leaks.
- 5) Florida Water Star Inspector. A person who verifies Florida Water Star program criteria in accordance with program documents. Inspectors demonstrate sufficient knowledge to verify appropriate subcategories, such as; irrigation, landscape, and plumbing, and have passed the inspector exam and are current with their CEUs per the requirements of the Florida Water Star program. Inspectors are accredited parties who may inspect irrigation systems modified or installed by irrigation professionals.
- 6) Florida Water Star Irrigation and Landscape Accredited Professional. A landscape or irrigation professional who has successfully passed the Florida Water Star accredited professional

exams for landscaping and irrigation and is currently in good standing with the program.

- 7) Head to head coverage. The spacing of sprinkler heads so that each sprinkler throws water to the adjacent sprinkler.
- 8) High volume irrigation. An irrigation system with a minimum flow rate per emitter of more than 30 gallons per hour ("GPH") or higher than 0.5 gallons per minute ("GPM"). High volume emitter flow rates are usually measured in GPM.
- 9) Irrigation professional. Any person installing or maintaining an irrigation system in Polk City for payment.
- 10) Irrigation design professional. An irrigation design professional shall include state-licensed plumbers operating within the limits of the Florida Building Code, professional engineers or landscape architects licensed by the State of Florida, Florida Water Star Irrigation and Landscape Accredited Professionals and irrigation designers certified by the Irrigation Association or the Florida Irrigation Society.
- 11) Irrigation system. A set of components that may include the water source, water distribution network, control components, and other general irrigation equipment which has been installed to provide irrigation.
- 12) Landscaped area. The entire parcel less the building footprint, driveways, hardscapes such as decks and patios, and other non-planted areas. Water features are included in the calculation of the landscaped area. Landscaped area includes Florida-Friendly landscaped areas.
- 13) Licensed Irrigation Professional. An irrigation specialty contractor who obtains the irrigation specialty license from the Florida Construction Industry Licensing Board and maintains continuing education requirements.
- 14) Low volume irrigation. Any emitter or sprinkler that applies less than 30 GPH or 0.5 GPM.
- 15) Matched precipitation. Irrigation in which all of the sprinklers in a particular zone apply similar amounts of water to a given area.

- 16) Micro-irrigation. The frequent application of small quantities of water directly on or below the soil surface or plant root zone, usually as discrete drops, tiny streams, or miniature sprays through emitters placed along the water delivery pipes. Micro-irrigation encompasses a number of methods or concepts, including drip, subsurface, bubbler and micro-spray irrigation, previously known as trickle irrigation. Micro-irrigation is typically a form of low volume irrigation.
- 17) Rotors. Sprinkler heads in lawn areas that provide water as they rotate through a set arc of operation.
- 18) Spray heads. Irrigation heads that pop up with water pressure and provide a continuous spray pattern throughout a given arc of operation.
- 19) Substantial modification. Any modification to existing irrigation systems such that 50 percent or more of the irrigation system (by area) is replaced or altered.
- 20) Temporary establishment irrigation. The temporary use of irrigation for the establishment of new vegetation that shall be removed once the plants are established or within two years, whichever occurs first.
- 21) WaterSense. A U.S. Environmental Protection Agency (EPA) program for the management of water supplies by working with manufacturers and retailers to establish efficient plumbing standards, guidelines and certifications.

3.08.03 Efficient Plumbing Requirements

All new residential, commercial and institutional construction contractors obtaining Polk City Building Permits, 60 days after the effective date of this Sections, shall incorporate WaterSense labeled plumbing fixtures, to consist at a minimum of all faucets, showerheads and toilets, and Energy Star labeled appliances, to consist at a minimum of all washing machines and dishwashing machines, into said construction. In applications where WaterSense plumbing fixtures and Energy Star appliances are not available, a written request for an exception must be submitted and approved by the city. For the exception to be approved, a best alternative water and/or energy conservative fixture and/or appliance must be identified in the submittal.

3.08.04 Florida Water Star Certification; Effect

Florida Water Star is a water conservation certification program for new and existing homes and commercial developments that meet specific water-efficiency criteria for indoor fixtures and appliances, landscape design and irrigation systems. Residential and commercial properties obtaining the Florida Water Star Certification will exceed the conservation requirements imposed by this Section. Upon receipt of certification from the Florida Water Star program that a residential or commercial property has obtained the Florida Water Star Certification, the City will not require submission of the Letter of Certification of the Design for an Irrigation System, or the Letter of Completion Certifying compliance with Design for Irrigation System.

3.08.05 Irrigation System Design and Installation Standards

- A. For all new commercial and institutional construction where a new landscape irrigation system will be installed, and for all significant (50% or greater) alteration or rehabilitation of an existing landscape irrigation system, the design and installation of said system, or of a portion of such system, shall be required to be installed or rehabilitated in a manner consistent with this section (“irrigation system standards”).

- B. All new residential irrigation system construction or significant (50% or greater) alteration or rehabilitation of a residential irrigation system shall be consistent with the irrigation systems standards and consistent with the following additional requirements:
 - 1) The maximum total irrigated area on residential lots, regardless of lot size, shall not exceed 0.5 acres. This provision does not apply to temporary irrigation such as portable hoses and sprinklers.

 - 2) High volume irrigation area shall not exceed 60 percent to the landscaped area. This standard is applicable on residential lots over 1/8 acre and commercial lots over 1/8 acre. This standard applies to common areas and open space in developments. This standard excludes vegetable gardens and fruit or nut trees on individual lots or community gardens.

 - 3) Narrow areas, four feet wide or less, shall not be irrigated unless correctly installed irrigation devices are used, as recommended by a licensed irrigation professional, which confine the spray pattern to the area in question.

 - 4) High volume irrigation shall not be used for trees, shrubs, or groundcover beds. Permanent micro-irrigation may be used in

these areas. The county encourages the use of temporary establishment irrigation.

- 5) Irrigation zones shall be divided according to vegetated groupings (e.g., turfgrass, shrubs, native plants, trees) and the water requirements of the plants. Turf grass and landscaped beds, such as trees, shrubs, and groundcover beds, shall not be irrigated in the same zone as each other.
- 6) Sprinkler head types, such as spray heads and rotors, shall not be mixed in the same zone.
- 7) Distribution equipment in a given zone shall have matched precipitation rates.
- 8) Rotors and spray sprinkler heads in turfgrass areas shall be spaced to provide head to head coverage.
- 9) A minimum separation of 24 inches shall be required between distribution equipment and buildings and other vertical structures, except fences.
- 10) A minimum separation of 24 inches shall be required between distribution equipment and buildings and other vertical structures, except fences.
- 11) Technology that inhibits or interrupts operation of the system during periods of sufficient moisture shall be required on all irrigation systems to avoid irrigation during periods of sufficient rainfall. Examples of such devices include soil moisture sensors, weather stations, and rainfall shut off devices. The technology shall override the irrigation cycle when adequate rainfall has occurred. Technology that depends on rainfall for bypassing irrigation shall be placed where it is exposed to unobstructed natural rainfall and in compliance with section 373.62, Fla.Stat., as amended.
- 12) Permanent irrigation systems shall be equipped with an automatic control system to provide the following minimum capabilities:
 - a. Ability to be programmed in minutes, by day of week, season and time of day;
 - b. Ability to accommodate multiple start times and programs;
 - c. Automatic shut off after adequate rainfall;
 - d. Ability to maintain time during power outages; and

- e. Operational flexibility to meet applicable year-round water conservation requirements.
- 13) Check valves which are capable of holding a minimum of a five-foot head shall be used in low-lying areas to prevent head drainage.
- 14) Irrigation system equipment shall be installed in accordance with manufacturer's specifications.
- 15) No direct spray shall be allowed onto walkways, buildings, roadways and drives.
- 16) Pipelines shall be designed to provide the system with the appropriate pressure required for maximum irrigation uniformity.
- 17) All sprinkler heads with spray nozzles (non-rotary) shall be pressure-regulated at the head or zone valve.
- 18) All irrigation system underground piping shall have minimum soil cover of six inches.
- C. All irrigation systems must be properly installed and maintained, and must operate technology such as rain and/or soil moisture sensors which inhibit or interrupt operation of the irrigation systems during periods of sufficient moisture.
- D. Nothing within this Section shall require the installation of an irrigation system. Requirements for installing irrigation systems are specified in other locations within Section 3.07.00 of the Land Development Code.
- E. All irrigation systems shall be designed by an irrigation design professional consistent with the irrigation systems standards and as set forth in this Section.
- F. A "Letter of Certification of the Design for an Irrigation System" by an irrigation design professional certifying the design is consistent with the requirements of this Section shall be required to obtain a building or irrigation permit before issuance of said permit.
- G. A "Letter of Completion Certifying Compliance with Design for Irrigation System" by an irrigation design professional or Florida Water Star

inspector consistent with the design shall be required before issuance of a certificate of completion.

- H. Compliance with this Section shall not exempt an individual from any other local, state or federal requirements.

3.08.05 Maintenance of Irrigation Systems

- A. An irrigation professional responsible for installing or substantially modifying an irrigation system shall provide the property owner with a maintenance checklist affixed to or near the controller and accompanied by a recommended maintenance schedule, proper irrigation system settings according to season, recommendations for checking technology that inhibits or interrupts operation of the system during periods of sufficient moisture, filter cleaning recommendations, if applicable, and information on the current water restrictions.
- B. A property owner shall ensure that irrigation systems on their property are inspected at least annually for leaks, overspray, maladjusted heads, and heads that may be capped due to changes in the landscape, such as maturity or changes in plants. Technology that inhibits or interrupts operation of the system during periods of sufficient moisture may need to be replaced every few years and shall be correctly functioning to be in compliance with this article. Irrigation systems with known leaks shall not be operated until the leaks are repaired, except for testing purposes.
- C. Within 60 calendar days after installation, the property owner shall ensure that the irrigation controller is adjusted to operate according to normal, established landscape conditions or irrigation restrictions, if the irrigation system is installed as part of newly established landscaping.

3.08.06 Exemptions

The following are exempted from the provisions of this article, but should follow applicable Florida-Friendly Best Management Practices for Protection of Water Resources by the Green Industries:

- 1) Bona fide agricultural activities;
- 2) Vegetable gardens and fruit and nut trees;
- 3) Athletic fields;
- 4) Golf course play areas;
- 5) Cemeteries;
- 6) Nurseries; and

7) Temporary establishment irrigation (as defined in Section 3.09.02).

3.08.07 Alternative Compliance

- A. An applicant may submit a proposal that varies from the strict application of the requirements of this Section (also known as "alternative compliance") in order to accommodate unique site features or characteristics, utilize innovative design, prevent extraordinary hardship, or to promote the overriding public interest or general public welfare. Diminished value of property or inconvenience is not an extraordinary hardship.
- B. An applicant seeking authorization for alternative compliance shall have the burden of demonstrating to the City the reasons why the strict application of the requirements of this Section should not apply.
- C. Requests for alternative compliance shall be submitted as part of the irrigation system approval process.
- D. The City may approve an alternative compliance plan upon finding that the alternative compliance plan fulfills the purpose and intent of this Section at least as well as a plan that strictly adheres to the requirements of this Section.
- E. The City may require a site inspection and corresponding site inspection fee for systems which are installed according to a department-approved alternative compliance plan.

3.08.08 Enforcement

Violation of any provision of this article shall be subject to penalties as provided for by this Code or by local law and compliance with this article may be enforced by any remedy available to the City at law or equity.

SECTION 3. AMENDMENT TO ARTICLE 3, UNIFIED LAND DEVELOPMENT CODE, CONTAINED IN SECTION 78-1, POLK CITY CODE. Sections 3.08.00 through 3.11.00, Unified Land Development Code, shall be amended to be renumbered starting with Section 3.09.00 to accommodate for the new Section 3.08.00

SECTION 4. CODIFICATION OF ORDINANCE. This Ordinance shall be codified in the Code of Ordinances of Polk City, Florida, and incorporated into the Unified Land Development Code which is a part thereof. A certified copy of this enacting ordinance shall be located in the Office of the City Clerk of Polk City. The City Clerk shall also make copies available to the public for a reasonable publication charge.

SECTION 5. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 6. CONFLICTING ORDINANCES AND RESOLUTIONS. All existing ordinances and resolutions of Polk City in conflict with this ordinance are repealed to the extent necessary to give this Ordinance full force and effect.

SECTION 7. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its passage.

INTRODUCED AND PASSED on FIRST READING, this ___ day of _____, 2019.

POLK CITY, FLORIDA

Joe LaCascia, Mayor

ATTEST:

**APPROVED AS TO FORM AND
CORRECTNESS**

Patricia Jackson, City Manager/Clerk

Thomas A. Cloud, City Attorney

PASSED AND DULY ADOPTED ON SECOND READING, with a quorum present and voting by the City Commission of Polk City, Florida meeting in Regular Session this ___ day of _____, 2019.

Joe LaCascia, Mayor

ATTEST:

Patricia Jackson, City Manager/City Clerk



**TEXT AMENDMENT
TO THE
POLK CITY UNIFIED LAND DEVELOPMENT CODE**

SEPTEMBER 16, 2019

TO: POLK CITY COMMISSION

FROM: CENTRAL FLORIDA REGIONAL PLANNING COUNCIL

SUBJECT: **Ordinance 2019-xx:** City-initiated text amendment to the Polk City Unified Land Development Code to add procedures and standards for water conservation. This includes adding a new Section 3.08.00 to Article 3, Development Design and Improvement Standards.

The new Section 3.08.00 addresses Water Conservation for Landscape Irrigation, Irrigation System Design and Installation Standards, and Efficient Plumbing Requirements.

AGENDA & HEARING DATES:

September 9, 2019 at 5:30 PM: Planning Commission Hearing

September 16, 2019 at 7:00 PM: City Commission (First Reading)

October 21, 2019: City Commission Meeting (Second Reading, Public Adoption Hearing)

PAST ACTIONS:

Polk City Planning Commission: On Monday, September 9, 2019, the Polk City Planning Commission held a public hearing to amend the Polk City Unified Land Development Code to include a new section addressing water conservation. **The Planning Commission voted to forward the proposed amendments to the City Commission with a recommendation of approval.**

MOTION OPTIONS:

Options for motions are listed below.

1. Move to approve Ordinance 2019-xx on First Reading.
2. Move to approve with changes Ordinance 2019-xx on First Reading.
3. Move to deny Ordinance 2019-xx on First Reading.

OVERVIEW

The proposed text amendments to the Polk City Unified Land Development Code bring forward the water conservation tools consistent with the **Florida Water Star Program**. Please note the following regarding this program.

- The **Florida Water Star** is a water conservation certification program for new and existing homes and commercial developments. Standards and guidelines for water efficiency are included for:
 - Indoor fixtures and appliances
 - Landscape design
 - Irrigation systems

- The Florida Water Star program outlines standards for a broad range of homes — from a condominium with no yard to an older home on a half-acre lot with an aging irrigation system — and commercial properties and community developments.

- An independent inspector inspects each project prior to certification. An accredited professional may be used to design the landscape or irrigation system.

- The Florida Water Star Program was developed by the St. Johns River Water Management District in 2006 and became a statewide program in 2012. Most recently, Florida Water Star became part of the Florida Home Builders Association Certified Ratings Program and is now administered by Triconic LLC.

- Florida Water Star can be effectively integrated into projects along with other programs such as ENERGY STAR[®], the Florida Green Building Coalition's (FGBC) green standards, and the U.S. Green Building Council's (USGBC) LEED program. The Florida Water Star prescriptive approach can enhance projects by providing a suite of efficiency practices that focus on water use areas specific to Florida.

- For more information, please refer to the Florida Water Star website at www.floridawaterstar.com/

OVERVIEW OF PROPOSED AMENDMENTS:

An outline of the proposed amendments to the Polk City Unified Land Development Code is provided below. *The Ordinance provides the full text proposed.*

Article 3, New Section 3.08.00 – Water Conservation for Landscape Irrigation, Irrigation System Design and Installation Standards, and Efficient Plumbing Requirements

This new Section provides for the following subsections.

Section 3.08.01 *Intent and Purpose:* Implement procedures to promote water conservation through more efficient landscape irrigation and installation of more efficient plumbing fixtures.

Section 3.08.02: *Definitions:* This section provides for definition of the following terms.

- 1) Automatic irrigation system.
- 2) Distribution equipment.
- 3) ENERGY STAR® (“Energy Star”).
- 4) Florida Water Star® (“Florida Water Star”).
- 5) Florida Water Star Inspector.
- 6) Florida Water Star Irrigation and Landscape Accredited Professional.
- 7) Head to head coverage.
- 8) High volume irrigation.
- 9) Irrigation professional.
- 10) Irrigation design professional.
- 11) Irrigation system.
- 12) Landscaped area.
- 13) Licensed Irrigation Professional.
- 14) Low volume irrigation.
- 15) Matched precipitation.
- 16) Micro-irrigation.
- 17) Rotors.
- 18) Spray heads.
- 19) Substantial modification.
- 20) Temporary establishment irrigation.
- 21) WaterSense.

Section 3.08.03: *Efficient Plumbing Requirements:* This section provides requirements for all new residential, commercial and institutional construction.

Section 3.08.04: *Florida Water Star Certification; Effect:* This section provides information specific to the Florida Water Star certification.

Section 3.08.05: *Irrigation System Design and Installation Standards:* This section provides requirements for irrigation for commercial, institutional and residential construction.

Section 3.08.06: *Maintenance of Irrigation Systems:* This section provides addresses upkeep of irrigation systems.

Section 3.08.07: *Exemptions:* This section provides exemptions to Section 3.08.00.

Section 3.08.08: *Alternative Compliance:* This section provides information for alternative compliance methods.

Section 3.08.09: *Enforcement:* This section addresses penalties if there is a violation to these regulations.

**City Commission Meeting
September 16, 2019**

**AGENDA ITEM #4: BID AWARD – REPLACEMENT OF HYDROPNEUMATIC TANKS – MT.
OLIVE ESTATES WTP**

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE:

Bid Award – Replacement of Hydropneumatic Tanks – Mt. Olive Estates WTP

ATTACHMENTS:

Bid Tabulation

ANALYSIS:

Sealed Bids for the replacement of two (2) Hydropneumatic Tanks at the Mt. Olive Estate WTP (Jacobs Plant), were received and opened on September 10, 2019. There were a total of eight bids.

The low bid is from Jan & Jeff Services Inc. in the amount of \$124,934.00; the bids are on file in the City Manager's Office.

STAFF RECOMMENDATION:

Move to approve the bid of Jan & Jeff Services in the amount of \$124,934.00 for the replacement of two Hydropneumatic Tanks at the Mt. Olive Estates WTP.

**Bid Tabulation Sheet
for September 10, 2019**

Hydropneumatic Tank Work

Company Name	Bid Amount
Jan & Jeff Services Inc.	\$124,934
Utility Technicians	\$127,074
Mack Concrete	\$142,300
Dunham Well Drilling	\$159,495
CenState Contractors	\$159,600
Killebrew, Inc.	\$177,500
Close Construction	\$198,112
TLC Diversified	\$219,200

**City Commission Meeting
September 16, 2019**

**AGENDA ITEM #5: PRESENTATION OF FINANCIAL STATEMENT FOR YEAR ENDING
SEPTEMBER 30, 2018**

 INFORMATION ONLY
 X ACTION REQUESTED

ISSUE:

Presentation of Financial Statement for Year Ending September 30, 2018

ATTACHMENTS:

Financial Statement for Year Ending September 30, 2108

ANALYSIS:

Mike Brynjulfson will present the Financial Statement for the year ending September 30, 2018.

STAFF RECOMMENDATION:

Move to accept the Financial Statement for the year ending September 30, 2018.

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*

September 9, 2019

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, 2018 and have issued our report thereon dated September 9, 2019. 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, 2018.

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.
- Actuarial assumptions are used to calculate the Florida Retirement System defined benefit pension plans' net pension liability and pension related deferred inflows and outflows of resources. The calculation of these pension elements directly affects the City's proportionate share of the net pension liability; pension related deferred inflows and outflows of resources and the related effects on operations.

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. Material corrected misstatements that were brought to the attention of management as a result of our audit procedures are summarized below.

Type	Account No	Name	Debit	Credit
Adjusting	01-202-200	Accounts Payable - Year-end		24,155.56
	01-515-310	Professional Services - Comp Planning	5,625.00	
	01-524-310	Professional Services - Bldg Zoning	11,724.60	
	01-534-341	Refuse Disposal - Residential - Refuse/S	6,805.96	
		To record year end payables identified as part of audit testing.		
Adjusting	01-101-100	Cash - Checking - Unrestricted		158,917.77
	01-153-303	Restricted Cash - Building and Codes	158,917.77	
		To record unspent building permit fees as a component of restricted cash.		
Adjusting	05-159-200	Deferred Outflows - Loss on Refunding	939,356.06	
	05-590-730	Other Debt Service Costs		939,356.06
		To record the deferred loss on refunding.		
Adjusting	05-155-300	Prepaid Insurance - Deferred Bond 2017		3,002.07
	05-159-200	Deferred Outflows - Loss on Refunding		65,094.09
	05-203-910	Unamortized Bond Premiums - US Bank	48,441.74	
	05-590-720	Interest - Bond 2017 Issue	19,654.42	
		To amortize premium, deferred bond insurance costs and the loss on refunding.		

Account Number Legend

XX-YYY-ZZZ

XX: Fund (01 = general fund, 05 = enterprise fund)

YYY: Revenue Type or Expenditure Department

ZZZ: Object Code

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 September 9, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. It is our understanding that management has employed the services of another accountant (George Cotellis, CPA) to assist with the year-end closeout, financial statement preparation and other accounting matters. To our knowledge, all consultations with outside accountants were properly coordinated.

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 Matters

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
September 9, 2019



POLK CITY, FLORIDA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2018

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FINANCIAL SECTION

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, 2018, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2018, 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 Governmental Accounting Standards Board (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 September 9, 2019, 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 September 9, 2019 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
September 9, 2019

Polk City, Florida
Management's Discussion and Analysis
September 30, 2018

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, 2018. We encourage readers to consider the information presented here in conjunction with the City's financial statements beginning on page 13.

Financial Highlights

- The assets and deferred outflows of resources exceed the liabilities and deferred inflows of resources by \$8,759,460 as of September 30, 2018.
- For the year ended September 30, 2018, the governmental activities increase the net position of the City by \$1,001,939 and the business-type activities increased the net position of the City by \$821,014 for an overall increase in net position of \$1,822,953.
- The City's unrestricted cash and cash equivalents totaled \$3,549,604, an increase of \$744,553 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 \$2,673,171, an increase of \$766,132 in comparison with the prior year. As of September 30, 2018, the City's unassigned and assigned fund balance totaled \$1,817,735 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, 2018

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 by referencing the table of contents.

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 by referencing the table of contents.

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 by referencing the table of contents.

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 by referencing the table of contents.

**Polk City, Florida
Management's Discussion and Analysis
September 30, 2018**

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 13.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Assets						
Current and other assets	\$ 2,191,344	\$ 2,893,597	\$ 3,789,046	\$ 3,809,992	\$ 5,980,390	\$ 6,703,589
Capital assets	3,108,795	3,334,714	11,608,854	11,725,013	14,717,649	15,059,727
Total assets	5,300,139	6,228,311	15,397,900	15,535,005	20,698,039	21,763,316
Deferred Outflow of Resources	228,271	284,699	25,663	956,717	253,934	1,241,416
Liabilities						
Long-term liabilities outstanding	1,886,104	1,916,519	11,373,333	11,643,234	13,259,437	13,559,753
Other liabilities	289,026	220,426	431,400	396,935	720,426	617,361
Total liabilities	2,175,130	2,136,945	11,804,733	12,040,169	13,979,863	14,177,114
Deferred Inflow of Resources	32,005	52,851	3,598	15,307	35,603	68,158
Net Position						
Net Invested in capital assets	1,737,006	1,981,274	289,409	1,155,258	2,026,415	3,136,532
Restricted	647,252	845,696	1,753,816	1,551,722	2,401,068	2,397,418
Unrestricted	937,017	1,496,244	1,572,007	1,729,266	2,509,024	3,225,510
Total net position	\$ 3,321,275	\$ 4,323,214	\$ 3,615,232	\$ 4,436,246	\$ 6,936,507	\$ 8,759,460

Thirty-six 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. 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.

Twenty-seven 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, 2018

The following table reflects the condensed Statement of Activities for the current and previous year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Revenues						
Program Revenues:						
Charges for services	\$ 617,108	\$ 841,301	\$ 2,250,056	\$ 2,272,594	\$ 2,867,164	\$ 3,113,895
Operating grants and contributions	56,368	97,076	-	-	56,368	97,076
Capital grants and contributions	409,905	386,352	449,479	838,847	859,384	1,225,199
General revenues:						
Property taxes	563,672	603,370	-	-	563,672	603,370
Franchise/Public Ser. Tax	423,878	471,916	-	-	423,878	471,916
State shared revenues	175,410	183,090	-	-	175,410	183,090
Fuel taxes levied for transportation	140,044	146,128	-	-	140,044	146,128
Other	26,201	33,142	8,667	791	34,868	33,933
Total revenues	2,412,586	2,762,375	2,708,202	3,112,232	5,120,788	5,874,607
Expenses						
General government	728,166	628,735	-	-	728,166	628,735
Library	110,089	124,288	-	-	110,089	124,288
Law enforcement	97,527	98,130	-	-	97,527	98,130
Building and zoning	220,226	238,032	-	-	220,226	238,032
Public works administratin	-	123,131	-	-	-	123,131
Sanitation	203,251	220,816	-	-	203,251	220,816
Streets	454,717	340,657	-	-	454,717	340,657
Parks and recreation	131,270	87,289	-	-	131,270	87,289
Stormwater	23,761	26,145	-	-	23,761	26,145
Interest on long-term debt	58,245	56,804	-	-	58,245	56,804
Public utilities	-	-	2,042,066	2,107,627	2,042,066	2,107,627
Total expenses	2,027,252	1,944,027	2,042,066	2,107,627	4,069,318	4,051,654
Increase (decrease) in net position before transfers	385,334	818,348	666,136	1,004,605	1,051,470	1,822,953
Transfers	25,000	183,591	(25,000)	(183,591)	-	-
Increase (decrease) in net position	410,334	1,001,939	641,136	821,014	1,051,470	1,822,953
Net position - October 1	2,910,941	3,321,275	2,974,096	3,615,232	5,885,037	6,936,507
Net position - September 30	\$ 3,321,275	\$ 4,323,214	\$ 3,615,232	\$ 4,436,246	\$ 6,936,507	\$ 8,759,460

**Polk City, Florida
Management's Discussion and Analysis
September 30, 2018**

Governmental Activities – Governmental activities increased the City's net position by \$1,001,939 after a net transfer of \$183,591 from the business-type activities. In the prior year, net position increased by \$410,334 as a result of operations. Total revenue for the year ended September 30, 2018 increased by \$349,789 or 14% and expenses decreased by \$83,225 or 4%.

Significant items experienced in FY 2018 – Governmental Activities:

- Refinanced USDA Bond with Citizens Bank (higher interest rate, less years)
- Purchase of the Bryant Property for Public Works / Utilities Facilities
- Software training, conversion and travel – American Data Group
- Fountain Park Construction on-going, which affected Building Permits, Professional Services and Impact Fees
- Stormwater drain repair at Oak Avenue and 2nd Street
- Stormwater drain clean-out by A-C-T Environmental
- Removal of trees for sidewalk replacement on Citrus Grove Blvd.
- Improvements to the Library—flooring, painting, furniture
- New shed for Library storage
- Installation of carpet in a portion of City Government Center
- Work at Activity Center – relocation of air-handlers
- Re-roof and painted Activity Center
- Remodeling Public Works / Utilities Facilities
- Replaced damaged Decorative Street Light
- Began to remodel the City Manager's Office

Polk City, Florida
Management's Discussion and Analysis
September 30, 2018

Business-type Activities - Business-type activities increased the City's net position by \$821,014 compared to an increase of \$641,136 in the prior year. There was a net transfer of \$183,591 to the governmental activities in the current year and \$25,000 in the prior year. Total revenue for the year ended September 30, 2018 increased by \$404,030 or 15% and expenses increased by \$65,561 or 3%.

Significant items experienced in FY 2018 – Business-type Activities

- Refund 2011 Water and Sewer Bond Issue – better interest rate
- Purchase of the Bryant Property for Public Works / Utilities Facilities
- Purchase of 3 – F-250 Trucks and 1 – F-150 Truck
- Took back the Operations and Management of the Water and Wastewater Utilities
- Hired three (3) employees when took back Water and Wastewater Utilities
- Purchase of 20 HP Pump for Voyles Loop Lift-station (replace 10 HP)
- Major Improvements and Upgrade to the Ruth Road Lift Station
- Installation of By-bass pump and valve insert – Dewey Road
- A/C for Utility Office at the Public Works / Utilities Facilities
- Construction in Progress with the relocation of the S.R. 33 Sprayfield – Design Services
- Engineering for Grimes Road Water Line
- Fountain Park Construction, which affected the water and sewer impact fees, water and sewer charges
- Work at Public Works / Utilities Facilities – Utility Office (wood-frame house)

Polk City, Florida
Management's Discussion and Analysis
September 30, 2018

Fund Level Financial Analysis

Governmental Funds - As of September 30, 2018, the City's governmental fund reported combined ending fund balances of \$2,673,171. This is an increase of \$766,132 over the prior year ending fund balances of \$1,907,039. The main causes of the increase are as follows:

- Total revenue increased by \$349,066 or 14% mainly due to increase in taxes, licenses and permits, and impact fees. Taxes increased by \$106,668, licenses and permits increased by \$177,516 and impact fees increased by \$18,891 over the prior fiscal year.
- Total expenditures increased by \$1,537,431 or 75% mainly due to increased debt service expenditures. Debt service expenditures increased by \$1,377,784 over the prior fiscal year due to the refinancing of the Series 2007 Capital Improvement Revenue Bonds in the current year.
- Other financing sources – loan proceeds were \$1,400,000 in the current year which were used to refinance the Series 2007 Capital Improvement Revenue Bonds.

Proprietary Funds - These services combined to generate operating income of \$789,862. Compare that to the prior year operating income of \$705,419. Due to continued growth there was an increase in impact fees of \$389,368 or 87%.

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 which can be found by referencing the table of contents. Budget comparison reporting is included for the General Fund. Actual revenue exceeded the final budgeted amounts by \$453,898, actual expenditures were less than final budgeted appropriations by \$165,940 and actual other financing sources were \$10,976 less than budgeted resulting in an overall favorable budget variance of \$608,862.

The General Fund budget was amended to reflect increased licenses and permits as well as grant revenue and related expenditures. The budget was also amended to recognize the effect of the refinancing of the Series 2007 Capital Improvement Revenue Bonds.

Overall the Fiscal Year 2018 Budget had a positive impact on Polk City's financial picture for the General Fund and Enterprise Fund.

**Polk City, Florida
Management's Discussion and Analysis
September 30, 2018**

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,					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Assets not depreciated						
Land	\$ 412,542	\$ 412,542	\$ 2,730,736	\$ 2,730,736	\$ 3,143,278	3,143,278
Construction in progress	-	-	-	161,736	-	161,736
Total	412,542	412,542	2,730,736	2,892,472	3,143,278	3,305,014
Depreciated Assets						
Buildings and improvements	3,092,069	3,418,161	-	-	3,092,069	3,418,161
Recreational facilities	496,897	503,467	-	-	496,897	503,467
Vehicles and equipment	507,980	542,145	314,395	400,048	822,375	942,193
Infrastructure	205,009	205,009	-	-	205,009	205,009
Utility plants	-	-	12,077,204	12,268,965	12,077,204	12,268,965
Subtotal	4,301,955	4,668,782	12,391,599	12,669,013	16,693,554	17,337,795
Accumulated depreciation	(1,605,702)	(1,746,610)	(3,513,481)	(3,836,472)	(5,119,183)	(5,583,082)
Total	\$ 2,696,253	\$ 2,922,172	\$ 8,878,118	\$ 8,832,541	\$ 11,574,371	\$ 11,754,713

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2018, amounts to \$15,059,727 (net of accumulated depreciation) compared to \$14,717,649 last year. That is an increase of \$342,078 from the prior year.

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

**Polk City, Florida
Management's Discussion and Analysis
September 30, 2018**

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	
	2017	2018	2017	2018	2017	2018
Revenue notes	\$ -	\$ -	\$ 8,930,223	\$ 9,075,609	\$ 8,930,223	\$ 9,075,609
Notes payable	1,371,789	1,353,441	2,389,222	2,408,728	3,761,011	3,762,169
Total	\$ 1,371,789	\$ 1,353,441	\$ 11,319,445	\$ 11,484,337	\$ 12,691,234	\$ 12,837,778

The Governmental Activities had total debt outstanding of \$1,353,441 which compares to \$1,371,789 in the prior year. This consists of the Citizens Bank and Trust Installment Note for the refunding 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 \$11,484,337 which compares to \$11,319,445 in the prior year. This consists of the Series 2017 Water/Sewer System Refunding Revenue Bonds, the installment notes to the Florida Department of Environmental Protection, and the Tax-Exempt Lease Purchase Agreement.

Additional information on the City's long-term debt can be found in Note 6 of the Notes to the Financial Statements in this report.

Economic Factors and Next Year's Budget and Rates

Some of the items experienced for the Fiscal Year 2018-2019 Budget:

- For the Fiscal Year 2018-2019 Budget, it was anticipated that Fountain Park Phase 2 be completed and Fountain Park Phase 3 to be underway prior January, 2019; however, that did not take place.
- There was an increase in Ad Valorem Revenue due to current growth.
- With additional homes there will be an increase in communication service taxes, franchise fees, utility taxes, revenue sharing.
- The City Commission approved the Polk County Sheriff's Office to provide special detail services at different times during the work week randomly (16 hours per week).
- It was anticipated to replace the sidewalk along Citrus Grove Blvd. and do minor paving in that same area; however, the City has opted to apply for CDBG Funding in Fiscal Year 2019 – 2020.
- A part-time Code Enforcement Office has been put into the budget.
- A full-time service worker has been added in the General Fund.

**Polk City, Florida
Management's Discussion and Analysis
September 30, 2018**

Economic Factors and Next Year's Budget and Rates (concluded)

Some of the items experienced for the Fiscal Year 2018-2019 Budget (concluded):

- The City took back the operations and management of the Water and Wastewater Systems.
- The City put in the budget to hire six employees in the water and wastewater departments.
- The City put in the budget for new trucks for water and wastewater departments.
- Purchase of a Sludgemate System for Cardinal Hill WWTF.
- The budget includes the replacement of two hydropneumatics tanks at "Jacob Water Plant.
- Purchase of 60" zero turn mowers, John Deere Loader Attachment w/bucket.
- Replacement of Hydromatic water tanks at Jacobs Rd. WTP.
- New fencing to enclose Cardinal Hill WWTP Property.

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.

POLK CITY, FLORIDA
GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,919,507	\$ 1,630,097	\$ 3,549,604
Receivables, current:			
Customer accounts, net	25,229	182,161	207,390
Intergovernmental	86,142	-	86,142
Franchise and public service taxes	7,283	-	7,283
Prepaid expenses	9,740	46,070	55,810
Restricted assets:			
Cash and cash equivalents	845,696	1,951,664	2,797,360
Capital assets:			
Non-depreciable	412,542	2,892,472	3,305,014
Depreciable, net	2,922,172	8,832,541	11,754,713
TOTAL ASSETS	6,228,311	15,535,005	21,763,316
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	284,699	82,455	367,154
Deferred charge on bond refunding	-	874,262	874,262
TOTAL DEFERRED OUTFLOWS OF RESOURCES	284,699	956,717	1,241,416
LIABILITIES			
Accounts payable	\$ 76,257	\$ 45,731	\$ 121,988
Accrued payroll	15,803	4,160	19,963
Accrued interest payable	-	55,257	55,257
Due to other governments	126,116	-	126,116
Unearned revenue	-	-	-
Customer deposits	2,250	291,787	294,037
Long-term liabilities:			
Due within one year	74,320	509,140	583,460
Due in more than one year	1,842,199	11,134,094	12,976,293
TOTAL LIABILITIES	2,136,945	12,040,169	14,177,114
DEFERRED INFLOWS OF RESOURCES			
Pensions	52,851	15,307	68,158
TOTAL DEFERRED INFLOWS OF RESOURCES	52,851	15,307	68,158
NET POSITION			
Net investment in capital assets	1,981,274	1,155,258	3,136,532
Restricted for:			
Transportation infrastructure	58,226	-	58,226
General government facilities	183,945	-	183,945
Law enforcement	114,000	-	114,000
Fire / rescue	82,089	-	82,089
Parks and recreation capital improvements	246,518	-	246,518
Building code enforcement	160,918	-	160,918
Water system improvements	-	262,553	262,553
Waste water system improvements	-	1,217,162	1,217,162
Debt service	-	72,007	72,007
Unrestricted	1,496,244	1,729,266	3,225,510
TOTAL NET POSITION	\$ 4,323,214	\$ 4,436,246	\$ 8,759,460

See Accompanying Notes to Financial Statements

POLK CITY, FLORIDA
 GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT:	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 628,735	\$ 27,945	\$ 65,086	\$ 185,417	\$ (350,287)	\$ -	\$ (350,287)
Library	124,288	8,395	31,990	-	(83,903)	-	(83,903)
Law enforcement	98,130	7,306	-	62,564	(28,260)	-	(28,260)
Fire / rescue	-	-	-	33,476	33,476	-	33,476
Building and zoning	238,032	474,243	-	-	236,211	-	236,211
Public works administration	123,131	-	-	-	(123,131)	-	(123,131)
Sanitation	220,816	280,018	-	-	59,202	-	59,202
Streets	340,657	16,304	-	-	(324,353)	-	(324,353)
Parks and recreation	87,289	-	-	104,895	17,606	-	17,606
Stormwater utility	26,145	27,090	-	-	945	-	945
Interest on long term debt	56,804	-	-	-	(56,804)	-	(56,804)
Total governmental activities	1,944,027	841,301	97,076	386,352	(619,298)	-	(619,298)
Business-type Activities:							
Water and sewer utility	2,107,627	2,272,594	-	838,847	-	1,003,814	1,003,814
Total business-type activities	2,107,627	2,272,594	-	838,847	-	1,003,814	1,003,814
TOTAL PRIMARY GOVERNMENT	\$ 4,051,654	\$ 3,113,895	\$ 97,076	\$ 1,225,199	(619,298)	1,003,814	384,516
GENERAL REVENUES:							
Taxes:							
Property taxes, levied for general purposes					603,370		603,370
Franchise taxes					98,472		98,472
Public service taxes					373,444		373,444
Fuel taxes levied for transportation					146,128		146,128
State shared revenue					183,090		183,090
Investment earnings					391		391
Miscellaneous					32,751	791	33,542
Transfers					183,591	(183,591)	-
Total General Revenues					1,621,237	(182,800)	1,438,437
Change in net position					1,001,939	821,014	1,822,953
NET POSITION - beginning of year					3,321,275	3,615,232	6,936,507
NET POSITION - end of year					\$ 4,323,214	\$ 4,436,246	\$ 8,759,460

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2018**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 1,919,507
Receivables, net:	
Customer accounts, net	25,229
Intergovernmental	86,142
Franchise and public service taxes	7,283
Prepaid expenditures	9,740
Restricted assets:	
Cash and cash equivalents	845,696
TOTAL ASSETS	\$ 2,893,597
LIABILITIES AND FUND BALANCE	
Accounts payable	\$ 76,257
Accrued payroll	15,803
Due to other governments	126,116
Customer deposits	2,250
TOTAL LIABILITIES	220,426
FUND BALANCE:	
Nonspendable:	
Prepaid expenditures	9,740
Restricted for:	
Highways / streets	58,226
General government facilities	183,945
Law enforcement	114,000
Fire / rescue	82,089
Parks and recreation	246,518
Building code enforcement	160,918
Assigned to:	
Emergency reserve	240,689
Unassigned:	1,577,046
TOTAL FUND BALANCE	2,673,171
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,893,597

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, 2018**

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,673,171
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.	3,334,714
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	284,699
Deferred inflows related to pensions	(52,851)
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	(1,353,441)
Compensated absences payable	(39,791)
Net pension liability	(523,287)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 4,323,214

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, 2018**

	General Fund
REVENUES:	
Taxes	\$ 1,240,422
Licenses and permits	474,243
Intergovernmental revenue	298,551
Charges for services	331,832
Fines and forfeitures	7,306
Impact fees	366,492
Other	43,528
Total revenues	<u>2,762,374</u>
EXPENDITURES:	
General government	533,480
Public safety	334,260
Physical environment	368,202
Transportation	305,186
Culture/recreation	157,868
Capital outlay	400,964
Debt service	1,479,873
Total expenditures	<u>3,579,833</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(817,459)</u>
OTHER FINANCING SOURCES:	
Loan proceeds	1,400,000
Transfers in	183,591
Total other financing sources	<u>1,583,591</u>
NET CHANGE IN FUND BALANCE	<u>766,132</u>
FUND BALANCE, beginning of year	<u>1,907,039</u>
FUND BALANCE, end of year	<u><u>\$ 2,673,171</u></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, 2018**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ 766,132**

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	366,828
This is the amount of depreciation recorded in the current period	(140,909)

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 is the debt proceeds reported as revenue in the governmental funds	(1,400,000)
This amount represents long-term debt repayments	1,418,348
This amount represents the change in compensated absence liability	1,754
This amount represents the change in accrued interest payable	4,721

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 outflows related to pensions	56,428
This amount represents the change in deferred inflows related to pensions	(20,846)
This amount represents the change in the net pension liability	(50,517)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 1,001,939
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See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
AS OF SEPTEMBER 30, 2018**

	<u>Enterprise Fund</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,630,097
Customer accounts receivable, net	182,161
Prepaid expenses	46,070
Total current assets	<u>1,858,328</u>
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	1,951,664
Capital assets, net:	
Non-depreciable	2,892,472
Depreciable, net	8,832,541
Total noncurrent assets	<u>13,676,677</u>
TOTAL ASSETS	<u>15,535,005</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	82,455
Deferred charge on bond refunding	874,262
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>956,717</u>
LIABILITIES	
Current liabilities:	
Accounts payable	45,731
Accrued payroll	4,160
Bonds and notes payable, current portion	509,140
Accrued interest payable	55,257
Total current liabilities	<u>614,288</u>
Noncurrent liabilities:	
Customer deposits	291,787
Compensated absences	7,341
Net pension liability	151,556
Bonds and notes payable, noncurrent portion	10,975,197
Total noncurrent liabilities	<u>11,425,881</u>
TOTAL LIABILITIES	<u>12,040,169</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	15,307
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>15,307</u>
NET POSITION	
Net investment in capital assets	1,155,258
Restricted for:	
Water system improvements	262,553
Waste water system improvements	1,217,162
Debt service	72,007
Unrestricted	1,729,266
TOTAL NET POSITON	<u>\$ 4,436,246</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, 2018**

	<u>Enterprise Fund</u>
OPERATING REVENUES:	
Charges for services	\$ 2,272,594
Total operating revenues	<u>2,272,594</u>
OPERATING EXPENSES:	
Personnel services	306,582
Operating expenses	853,159
Depreciation	322,991
Total operating expenses	<u>1,482,732</u>
OPERATING INCOME	<u>789,862</u>
NONOPERATING REVENUE (EXPENSE):	
Interest expense	(624,895)
Other nonoperating revenue	791
Total nonoperating revenues (expenses)	<u>(624,104)</u>
Income (loss) before contributions	<u>165,758</u>
CAPITAL CONTRIBUTIONS:	
Impact fees	838,847
Total capital contributions	<u>838,847</u>
TRANSFERS IN (OUT)	
Transfers to other funds	(183,591)
Total transfers	<u>(183,591)</u>
Change in net position	821,014
TOTAL NET POSITION - beginning of year	<u>3,615,232</u>
TOTAL NET POSITION - end of year	<u>\$ 4,436,246</u>

See Accompanying Notes to Financial Statements

**POLK CITY, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 2,324,450
Payments to suppliers	(859,350)
Payment for salaries and benefits	(243,422)
Net cash flows from operating activities	<u>1,221,678</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Increase (decrease) in due to (from) other funds	(7,445)
Transfers (to) from other funds	(183,591)
Other nonoperating revenue	791
Net cash flows from noncapital financing activities	<u>(190,245)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets, net of related payables	(439,150)
Impact fees	838,847
Bond proceeds	160,000
Principal paid on notes, bonds and lease obligations	(270,496)
Bond issuance costs	(193,878)
City contribution to refunding escrow account	(836,993)
Interest paid on borrowings	(249,544)
Net cash flows from capital and related financing activities	<u>(991,214)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	40,219
CASH AND CASH EQUIVALENTS, beginning of year	<u>3,541,542</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 3,581,761</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:	
Operating income (loss)	\$ 789,862
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	322,991
(Increase) decrease in accounts receivable	27,710
(Increase) decrease in prepaid expenses	39,328
Increase (decrease) in accounts payable	(45,519)
Increase (decrease) in accrued payroll and compensated absences	9,836
Increase (decrease) in deferred outflows of resources related to pension	(56,792)
Increase (decrease) in deferred inflows of resources related to pension	11,709
Increase (decrease) in the net pension liability	98,407
Increase (decrease) in customer deposits	24,146
Net cash flows from operating activities	<u>\$ 1,221,678</u>

Noncash financing and investing activities:

On December 27, 2017, the City issued long-term debt obligations with a par amount of \$8,555,000 and premium of \$699,050. These proceeds, along with cash on hand, were placed into an irrevocable escrow to advance refund, through an in-substance defeasance, certain long-term debt obligations. The carrying value of the old debt on the date of defeasance was \$9,108,365 (\$9,055,000 - principal, \$176,153 - accrued interest payable and \$122,788 of unamortized bond discount) and the reacquisition price was \$10,047,722 (\$8,555,000 - principal on new debt, \$699,050 - premium on new debt, \$193,878 - bond issuance costs paid by the City, \$43,322 - prepaid bond insurance and \$836,993 City contribution to the escrow account) resulting in a deferred loss on refunding of \$936,356.

See Accompanying Notes to Financial Statements

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

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 commission/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, 2018

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 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, 2018

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, 2018, all of the City's cash and investments met this definition.

INVESTMENTS - All investments are reported at fair value which is the price that would be received to sell an investment in an orderly transaction between market participants. 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, 2018

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 \$207,390 at September 30, 2018. 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, 2018, the reserve for doubtful accounts totaled \$51,530 for utility service receivables and \$59,876 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 acquisition cost 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, 2018.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

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.

The City also reports a deferred charge on bond refunding as a deferred outflow of resources which is the difference in the carrying value of a refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 any bond insurance costs are deferred and amortized over the life of the bonds using the bonds outstanding method. Debt issuance costs, other than bond insurance costs, are reported, as expenditures/expenses in the period incurred, 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, 2018

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 capital assets, net of accumulated depreciation, prepaid bond insurance costs and the deferred charge on bond refunding which is then 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 \$2,397,418 of restricted net position of which \$2,325,411 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, 2018

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 Commission 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, 2018 was 7.4877.

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.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

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.

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>6,346,389</u>
Total cash and cash equivalents	<u>\$ 6,346,964</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 and direct obligations of the U.S. Treasury. The City maintained no investments during the year.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 5 - CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Transfers	Additions	Reductions	Ending Balance
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 412,542		\$ -	\$ -	\$ 412,542
Total	\$ 412,542	\$ -	\$ -	\$ -	\$ 412,542
Capital assets being depreciated:					
Buildings and Improvements	\$ 3,092,069	\$ -	\$ 326,092	\$ -	\$ 3,418,161
Recreational Facilities	496,897	-	6,570	-	503,467
Equipment	507,980	-	34,165	-	542,145
Infrastructure:					
Sidewalk Systems	129,383	-	-	-	129,383
Drainage Systems	75,626	-	-	-	75,626
Total	4,301,955	-	366,827	-	4,668,782
Less, Accumulated Depreciation:					
Buildings and Improvements	(872,508)	-	(82,764)	-	(955,272)
Recreational Facilities	(265,476)	(28,990)	(24,974)	-	(319,440)
Equipment	(414,819)	28,990	(27,607)	-	(413,436)
Infrastructure:					
Sidewalk Systems	(29,370)	-	(3,673)	-	(33,043)
Drainage Systems	(23,529)	-	(1,890)	-	(25,419)
Total Accumulated Depreciation	(1,605,702)	-	(140,908)	-	(1,746,610)
Total Depreciable Capital Assets, Net	\$ 2,696,253	\$ -	\$ 225,919	\$ -	\$ 2,922,172
Business-Type Activities:					
Capital assets not being depreciated:					
Land	\$ 2,730,736	\$ -	\$ -	\$ -	\$ 2,730,736
Construction in progress	-	-	161,736	-	161,736
Total	\$ 2,730,736	\$ -	\$ 161,736	\$ -	\$ 2,892,472
Capital assets being depreciated:					
Utility Plant	\$ 12,077,204	\$ -	\$ 191,761	\$ -	\$ 12,268,965
Equipment	314,395	-	85,653	-	400,048
Total	12,391,599	-	277,414	-	12,669,013
Less, Accumulated Depreciation:					
Utility Plant	(3,255,433)	-	(309,909)	-	(3,565,342)
Equipment	(258,048)	-	(13,082)	-	(271,130)
Total Accumulated Depreciation	(3,513,481)	-	(322,991)	-	(3,836,472)
Total Depreciable Capital Assets, Net	\$ 8,878,118	\$ -	\$ (45,577)	\$ -	\$ 8,832,541

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018**

NOTE 5 - CAPITAL ASSETS (cont...)

Depreciation expense was charged to the following programs and functions:

Governmental Activities:

General government	\$ 88,398
Streets	15,085
Parks and recreation	35,534
Stormwater utility	<u>1,891</u>
Total depreciation expense - governmental activities	<u>\$ 140,908</u>

Business-type Activities:

Water and sewer	<u>\$ 322,991</u>
Total depreciation expense - business-type activities	<u>\$ 322,991</u>

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended September 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Governmental Activities					
Long-Term Debt:					
Notes Payable:					
Series 2007 Capital Improvement Revenue Bonds	\$ 1,371,789	\$ -	\$ (1,371,789)	\$ -	\$ -
Citizens Bank and Trust Installment Note	-	1,400,000	(46,559)	1,353,441	74,320
Total Bonds and Notes Payable	<u>1,371,789</u>	<u>1,400,000</u>	<u>(1,418,348)</u>	<u>1,353,441</u>	<u>74,320</u>
Other Liabilities:					
Compensated Absences	41,545	-	(1,754)	39,791	-
Net Pension Liability	472,770	50,517	-	523,287	-
Total Other Liabilities	<u>514,315</u>	<u>50,517</u>	<u>(1,754)</u>	<u>563,078</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 1,886,104</u>	<u>\$ 1,450,517</u>	<u>\$ (1,420,102)</u>	<u>1,916,519</u>	<u>\$ 74,320</u>
Less Amount Due in One Year				(74,320)	
Net Long-Term Debt Due After One Year				<u>\$ 1,842,199</u>	
Business-Type Activities					
Long-Term Debt:					
Notes Payable:					
Installment Note to Florida Department of Environmental Protection (WW51201P)	\$ 2,301,487	\$ -	\$ (119,458)	\$ 2,182,029	\$ 122,354
Installment Note to Florida Department of Environmental Protection (WW531400)	-	160,000	-	160,000	125,162
Tax-Exempt Leasing	87,736	-	(21,037)	66,699	21,624
Total Notes Payable	<u>2,389,223</u>	<u>-</u>	<u>(140,495)</u>	<u>2,408,728</u>	<u>269,140</u>
Revenue Certificates:					
Series 2011A Water / Sewer System Capital Improvement and Refunding Revenue Bonds	9,055,000	-	(9,055,000)	-	-
Series 2017 Water/ Sewer System, Refunding Revenue Bonds	-	8,555,000	(130,000)	8,425,000	240,000
Add premium on Series 2017	-	699,050	(48,441)	650,609	-
Less discount on Series 2011A	(124,778)	-	124,778	-	-
Total Revenue Certificates	<u>8,930,222</u>	<u>9,254,050</u>	<u>(9,108,663)</u>	<u>9,075,609</u>	<u>240,000</u>
Other Liabilities:					
Compensated Absences	739	6,602	-	7,341	-
Net Pension Liability	53,149	98,407	-	151,556	-
Total Other Liabilities	<u>53,888</u>	<u>105,009</u>	<u>-</u>	<u>158,897</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 11,373,333</u>	<u>\$ 9,359,059</u>	<u>\$ (9,249,158)</u>	<u>11,643,234</u>	<u>\$ 509,140</u>
Less Amount Due in One Year				(509,140)	
Net Long-Term Debt Due After One Year				<u>\$ 11,134,094</u>	

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

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:

- Citizens Bank and Trust Installment Note – This note is secured by the all revenues of the City's communications service tax and the City's half-cent sales tax. This note bears interest at 3.4%, with monthly principal and interest payments on the first day of each month, with a final maturity of January 1, 2033. The note proceeds were used to retire the City's outstanding Series 2007 Capital Improvement Revenue Bonds which were used to construct the City's administration facilities. The difference between the cash flows required to service the old debt and that required to service the new debt resulted in a savings of approximately \$245,000 which equates to an economic gain of approximately \$94,000.

Business-Type Activities:

- Series 2017 Water and Sewer System Refunding Revenue Bonds – The Water and Sewer System Refunding Revenue Bonds, Series 2017 are secured by the net revenues of the system, certain public service tax revenues, and moneys on deposit in various funds and accounts of the City. The Series 2017 bonds bear interest at 3.00 – 4.25 with a final maturity of August 1, 2041. The bonds require the maintenance of sinking, and renewal and replacement funds.

The Series 2017 bond proceeds were used to advance refund the City's outstanding Water and Sewer System Capital Improvement and Refunding Bonds, Series 2011A and to pay the costs of issuance of the Series 2017 Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$939,356. This amount has been deferred and is being amortized over the remaining life of the new debt.

The difference between the cash flows required to service the old debt and that required to service the new debt and to complete the refunding resulted in a savings of approximately \$1,070,000 which equates to an economic gain of approximately \$470,000.

The City defeased the Series 2011A bonds by placing the proceeds of the Series 2017 bonds, along with a City contribution of \$836,993 in an irrevocable trust to provide for future debt service payments on the 2011A bonds until they are fully retired on August 1, 2021. Accordingly, the trust account assets and the liability for the defeased debt is not included in these financial statements. As of September 30, 2018, \$8,360,000 of the defeased 2011A debt is still outstanding.

- 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.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

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

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

- **Installment Note to Florida Department of Environmental Protection (WW 531400)** - This note is secured by the net revenues of the water and sewer system. The note bears interest at 0.76%, with semi-annual principal and interest payments on March 15 and September 15 with a final maturity in September 2039. The note proceeds were used to fund the design of wastewater pollution control 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.

Maturities:

Annual requirements to repay all long-term bonds and notes payable as of September 30, 2018, were as follows:

Fiscal Year Ending September 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2019	\$ 74,320	\$ 45,466	\$ 509,140	\$ 383,963
2020	76,922	42,865	399,250	369,638
2021	79,615	40,172	412,922	358,466
2022	82,401	37,385	398,199	346,904
2023	85,286	34,501	411,400	335,753
2024-2028	473,354	125,578	2,236,983	1,481,930
2029-2033	481,543	37,532	2,660,242	1,066,073
2034-2038	-	-	2,234,611	613,664
2039-2043	-	-	1,570,981	135,154
Add: unamortized bond premium	-	-	650,609	-
Total	\$ 1,353,441	\$ 363,499	\$ 11,484,337	\$ 5,091,545

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018**

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 6.

<u>Pledged Revenue</u>	<u>Principal and Interest Outstanding</u>	<u>Principal and Interest Paid</u>	<u>Current Year Revenue</u>	<u>% of Revenues to Principal and Interest Paid</u>
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	\$ 2,706,882	\$ 97,089	\$ 316,357	325.84%
Water and sewer system net revenue and sewer impact fees	15,854,818	677,681	1,729,398	255.19%

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018**

NOTE 8 - INTERFUND TRANSACTIONS

Interfund transactions are summarized below:

Interfund receivables and payables as of September 30, 2018 consisted of:

Receivable Fund	Payable Fund	Amount
Enterprise Fund	General Fund	\$ -

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.

Interfund transfers for the year ending September 30, 2018 consisted of:

Receiving Fund	Paying Fund	Amount
General Fund	Enterprise Fund	\$ 183,591

The transfer from the enterprise fund to the general fund is a budgeted annual operating transfer to finance services accounted for in the general fund.

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, 2018**

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. 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, 2018**

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

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
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 2017-18 fiscal year were as follows:

Class	Prior to July 1, 2018		After July 1, 2018	
	Employee	Employer (A)	Employee	Employer (A)
Regular	3.00%	7.92%	3.00%	8.26%
Senior Management	3.00%	22.71%	3.00%	24.06%

Note (A) 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 \$44,722 for the fiscal year ended September 30, 2018.

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018**

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, 2018, the City reported a liability of \$484,095 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2018 relative to the contributions of all participating members for that period. At June 30, 2018, the City's proportionate share was 0.001607192 percent, which was an increase of 0.000319586 from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$102,656. 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	\$ 41,010	\$ 1,488
Change of assumptions	158,179	
Net difference between projected and actual earnings on FRS pension plan investments	-	37,402
Changes in proportion and differences between City FRS contributions and proportionate share of contributions	71,322	6,140
City FRS contributions subsequent to the measurement date	15,144	-
Total	\$ 285,655	\$ 45,030

The deferred outflows of resources related to pensions, totaling \$15,144, 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, 2019. 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, 2018

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

<u>Fiscal Year Ending September 30</u>	<u>Amount</u>
2019	\$ 78,065
2020	59,467
2021	27,694
2022	32,416
2023	22,307
Thereafter	5,532
	\$ 225,481

Actuarial Assumptions. The total pension liability in the June 30, 2018 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	7.00 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, 2018, valuation was 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, 2018

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	1.0%	2.9%	2.9%	1.8%
Fixed income	18.0%	4.4%	4.3%	4.0%
Global equity	54.0%	7.6%	6.3%	17.0%
Real estate	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
Total	100%			
Assumed inflation - Mean			2.6%	1.9%

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

Discount Rate. The discount rate used to measure the total pension liability was 7.00 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 7.00 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 (6.00 percent) or 1 percentage-point higher (8.00 percent) than the current rate.

	<u>1% Decrease 6.00%</u>	<u>Current Discount Rate 7.00%</u>	<u>1% Increase 8.00%</u>
City's proportionate share of the net pension liability (asset)	<u>\$ 883,493</u>	<u>\$ 484,095</u>	<u>\$ 152,371</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, 2018, the City reported a payable of \$3,861 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2018.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

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, 2018, 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, 2018, the HIS contribution rate for the period of July 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 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 \$10,259 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions. At September 30, 2018, the City reported a net pension liability of \$190,748 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2018 relative to the contributions of all participating members for that period. At June 30, 2018, the City's proportionate share was 0.001802214 percent, which was an increase of 0.000445612 from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the City recognized the HIS Plan pension expense of \$24,275. 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, 2018**

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,920	\$ 324
Change of assumptions	21,214	20,168
Net difference between projected and actual earnings on HIS pension plan investments	115	-
Changes in proportion and differences between City HIS contributions and proportionate share of HIS contributions	54,228	2,636
City contributions subsequent to the measurement date	3,022	-
Total	<u>\$ 81,499</u>	<u>\$ 23,128</u>

The deferred outflows of resources, totaling \$3,022, 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, 2019. 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>
2019	\$ 12,706
2020	12,696
2021	11,546
2022	7,492
2023	4,395
Therafter	<u>6,514</u>
	<u>\$ 55,349</u>

**POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018**

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

Actuarial Assumptions. The total pension liability in the July 1, 2018, 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	3.87 percent

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

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

Discount Rate. The discount rate used to measure the total pension liability was 3.87 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 3.87 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 (2.87 percent) or 1 percentage point higher (4.87 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.87%</u>	<u>3.87%</u>	<u>4.87%</u>
City's proportionate share of the net pension liability	<u>\$ 217,251</u>	<u>\$ 190,748</u>	<u>\$ 168,657</u>

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, 2018, the City reported a payable of \$971 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended September 30, 2018.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 9 - PENSION PLAN (cont...)

Florida Retirement System (FRS) – Defined Contribution Pension Plan

FRS Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State's Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees already participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions rates, that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2017-18 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS; Regular	6.30
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2018, the information for forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 9 - PENSION PLAN (cont...)

The City's Investment Plan pension expense totaled \$5,920 for the fiscal year ended September 30, 2018.

NOTE 10 - OTHER POST EMPLOYMENT BENEFITS

The City follows GASB Cod. Sec. P52 for certain post-employment health care and dental benefits provided by the City.

Plan Description – The Other Postemployment Benefits Plan (OPEB Plan) is a single employer defined benefit plan administered by the City. The OPEB Plan allows employees who retire and meet retirement eligibility requirements under the applicable City retirement plan to continue medical insurance coverage as a participant in the City's health insurance plan.

Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the City are eligible to participate in the City's healthcare and life insurance benefits. The City subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The City does not offer any explicit subsidies for retiree coverage. The OPEB Plan doesn't issue a stand-alone financial report and is not included in the annual report of a public employee retirement system of another entity.

There are currently 17 active plan members and no inactive plan members.

Funding Policy – Currently, the City's OPEB benefits are unfunded. The City has not advance-funded or established a funding methodology for the annual other postemployment benefit (OPEB) costs or the OPEB obligation, and the OPEB Plan is financed on a pay-as-you-go basis.

Benefits Provided – The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All employees of the City who meet the eligibility requirements of the applicable City retirement plan are eligible to receive postemployment health care benefits. All retiree, spouse and dependent coverage is at the expense of the retiree.

Total OPEB Liability – The City's total OPEB liability as of September 30, 2018 was determined by an actuarial valuation as of October 1, 2017. The actuarial assumptions used in the October 1, 2017 valuation were as follows:

Inflation	3.00%
Salary Increases	3.00%
Discount Rate	3.64%
Initial Trend Rate	8.00%
Ultimate Trend Rate	5.00%
Year to Ultimate Trend Rate	6

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 10 - OTHER POST EMPLOYMENT BENEFITS (cont....)

For all lives, mortality rates were RP-2000 Combined Healthy Mortality Tables projected to the valuation date using projection scale BB.

Discount Rate – The discount rate was based on a high-quality municipal bond rate of 3.64%. The high-quality bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

The results of the October 1, 2017 actuarial valuation produced an estimated actuarial determined OPEB obligation and OPEB expense that was immaterial to the City's financial statements and accordingly, there is no OPEB liability recorded in the financial statements.

NOTE 11 – JOINT VENTURE

Background - The Polk Regional Water Cooperative (PRWC) was created on April 1, 2016 by a interlocal agreement between Polk City, City of Auburndale, City of Bartow, City of Davenport, City of Eagle Lake, City of Fort Meade, City of Frostproof, City of Haines City, City of Lake Alfred, City of Lakeland, City of Lake Wales, City of Mulberry, City of Winter Haven, Town of Dundee, Town of Lake Hamilton and Polk County in accordance with Chapters 163 and 373 of the Florida Statutes.

These local government units are collectively considered the Member Governments. The PRWC is a separate legal entity organized under the laws of the State of Florida, and the Member Governments have no equity ownership in the PRWC.

The PRWC is devoted to encouraging the development of fully integrated, robust public water supply systems comprised of diverse sources managed in a manner that take full advantage of Florida's intense climatic cycles to ensure reliable, sustainable and drought resistant systems which maximize the use of alternative water supplies to the greatest extent practicable. The PRWC will evaluate, plan and implement water projects and coordinate partnerships with other water users.

Membership fees - The terms of the interlocal agreement require each Member Government to contribute their proportionate share of the PRWC's annual working capital needs which are established annually by a resolution of the PRWC's Board of Directors. For the year ended September 30, 2018, the total annual working capital needs of the PRWC was \$195,000 of which the City's proportionate share was \$1,159.

Combined projects background - The Member Governments, except for the City of Frostproof, entered into a combined projects implementation agreement on March 16, 2017. This agreement established three combined projects to be pursued by the PRWC with a total estimated cost of \$23,000,000. The South West Florida Water Management District (SWFWMD) is funding 50% of the total estimated cost and the remainder is funded by the Member Governments based upon their average water use in comparison to the total average water use by all Member Governments.

Combined projects funding - The City's required contribution for the combined projects totaled \$192,945 and was reported in the enterprise fund statement of revenues, expenses and changes in fund net position in the prior year.

Litigation - The PRWC is involved with ongoing litigation with SWFWMD and the Peace Creek Manasota Regional Water Supply Authority. These litigation costs are being funded by the Member Governments based upon their pro-rata share of water use as compared to the water use of all

POLK CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 11 – JOINT VENTURE (cont....)

Member Governments. The City's costs for this litigation for the year ended September 30, 2018 totaled \$1,019.

Contact - Complete financial statements of the PRWC may be obtained from the PRWC's Executive Director at 330 W. Church Street, P.O. Box 9005, Drawer CA01, Bartow, FL 33831-9005.

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, 2018 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.

NOTE 13 – 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, 2018, 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 \$99,310 for base services for the fiscal year ended September 30, 2019. The annual cost increases 2% per year over the term of the contract. The City paid \$97,363 for the year ended September 30, 2018.
- Effective October 1, 2016, the City entered into a contract with 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 for the next two years. The City exercised its rights under the terms of the agreement and terminated the contract effective December 31, 2017.



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REQUIRED SUPPLEMENTARY INFORMATION

POLK CITY, FLORIDA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<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	\$ 1,129,290	\$ 1,129,290	\$ 1,240,422	\$ 111,132
Licenses and permits	200,003	309,154	474,243	165,089
Intergovernmental revenue	254,593	315,593	298,551	(17,042)
Charges for services	294,437	294,437	331,832	37,395
Fines and forfeitures	2,000	2,000	7,306	5,306
Impact fees	245,487	245,487	366,492	121,005
Other	12,515	12,515	43,528	31,013
Amounts available for appropriations	<u>2,138,325</u>	<u>2,308,476</u>	<u>2,762,374</u>	<u>453,898</u>
CHARGES TO APPROPRIATIONS (outflows):				
General government	564,914	625,914	533,480	92,434
Public safety	227,267	336,418	334,260	2,158
Physical environment	333,842	333,842	368,202	(34,360)
Transportation	323,676	323,676	305,186	18,490
Culture/recreation	131,615	131,615	157,868	(26,253)
Capital outlay	151,058	477,151	400,964	76,187
Debt service	145,368	1,517,157	1,479,873	37,284
Total charges to appropriations	<u>1,877,740</u>	<u>3,745,773</u>	<u>3,579,833</u>	<u>165,940</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS				
	<u>260,585</u>	<u>(1,437,297)</u>	<u>(817,459)</u>	<u>619,838</u>
OTHER FINANCING SOURCES (USES):				
Transfer from enterprise fund	25,000	183,594	183,591	3
Loan proceeds	-	1,389,021	1,400,000	(10,979)
Total other financing sources	<u>25,000</u>	<u>1,572,615</u>	<u>1,583,591</u>	<u>(10,976)</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS AND OTHER FINANCING SOURCES				
	<u>285,585</u>	<u>135,318</u>	<u>\$ 766,132</u>	<u>\$ 608,862</u>
Reserves carried to subsequent year	<u>(285,585)</u>	<u>(135,318)</u>		
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</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**

Last Ten Fiscal Years *

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

	2018	2017	2016	2015	2014
City's proportion of the FRS net pension liability (asset)	0.001607192%	0.001287606%	0.001273210%	0.001355257%	0.001118460%
City's proportionate share of the FRS net pension liability (asset)	\$ 484,095	\$ 380,865	\$ 321,486	\$ 175,050	\$ 68,243
City's covered payroll (2)	\$ 588,735	\$ 415,532	\$ 379,179	\$ 380,883	\$ 330,817
City's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	82.23%	91.66%	84.78%	45.96%	20.63%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%

Notes:

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered 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)**

	2018	2017	2016	2015	2014
Contractually required FRS contribution	\$ 45,804	\$ 40,068	\$ 34,559	\$ 32,616	\$ 24,499
FRS contributions in relation to the contractually required contribution	\$ 45,804	40,068	34,559	32,616	24,499
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll (2)	\$ 588,735	\$ 415,532	\$ 379,179	\$ 380,883	\$ 330,817
FRS contributions as a percentage of covered payroll	7.78%	9.64%	9.11%	8.56%	7.41%

Notes:

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members and members in DROP.

* These schedules are 10-year schedules; however, the information in these schedules are not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

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

Last Ten Fiscal Years *

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

	2018	2017	2016	2015	2014
City's proportion of the HIS net pension liability (asset)	0.001802214%	0.001356602%	0.001297807%	0.001345924%	0.001092189%
City's proportionate share of the HIS net pension liability (asset)	\$ 190,748	\$ 145,054	\$ 151,254	\$ 137,263	\$ 102,122
City's covered payroll (2)	\$ 588,735	\$ 415,532	\$ 379,179	\$ 380,883	\$ 330,817
City's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	32.40%	34.91%	39.89%	36.04%	30.87%
HIS Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.50%

Notes:

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered 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)

	2018	2017	2016	2015	2014
Contractually required HIS contribution	\$ 9,773	\$ 6,898	\$ 6,294	\$ 5,455	\$ 3,741
HIS contributions in relation to the contractually required contribution	9,773	6,898	6,294	5,455	3,741
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll (2)	\$ 588,735	\$ 415,532	\$ 379,179	\$ 380,883	\$ 330,817
HIS contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.66%	1.43%	1.13%

Notes:

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members and members in DROP.

* These schedules are 10-year schedules; however, the information in these schedules are not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

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 Proportionate Share of the Net Pension Liability and Schedule of Contributions – Florida Retirement System Pension Plan

Changes of Assumptions:

- a. The discount rate decreased from 7.10 percent to 7.00 percent.
- b. The long-term expected rate of return was decreased from 7.10 percent to 7.00 percent.

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

Changes of Assumptions:

- a. The discount rate was increased from 3.58 percent to 3.87 percent
- b. The municipal bond rate used to determine total pension liability increased from 3.58 percent to 3.87 percent.

Program Contribution Rates – The Health Insurance Subsidy Pension Plan (HIS) uses a “pay-as-you-go” funding structure. As of June 30, 2018, and 2017, accumulated HIS assets constituted approximately five months of projected benefit payments. The ability of the current statutory contribution rate to pay full HIS benefits is very sensitive to near-term demographic experience, particularly the volume and timing of retirements and the amount of payroll on which the statutory rate is charged.



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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, 2018, 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 September 9, 2019.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings as item 18-01, that we consider to be a material weakness.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as item 18-02.

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

Polk City's Response to Findings

Polk City, Florida's response to the findings identified in our audit is described in the accompanying letter of management's response. Polk City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
September 9, 2019



**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, 2018. Management is responsible for Polk City, Florida's compliance with those specified 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. Those standards required that we plan and perform the examination to obtain reasonable assurance about whether Polk City, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Polk City, Florida complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination of Polk City, Florida's compliance with the 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, 2018.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
September 9, 2019

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 Polk City, Florida as of and for the year ended September 30, 2018, and have issued our report thereon dated September 9, 2019.

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 Reporting Requirements

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*, AT-C Section 315, 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, which are dated September 9, 2019, 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 in the preceding 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 A of the summary of significant accounting policies in the notes to financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate 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, we determined that Polk City, Florida did not meet any of the specified conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Polk City, Florida. 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.

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

Financial Condition and Management (concluded)

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate 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 note 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
September 9, 2019

POLK CITY, FLORIDA
SCHEDULE OF FINDINGS
Year Ended September 30, 2018

Finding 18-01: Bank Reconciliations

Criteria: Good internal control requires the activity in the City's bank accounts to be posted to the general ledger and that bank statement reconciliations be performed on a timely basis to afford management the opportunity to detect and correct errors on a timely basis.

Condition: The City's bank account activities were not being reconciled to the general ledger balances in a timely manner. The September 2018 bank reconciliations were completed in July 2019.

Effect: Due to the lack of timely bank reconciliations, there was no assurance that the books and records of the City were complete throughout the year.

Cause: The bank reconciliation process was delayed due to issues caused by the accounting information system software conversion that took place during the fiscal year ended September 30, 2018.

Recommendation: We recommend the City take measures to ensure that the bank activity is reconciled to the general ledger and that this reconciliation is to be completed within thirty days after receipt of the monthly bank statements. Furthermore, we recommend that this reconciliation should be reviewed by the City Manager when complete.

Finding 18-02: Audit Completion Delay

Criteria: Section 218.39, Florida Statutes requires the City to complete their annual financial audit within nine months after the end of its fiscal year. Furthermore, the City has continuing disclosure obligations in connection with certain bond issues which require the completion of the annual financial audit and filing of the required disclosures by June 1st following the close of each fiscal year.

Condition: The annual financial audit for the fiscal year ended September 30, 2018 was completed on September 9, 2019.

Effect: The City was not in compliance with Section 218.39, Florida Statutes and the aforementioned bond covenants of the City.

Cause: The main cause of the delay is due to finding 18-01 as detailed above.

Recommendation: We recommend the City address finding 18-01 and take measures to ensure the City audit is completed before the June 1st following the close of each fiscal year and that required continuing disclosures are made within the required time frame.



POLK CITY

123 Broadway Blvd SE
Polk City, Florida 33868
Telephone 863-984-1375
Fax 863-984-2334

September 10, 2019

Honorable Mayor, City Commissioners
Polk City
Polk City FL 33868

RE: Management Letter dated September 10, 2019

Fiscal Year 2018 Audit Findings -- Corrective Actions

Finding 18-01: Bank Reconcillations

We concur with the Auditor's recommendation and have implemented the measures to reconcile the bank statements to the general ledger within 30 days after receipt of the bank statements. The issues resulting from the accounting information system software conversion has also been addressed and corrected.

The current part-time position of accounting clerk will be a full-time position beginning with the new fiscal year.

Finding 18-02: Audit Completion Delay

We concur with the Auditor's recommendation; with the implementation of timely bank reconciliations future City audits will be completed before June 1st following the close of each fiscal year and that required continuing disclosures are made within the required time frame.

We continue to strive to provide the highest level of financial services and reporting to Polk City.

Respectfully submitted,

Patricia R. Jackson
City Manager

Joanna Knowles
Finance Administrator