



CITY COUNCIL MEETING

City Hall – Council Chamber
405 Bagshaw Way, Edgewood, Florida
Tuesday, May 21, 2024 at 6:30 PM

AGENDA

Welcome! We are very glad you have joined us for today’s Council meeting. If you are not on the agenda, please complete an appearance form and hand it to the City Clerk. When you are recognized, state your name and address. The Council is pleased to hear relevant comments; however, a **five (5) minute limit** has been set by Council. Large groups are asked to name a spokesperson. **Robert’s Rules of Order** guide the conduct of the meeting. **Please silence all cellular phones and pagers during the meeting.** Thank you for participating in your City Government.

A. CALL TO ORDER, INVOCATION, & PLEDGE OF ALLEGIANCE

B. ROLL CALL & DETERMINATION OF QUORUM

C. PRESENTATIONS & PROCLAMATIONS

1. FY 2022/2023 Audit Report Presented by Yvonne M. Clayborne, CPA, CAM, CITP and Jennifer Polk, Senior Accountant Carr Riggs & Ingram CPAs and Advisors
2. Report on Financial Statements - Carr Riggs & Ingram

D. CONSENT AGENDA

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

1. March 26, 2024 City Council Meeting Minutes
2. April 16, 2024 City Council Meeting Minutes

E. ORDINANCES (FIRST READING)

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

G. UNFINISHED BUSINESS

1. Haven Oaks Status Update

H. NEW BUSINESS

1. Budget Amendments

I. GENERAL INFORMATION

J. CITIZEN COMMENTS

K. BOARDS & COMMITTEES

- 1. Variance 2024-01 - 465 Mandalay Road Setback

L. STAFF REPORTS

City Attorney Smith

- 1. Sample Tattoo Regulation

Police Chief DeSchryver

- 1. April 2024 Report

City Clerk Riffle

- 1. Revised TRIM Calendar FY 2024/25
- 2. Insurance Outlook

M. MAYOR AND CITY COUNCIL REPORTS

Mayor Dowless

- 1. City of Edgewood Retainer Agreement

Council Member Lomas

Council Member Rader

Council Member Steele

Council President Horn

N. ADJOURNMENT

UPCOMING MEETINGS

Monday, June 10, 2024.....Planning & Zoning Meeting
 Tuesday, June 18, 2024.....City Council Meeting

Meeting Records Request

You are welcome to attend and express your opinion. Please be advised that **Section 286.0105**, Florida Statutes state that if you decide to appeal a decision made with respect to any matter, you will need a record of the proceedings and may need to ensure that a verbatim record is made.

Americans with Disabilities Act

In accordance with the American Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodation to participate in this proceeding, he or she should telephone the **City Clerk at (407) 851-2920**.

CALL TO ORDER, INVOCATION, & PLEDGE OF ALLEGIANCE

ROLL CALL & DETERMINATION OF QUORUM

PRESENTATIONS & PROCLAMATIONS



Required Communications



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRlcpa.com

May 14, 2024

Honorable Mayor and Members of the City Council
City of Edgewood, Florida

We are pleased to present the results of our audit of the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Edgewood, Florida for the year ended September 30, 2023.

This report to the Mayor and the City Council summarizes our audit, the reports issued and various analyses and observations related to the City of Edgewood, Florida's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the City of Edgewood, Florida's basic financial statements for the year ended September 30, 2023. We considered the City of Edgewood, Florida's current and emerging needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Mayor and City Council, expect. We received the full support and assistance of City personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Mayor, City Council and Management and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 321.426.3014 or yclayborne@cricpa.com.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Yvonne M. Clayborne'. The signature is fluid and cursive.

Yvonne M. Clayborne, CPA
Partner
Carr, Riggs & Ingram, LLC



As discussed with management during our planning process and communicated to the City Council in our engagement letter to you dated August 17, 2023, our audit plan represented an approach responsive to the assessment of risk for the City of Edgewood, Florida. Specifically, we planned and performed our audit to:

- Perform audit services, as required by Section 218.39, Florida Statutes, 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, in order to express an opinion on the City of Edgewood, Florida's basic financial statements for the year ended September 30, 2023.
- 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*;
- Communicate directly with the Mayor, City Council and management regarding the results of our procedures;
- Address with the Mayor, City Council and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Mayor, City Council and management; and
- Other audit-related projects as they arise and upon request.



We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Edgewood, Florida for the year ended September 30, 2023, and have issued our report thereon dated May 14, 2024. Professional standards also require that we communicate to you the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Auditor's responsibility under Generally Accepted Auditing Standards, Government Auditing Standards and Chapter 10.550, Rules of the Florida Auditor General</p>	<p>As stated in our engagement letter dated August 17, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management, with your oversight, are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of supplementary information as described in the engagement letter when considered in relation to the financial statements as a whole. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal controls of the City of Edgewood, its compliance with laws and regulations and internal controls related to the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p>Client's responsibility</p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management, with oversight from those charged with governance, is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
<p>Planned scope and timing of the audit</p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "<i>Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality.</i>"</p>
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the City and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>The auditor should also discuss the auditor's judgment about the quality, not just the acceptability, of the City's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the City in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;</i> • <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor.</i> 	<p>The significant accounting policies used by the City are described in Note 1 to the financial statements. New accounting policies were adopted during the fiscal year as a result of the following recently issued accounting pronouncements:</p> <ul style="list-style-type: none"> • <i>Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs)</i> <p>The adoption of GASB Statement No. 96 had no impact on the financial statements.</p> <p>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.</p> <p>Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements was (were):</p> <p>The disclosure of the net pension liability and related deferred outflows and deferred inflows of resources in Note 3 to the financial statements due to the significance of the performance of plan assets on the valuation.</p> <p>The disclosure of the total OPEB liability and related deferred outflows and deferred inflows of resources in Note 4 to the financial statements due to the significance of the assumptions used in the valuation.</p> <p>The financial statement disclosures are neutral, consistent, and clear.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of the audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the City, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Council about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	<p>See "Summary of Audit Adjustments" section.</p>
<p>Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
<p>Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Written representations <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Management Representation Letter" section.</p>
<p>Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i></p>	<p>See "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" and "Independent Auditor's Management Letter" in the financial report package.</p>
<p>Fraud and illegal acts <i>Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>
<p>Other information in documents containing audited financial statements <i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p>Significant unusual accounting transactions <i>Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Required Supplementary Information <i>The auditor's responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p> <p>Required supplementary information, such as management's discussion and analysis, the budgetary comparisons of major funds and Other Postemployment Benefits and Pension information is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.</p>
<p>Other information accompanying the financial statements. <i>The auditor's responsibility for other information accompanying the financial statements.</i></p>	<p>We were not engaged to report on the other information which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the City's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive 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 Mayor, City Council and management may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Depreciation of Capital Assets	<p>Based on the audit procedures we performed with respect to the City's capital assets, we noted that the City estimates the useful lives of capital assets in accordance with all applicable standards and guidelines of GASB.</p> <p>The City follows the provisions of Section 1400: <i>Reporting Capital Assets</i>, of the GASB Codification when reporting depreciation of its capital assets.</p>	X	Management's estimate of the useful lives of capital assets is based on the historical lives of similar assets and market prices.	We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that they are reasonable in relation to the financial statements taken as a whole.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Compensated Absences	<p>Liabilities for compensated absences attributed to services already rendered are accrued as employees earn the rights to those benefits in accordance with the City's policies.</p> <p>The City follows the provisions of Section C60: <i>Compensated Absences</i>, of the GASB Codification when reporting these liabilities.</p>	X	Management's estimate of the compensated absences liability is based on compensation rates and employment assumptions developed by management.	<p>We evaluated the key factors and assumptions used to develop the estimated liability for compensated absences in determining that amounts are reasonable in relation to the financial statements taken as a whole.</p> <p>The City's policies are in accordance with all applicable accounting guidelines and GASB.</p>
Net Pension Liability and Related Deferred Outflows and Deferred Inflows of Resources	The City follows the provisions of Section P20: <i>Reporting for Benefits Provided through Trusts That Meet Specified Criteria</i> , of the GASB Codification when reporting net pension liabilities and related costs.	X	The City relies on valuations from the Pension Plan's actuary for the estimated value of the City's pension costs. The actuarial valuation is based on financial information, utilizing assumptions developed by management of the FRS. In addition, the Auditor General of the State of Florida audited the FRS Plan, including the estimated liabilities.	Based on the audit procedures we performed with respect to the City's participation in the FRS, we noted that it appears the City accounts for pension costs in accordance with all applicable standards and guidelines of GASB.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Other Post-Employment Benefits (OPEB) Liability and Related Deferred Outflows and Deferred Inflows of Resources	The City follows the provisions of Section P52: <i>Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided Through Trusts</i> , of the GASB Codification when reporting its OPEB liability and related costs.	X	Management’s estimate of the other postemployment benefit liability is based on healthcare costs and employment assumptions developed by management. The City elected to use the Alternative Method to calculate the year-end liability utilizing these assumptions.	<p>We evaluated the key factors and assumptions in determining they are reasonable in relation to the financial statements taken as a whole.</p> <p>Based on the audit procedures we performed with respect to the City’s OPEB Plan, we noted the City accounts for its OPEB liability and related costs in accordance with all applicable standards and guidelines of GASB.</p>

Summary of Audit Adjustments



During the course of our audit, we accumulate differences between amounts recorded by the City and amounts that we believe are required to be recorded under GAAP and GASB reporting guidelines. For the fiscal year ended September 30, 2023, the City has elected to record the following adjustments (simplified for presentation in this letter):

Adjusting Journal Entries JE # 1		
To adjust for FCC receivable not collected within the period of availability.		
135100-01 Accounts Receivable	\$27,560.00	
250000-10 Deferred Inflows - Unavailable Revenues		\$27,560.00
Total	\$27,560.00	\$27,560.00

Adjusting Journal Entries JE # 2		
To adjust FEMA AR/Revenue for actual amounts and remove duplicates		
334400-02 FEMA Hurricane Reimbursement	\$220,669.00	
131325-02 Due From Other Governments		\$212,362.00
CRI.2 Unavailable Revenue – R&S		\$8,307.00
Total	\$220,669.00	\$220,669.00

There were no uncorrected adjustments as a result of our audit procedures.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the City’s operating environment that has been identified as playing a significant role in the City’s operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management’s compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



May 14, 2024

Carr Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, FL 32940

This representation letter is provided in connection with your audit of the financial statements of City of Edgewood, Florida (the "City"), which comprise the respective financial position of the governmental activities and each major fund as of September 30, 2023, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of May 14, 2024, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 17, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government. There are no component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) There are no known related-party relationships or transactions that need to be accounted for or disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.



- 8) You have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) There are no guarantees, whether written or oral, under which the City is contingently liable.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the City and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) The City has no transactions with related parties.
- 19) We believe the actuarial assumptions and methods used to measure pension and OPEB liabilities and related costs for financial accounting purposes are appropriate in the circumstances.



Government-specific

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 23) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 25) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts and grant agreements that we believe have a material effect on the financial statements.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes, the preparation of the City's depreciation schedule, the calculation of the City's estimated compensated absence liability, preparation of the Annual Financial Report, and the preparation of the City's Florida Department of Transportation Local Highway Finance Report. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating the following individuals, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed – Mayor John Dowless; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, the depreciation schedule, the compensated absence liability, preparation of the Annual Financial Report, and the Florida Department of Transportation Local Highway Finance Report.
- 28) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended.
- 31) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 32) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Cash equivalents are properly valued.



- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 37) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 38) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 39) There are no tax abatement agreements to be disclosed in the notes to the financial statements.
- 40) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 41) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 43) We have responded fully to all inquiries made to us by you during the engagement.

Compliance with Florida Statute 218.415

- 45) The City is in compliance with Florida Statute 218.415, *Local Government Investment Policies*, in all respects.
- 46) We are responsible for complying with Florida Statute 218.415, *Local Government Investment Policies*.
- 47) We are responsible for establishing and maintaining effective internal control over compliance.
- 48) We have performed an evaluation of the City's compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 49) All relevant matters are reflected in the measurement or evaluation of the City's compliance with the specified requirements.
- 50) We are responsible for selecting the specified requirements and for determining that the specified requirements are appropriate for our purposes.
- 51) We have disclosed to you all known noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including noncompliance occurring after September 30, 2023, if any.
- 52) We have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 53) Our interpretation of Florida Statute 218.415, *Local Government Investment Policies* is as follows:
 - a) As the City has elected to invest surplus funds in demand deposits with qualified public depositories or external investment pools in compliance with section 218.415(17) of the Florida Statutes, the provisions of section 218.415(14) requiring a minimum number of hours of completion of continuing professional education do not apply.



54) We have disclosed to you all known matters that may contradict the City's compliance with the specified requirements and we have disclosed to you all communications from regulatory agencies, consultants and others regarding possible noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including communications received between September 30, 2023 and May 14, 2024.

Signature: _____

Title: Mayor _____

Signature: _____

Title: City Clerk _____



City of Edgewood, Florida
FINANCIAL STATEMENTS
September 30, 2023



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**City of Edgewood, Florida
City Officials
As of September 30, 2023**

MAYOR

John Dowless

COUNCIL PRESIDENT

Richard Alan Horn

COUNCIL PRESIDENT PRO TEM

Chris Rader

CITY COUNCIL

Susan Lomas
Beth Steele

CITY ATTORNEY

Drew Smith

CITY CLERK

Sandra Riffle



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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
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INDEPENDENT AUDITOR'S REPORT

To the City Council
The City of Edgewood, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Edgewood, Florida (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Edgewood, Florida's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the City of Edgewood, Florida, as of September 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Edgewood, Florida and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Edgewood, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Edgewood, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Edgewood, Florida's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, the defined benefit pension plan supplementary information and the other postemployment benefits supplementary information, as listed in the table of contents on pages 9 – 16 and 51 – 59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2024 on our consideration of the City of Edgewood, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Edgewood, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Edgewood, Florida's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
May 14, 2024



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City of Edgewood, Florida Management's Discussion and Analysis

As management of the City of Edgewood, Florida (the "City"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Edgewood, Florida, for the fiscal year ended September 30, 2023.

Financial Highlights

- The assets and deferred outflows of resources of the City of Edgewood, Florida, exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$5,744,152 (net position). Of this amount, \$2,990,006 represents unrestricted net position which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$1,837,160, compared to a prior year increase of \$219,284.
- As of the close of the current fiscal year, the City of Edgewood, Florida's governmental funds reported combined ending fund balances of \$5,749,197, an increase of \$1,941,228 in comparison with the prior year. This is mainly due to the increase in intergovernmental revenues related to ARPA.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Edgewood, Florida's finances, in a manner like a private-sector business. All the City's activities are reported as governmental activities in the government-wide financial statements.

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

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

The government-wide financial statements can be found on pages 19 – 20 of this report.

City of Edgewood, Florida Management's Discussion and Analysis

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Edgewood, Florida, 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 of Edgewood, Florida are governmental funds.

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

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

The City of Edgewood, Florida, maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Roads and Streets Fund, which are considered to be major funds. The City has no "nonmajor funds."

The basic governmental fund financial statements can be found on pages 21 – 24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 – 49 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the City of Edgewood, Florida's budgetary compliance, other postemployment benefits and pension obligations. The City of Edgewood, Florida adopts an annual appropriated budget for its General Fund and the Roads and Streets Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budgets.

Required supplementary information can be found on pages 51 – 59 of this report.

City of Edgewood, Florida Management's Discussion and Analysis

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a City's financial position. In the case of the City of Edgewood, Florida, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,744,152 at the close of the most recent fiscal year.

The following table reflects the condensed statement of net position:

CITY OF EDGEWOOD, FLORIDA'S Net Position

	2023	2022	Change
Assets			
Current and other assets	\$ 6,012,334	\$ 5,513,895	9%
Net capital assets	2,383,820	2,346,634	2%
Total assets	8,396,154	7,860,529	7%
Deferred outflows of resources	729,308	858,203	-15%
Liabilities			
Current liabilities	200,085	1,626,247	-88%
Noncurrent liabilities	2,695,873	2,575,016	5%
Total liabilities	2,895,958	4,201,263	-31%
Deferred inflows of resources	485,352	337,477	44%
Net position			
Invested in capital assets, net of related debt	2,293,161	2,211,388	4%
Restricted net position	460,985	251,128	84%
Unrestricted net position	2,990,006	1,444,476	107%
Total net position	\$ 5,744,152	\$ 3,906,992	47%

The City had a decrease in current liabilities due to the decrease in unearned revenue related to ARPA grants of about \$1.5M.

By far the largest portion of the City of Edgewood, Florida's net position reflects its investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure); less any related debt used to acquire those assets still outstanding.

The City of Edgewood, Florida, uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Edgewood, Florida reports net investment in capital assets, 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. An additional \$460,985 of the City's net position represents resources that are subject to external restrictions on how they may be used.

City of Edgewood, Florida Management's Discussion and Analysis

At the end of the current fiscal year, the City of Edgewood, Florida reported an OPEB liability of \$287,873; compensated absences of \$120,427; aggregate net pension liability of \$2,196,914; and OPEB and pension-related deferred outflows of resources of \$729,308 offset by OPEB and pension-related deferred inflows of resources of \$458,167. These liabilities are not currently funded.

The following table shows condensed revenue and expense data:

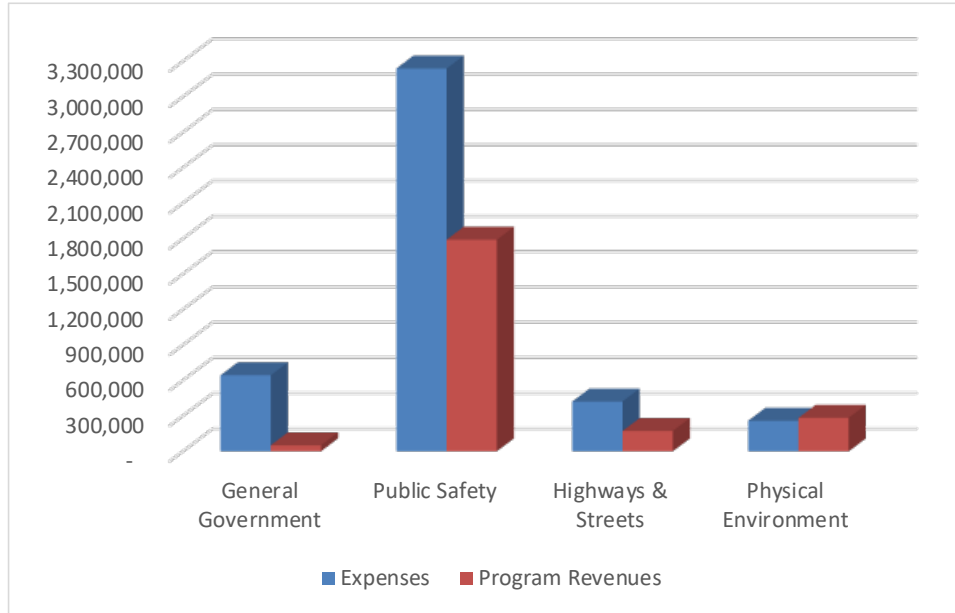
CITY OF EDGEWOOD, FLORIDA'S Changes in Net Position

	2023	2022	Change
General Revenue:			
Property taxes	\$ 2,368,445	\$ 2,156,039	10%
Franchise and utility taxes	898,928	833,575	8%
State revenue sharing	655,374	646,699	1%
Other taxes	116,732	120,672	-3%
Unrestricted investment earnings	35,771	5,976	499%
Miscellaneous	26,473	16,801	58%
Program Revenue:			
Charges for services	445,769	482,593	-8%
Operating grants and contributions	1,679,665	57,126	2840%
Capital grants and contributions	171,754	2,268	7473%
Total revenue	6,398,911	4,321,749	48%
Expenses:			
General government	643,376	640,144	1%
Public safety	3,231,421	2,926,663	10%
Highways and streets	421,204	278,131	51%
Physical environment	258,164	249,703	3%
Interest	7,586	7,824	-3%
Total expenses	4,561,751	4,102,465	11%
Change in net position	1,837,160	219,284	738%
Total net position, beginning of year	3,906,992	3,687,708	6%
Total net position, end of year	\$ 5,744,152	\$ 3,906,992	47%

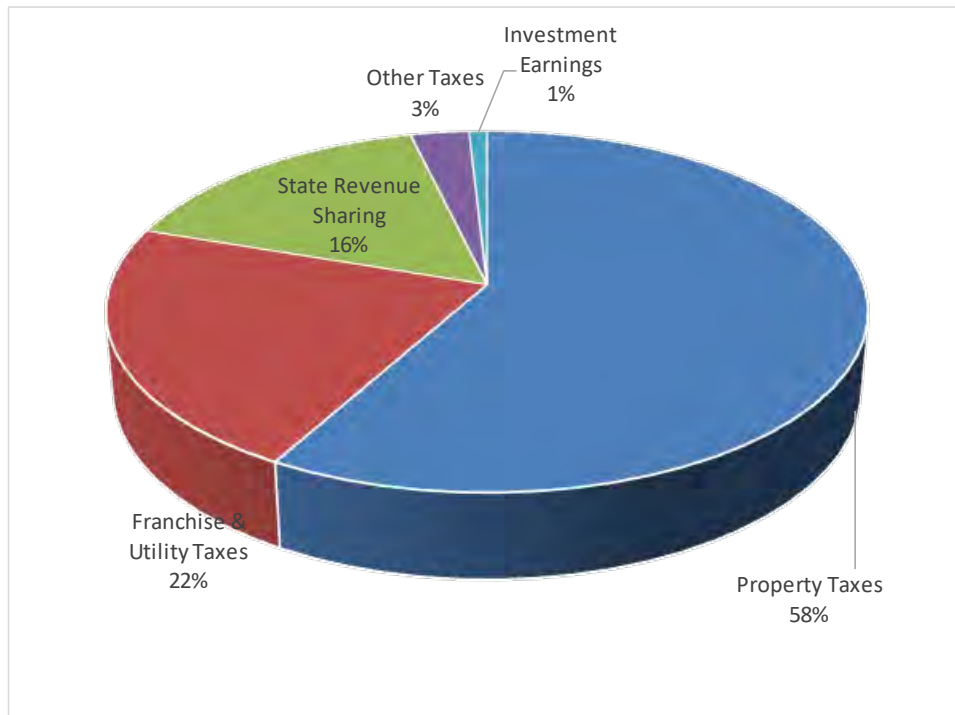
The City's net position increased by \$1,837,160 during the current fiscal year, primarily due to an increase in recognition of revenue related to ARPA operating grants of \$1.5M. The City had an increase in Public safety primarily attributed to an increase in pension expense of about \$166,000 and an increase in Orange County Fire Rescue expense of about \$86,000. The City also had an increase in Highways and streets of \$134,000 which was attributed to hurricane related expenses.

City of Edgewood, Florida Management's Discussion and Analysis

Statement of Activities – Government-wide Expenses and Program Revenues



Statement of Activities – Government-wide General Revenues by Source



City of Edgewood, Florida Management's Discussion and Analysis

Financial Analysis of the City's Funds

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

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

As of the end of the current fiscal year, the City of Edgewood, Florida's governmental funds reported combined ending fund balances of \$5,749,197, an increase of \$1,941,228 in comparison with the prior year. The fund balances of nonspendable, restricted or committed indicate that it is not available for new spending because it is obligated for prepaid items (\$42,541), restricted for specific purposes (\$460,985) or committed to pay for impact-fee funded projects (\$14,215). Additionally, the City has assigned amounts to cover operating costs in the 2024 budget (\$134,831). Unrestricted, unassigned fund balance was \$5,096,625 at year end. Pursuant to Section 5.09 of the City's Charter, the City's unrestricted reserves shall not exceed 75% of gross annual revenues. At September 30, 2023, the unrestricted, unassigned fund balance approximated 79% of gross annual revenues.

The General Fund is the chief operating fund of the City of Edgewood, Florida. At the end of the current fiscal year, unassigned fund balance was \$5,096,625, while total fund balance was \$5,348,973. The fund balance of the City of Edgewood, Florida's General Fund increased by \$1,720,726 during the current fiscal year as compared to an increase of \$148,205 in the prior fiscal year. The increase is primarily due to an increase in property tax revenues and intergovernmental revenue.

The Roads and Streets Fund has a total fund balance of \$400,224, which is restricted for transportation costs and projects. Fund balance increased by \$220,502 primarily due to the increase in revenue for highways and streets related to FEMA reimbursement.

General Fund Budgetary Highlights

Total revenues were over budget by \$1,049,399 due primarily to increases in property tax revenues, and intergovernmental revenue. Similarly, total expenditures were under budget by \$952,607 primarily due to financial and administrative operating expenditures being less than anticipated.

Total revenues in between the original budget and the final amended budget increased approximately \$1,134,000 due primarily to increases in amounts budgeted for taxes and intergovernmental revenue.

Major differences between the original budget and the final amended budget (net increase of \$1,134,000 in appropriated expenditures) can be briefly summarized as follows:

- \$14,000 in increases in personal services for General Government;
- \$776,390 in increases in operating expenditures for General Government;

**City of Edgewood, Florida
Management's Discussion and Analysis**

- \$28,000 in increases in personal services for Public Safety;
- \$42,300 in increases in operating expenditures for Public Safety;
- \$242,500 in increases in Capital Outlay for Public Safety; and
- \$18,000 in increases in operating expenditures for Physical Environment;

Capital Asset and Debt Administration

Capital assets. The City of Edgewood, Florida's investment in capital assets as of September 30, 2023, amounted to \$2,383,820 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, and infrastructure. The total increase in the City of Edgewood, Florida's investment in capital assets for the current fiscal year was approximately 2 percent.

**CITY OF EDGEWOOD, FLORIDA'S Capital Assets
(net of depreciation)**

	2023	2022	Change
Land	\$ 284,796	\$ 284,796	0%
Construction in progress	-	22,974	100%
Buildings	190,204	220,200	-14%
Machinery and equipment	418,920	271,310	54%
Infrastructure	1,489,900	1,547,354	-4%
Total	\$ 2,383,820	\$ 2,346,634	2%

Additional information on the City of Edgewood, Florida's capital assets can be found in Note 2 on page 38 of this report.

Financed purchases payable. At the end of the current fiscal year, the City of Edgewood, Florida, had total financed purchases outstanding of \$90,659.

**CITY OF EDGEWOOD, FLORIDA'S Outstanding Debt -
Financed Purchases**

	2023	2022	Change
Financed purchases - City vehicles	\$ 90,659	\$ 135,246	-33%
Total	\$ 90,659	\$ 135,246	

The City's total obligation for financed purchases had a net decrease of \$44,587 during the current fiscal year due to current year debt service payments.

Economic Factors and Next Year's Budgets and Rates

- Road and street and sidewalk maintenance will continue into the next fiscal year

City of Edgewood, Florida Management's Discussion and Analysis

- The Police Department is at full employment with the addition of three new officers and a new Deputy Police Chief. These positions include full-time benefits pursuant to the City's adopted Personnel Policy. Two officers retired in the 2023-24 fiscal year.
- The Police Department is working towards replacing its patrol vehicles to follow a standardized life cycle, which will require new vehicles.
- Many contractor and service rates were increased in FY 2023/24 and more increases are expected in FY 2024/25. The City also expects increased prices for building and vehicle maintenance and insurance (health, property, and workers compensation) to follow national trends.
- The City will continue the process of rezoning properties previously annexed from Orange County. The legal advertising budget that was increased for 2023-24 will stay at the higher estimate for the continuing cost of additional advertising for each corresponding ordinance.

Requests for Information

This financial report is designed to provide a general overview of the City of Edgewood, Florida's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Clerk, City of Edgewood, 405 Bagshaw Way, Edgewood, Florida, 32809.



City of Edgewood, Florida
Basic Financial Statements



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City of Edgewood, Florida
Statement of Net Position

<i>September 30, 2023</i>	Governmental Activities
Assets	
Cash and cash equivalents	\$ 5,496,723
Receivables, net	77,627
Prepaid items	42,541
Due from other governments	395,443
Capital assets	
Non-depreciable	284,796
Depreciable, net	2,099,024
Total assets	8,396,154
Deferred Outflows of Resources	
Deferred outflows related to pensions	465,927
Deferred outflows related to other postemployment benefits	263,381
Total deferred outflows of resources	729,308
Liabilities	
Accounts payable	155,351
Accrued liabilities	44,734
Noncurrent liabilities:	
Due within one year	
Compensated absences	24,085
Financed purchases	32,554
Other postemployment benefits	33,320
Due in more than one year	
Compensated absences	96,342
Financed purchases	58,105
Other postemployment benefits	254,553
Net pension liability	2,196,914
Total liabilities	2,895,958
Deferred Inflows of Resources	
Deferred revenue - business tax receipts	27,185
Deferred inflows related to pensions	433,987
Deferred inflows related to other postemployment benefits	24,180
Total deferred inflows of resources	485,352
Net Position	
Net investment in capital assets	2,293,161
Restricted for	
Public safety	65,033
Road projects	400,224
Stormwater	(4,272)
Unrestricted	2,990,006
Total net position	\$ 5,744,152

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

City of Edgewood, Florida
Statement of Activities

For the year ended September 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government	\$ 643,376	\$ 49,799	\$ 968	\$ -	\$ (592,609)
Public safety	3,231,421	111,818	1,678,697	579	(1,440,327)
Highways and streets	421,204	900	-	171,175	(249,129)
Physical environment	258,164	283,252	-	-	25,088
Interest expense	7,586	-	-	-	(7,586)
Total governmental activities	\$ 4,561,751	\$ 445,769	\$ 1,679,665	\$ 171,754	(2,264,563)

General revenues:

Property taxes, levied for general purposes	2,368,445
Franchise and utility taxes	898,928
State revenue sharing	655,374
Other taxes	116,732
Unrestricted investment earnings	35,771
Miscellaneous	26,473
Total general revenues	4,101,723
Change in net position	1,837,160
Net position, beginning of year	3,906,992
Net position, end of year	\$ 5,744,152

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

City of Edgewood, Florida
Balance Sheet – Governmental Funds

<u>September 30, 2023</u>	General	Roads and Streets	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 5,205,819	\$ 290,904	\$ 5,496,723
Receivables	77,627	-	77,627
Due from other governments	244,743	150,700	395,443
Prepaid items	42,541	-	42,541
Total assets	\$ 5,570,730	\$ 441,604	\$ 6,012,334
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	\$ 122,278	\$ 33,073	\$ 155,351
Accrued liabilities	44,734	-	44,734
Total liabilities	167,012	33,073	200,085
Deferred inflows of resources			
Deferred revenue - business tax receipts	27,185	-	27,185
Unavailable revenues	27,560	8,307	35,867
Total deferred inflows of resources	54,745	8,307	63,052
Fund balances			
Nonspendable			
Prepays	42,541	-	42,541
Restricted for			
Roads and streets	-	400,224	400,224
Public safety	65,033	-	65,033
Stormwater	(4,272)	-	(4,272)
Committed for			
Impact fees	14,215	-	14,215
Assigned for subsequent year's budget	134,831	-	134,831
Unassigned	5,096,625	-	5,096,625
Total fund balances	5,348,973	400,224	5,749,197
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,570,730	\$ 441,604	\$ 6,012,334

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

City of Edgewood, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position

September 30, 2023

Total fund balances - governmental funds		\$ 5,749,197
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$ 6,260,546	
Less accumulated depreciation and amortization	(3,876,726)	2,383,820
Unavailable revenue is recorded as a liability in the fund statements but is recorded as revenue in the governmental activities.		
		35,867
Deferred outflows of resources related to pensions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		465,927
Deferred inflows of resources related to pensions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		(433,987)
Deferred inflows of resources related to OPEB are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		(24,180)
Deferred outflows of resources related to OPEB are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
		263,381
Long-term liabilities, including total OPEB liability, net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	\$ (2,196,914)	
Financed purchases	(90,659)	
Compensated absences	(120,427)	
Other postemployment benefits	(287,873)	(2,695,873)
Net position of governmental activities		\$ 5,744,152

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

City of Edgewood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds

<i>For the year ended September 30, 2023</i>	General	Roads and Streets	Total Governmental Funds
Revenues			
Taxes	\$ 3,267,373	\$ 83,794	\$ 3,351,167
Licenses and permits	45,349	-	45,349
Intergovernmental	2,362,411	187,660	2,550,071
Charges for services	368,334	-	368,334
Fines and forfeitures	33,692	-	33,692
Impact fees	1,547	6,225	7,772
Investment earnings	35,652	119	35,771
Miscellaneous	26,954	-	26,954
Total revenues	6,141,312	277,798	6,419,110
Expenditures			
Current			
General government	597,834	-	597,834
Public safety	2,981,765	-	2,981,765
Highways and streets	-	306,430	306,430
Physical environment	249,348	-	249,348
Capital outlay	230,807	59,525	290,332
Debt service			
Principal	44,587	-	44,587
Interest	7,586	-	7,586
Total expenditures	4,111,927	365,955	4,477,882
Excess (deficiency) of revenues over (under) expenditures	2,029,385	(88,157)	1,941,228
Other Financing Sources (Uses)			
Transfers in	-	308,659	308,659
Transfers out	(308,659)	-	(308,659)
Net other financing sources (uses)	(308,659)	308,659	-
Net change in fund balances	1,720,726	220,502	1,941,228
Fund balances, beginning of year	3,628,247	179,722	3,807,969
Fund balances, end of year	\$ 5,348,973	\$ 400,224	\$ 5,749,197

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

City of Edgewood, Florida

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

<i>For the year ended September 30,</i>	<i>2023</i>
Net change in fund balances - total governmental funds	\$ 1,941,228
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed deprecation in the current period.	38,011
In the statement of activities, only the gain (loss) on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.	(825)
Some revenues will not be collected within 60 days after the close of the City's fiscal year end, therefore they are not considered available revenue in the governmental funds. In the Statement of Activities, presented on accrual basis, these revenues are recognized.	(20,133)
Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	44,587
Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year.	17,262
Other postemployment benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.	1,580
Cash pensions contributions reported in the funds were greater than the calculated pension expense on the statement of activities and therefore increase net position.	(184,550)
Change in net position of governmental activities	\$ 1,837,160

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

City of Edgewood, Florida Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Edgewood, Florida, ("the City") is a political subdivision of the State of Florida, located in Orange County. The City was incorporated as a municipality in 1924 pursuant to Chapter 69-1039 of the Laws of Florida. The City operates under the council-mayor form of government according to its charter. The current City Code authorizes the following services: public safety, street, public improvements, planning and zoning, and general administrative services. Public utilities, education, health, and welfare are administered by other governmental entities.

Reporting Entity

The City is a municipal corporation governed by an elected mayor and a five-member governing council (the "Council"). There are no entities considered to be component units of the City; therefore, the financial statements include only the operations of the City. The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applied to governmental units. The more significant accounting policies used by the City are described below.

In evaluating the City as a reporting entity, management has considered all potential component units in accordance with Section 2100: *Defining the Financial Reporting Entity* of the Governmental Accounting Standards Board (GASB) Codification. The City does not exercise control over other government agencies or authorities.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The City only has governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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 revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). 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 (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The fund financial statements provide information about the City's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Roads and Streets Fund* is used to account for the City's share of local option gas tax, 9th cent gas tax and state revenue sharing fuel tax and the expenditures made for the maintenance and improvement of the City's roads.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Budgetary Information

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Roads and Streets Fund. The appropriated budget is prepared by fund, function, and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and amounts deposited with the State of Florida Board of Administration Local Government Surplus Trust Fund (Florida PRIME), which is a local government investment pool.

This investment pool meets all of the specified criteria in GASB Codification Section 150: *Investments* to qualify to elect to measure its investment at amortized cost. Accordingly, the fair value of the City's position in the pool is equal to the value of the pooled shares.

Receivables and Due from Other Governments

Receivables and due from other governments represent amounts due for services provided to citizens and claims against another government which are measureable and have been accrued. Property taxes are considered fully collected (96% of the levy) during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2023. Management has determined these amounts are collectible and no allowance for doubtful accounts is necessary.

Interfund Activities and Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements. These amounts are eliminated in the governmental activities columns of the statement of net position.

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years.

As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Capital asset classes	Lives (Years)
Buildings	39
Building improvements	15
Machinery and equipment	5 - 10
Furniture and fixtures	7 - 10
Infrastructure	20 - 30
Software	3

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two (2) items that qualify for reporting as deferred outflows of resources.

- The *deferred outflows related to pensions*, reported in the government-wide statements of net position. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources

- The *deferred outflows related to other postemployment benefits* (OPEB), reported in the government-wide statements of net position. The deferred outflows related to OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Codification Section P52: *Postemployment Benefits Other Than Pensions – Reporting Benefits Not Provided through Trusts That Meet Specified Criteria*. The deferred outflows related to OPEB will be recognized as either OPEB expense or a reduction in the net OPEB liability in future reporting years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three (3) items that qualify for reporting as deferred inflows of resources.

- The *deferred inflows related to pensions* are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years.
- The *deferred inflows related to other postemployment benefits* (OPEB) are an aggregate of items related to OPEB as calculated in accordance with GASB Codification Section P52: *Postemployment Benefits Other Than Pensions – Reporting Benefits Not Provided through Trusts That Meet Specified Criteria*.
- The *deferred revenue*, which arises when cash is received that relates to a future period. The governmental funds report deferred revenues from one source: business tax receipts. This amount is deferred and recognized as an inflow of resources in the period that the amounts become earned.

Compensated Absences

The City's policy permits employees to accumulate earned but unused vacation benefits and "comp" leave. Upon successful completion of the new hire probationary period, employees in authorized, budgeted part-time or full-time positions are eligible for payment of accumulated leave balances upon separation from City employment in good standing (layoff, resignation with proper notice, retirement). The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In accordance with GASB Codification Section L20: *Leases*, contracts that meet the criteria to be reported as financed purchases are recorded as long-term debt and the leased assets are capitalized and depreciated.

In the fund financial statements, governmental fund types recognize payments on financed purchases as debt service expenditures during the current period. The present value of a financed purchase is reported as other financing sources in the period acquired.

Pensions

The City participates in cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State Board of Administration, the Florida Retirement System. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, the City uses the alternative measurement method as provided for in GASB Codification Section P52: *Postemployment Benefits Other Than Pensions – Report for Benefits Not Provided Through Trusts That Meet Specified Criteria*. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan.

Categories and Classification of Fund Equity

Net position flow assumption – Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Categories and Classification of Fund Equity (Continued)

Fund balance flow assumptions – Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Categories and Classification of Fund Equity (Continued)

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Revenues and Expenditures/Expenses

Program revenues – Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes – The City is permitted by State law to levy taxes up to 10 mills on assessed valuation. During a Special Session in June 2007, the Florida Legislature adopted HB1B, which limits property tax rates beginning in the 2008 fiscal year. This legislation established reductions in the millage rate based on a calculated growth in per capita taxes between the 2002 and 2007 fiscal years. The Legislature did authorize local governments to use the rolled back millage rate if approved by a super majority vote of the governing body. Property taxes attach as an enforceable lien on real property and are levied as of November 1st. The billings are considered past due as of April 1st following the levy date, at which time the applicable property is subject to lien, and penalties and interest are assessed. The City’s levy for the fiscal year ended September 30, 2023 was 5.25 mills.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to pension and other postemployment liabilities.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, May 14, 2024, and determined there were no events that occurred that required disclosure.

Recently Issued and Implemented Accounting Pronouncements

The City implemented the following standard during the current year:

In May 2020, the GASB issued GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. There were no impacts from the implementation of this Statement.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 100, Accounting Changes and Error Corrections, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, Compensated Absences, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The City is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

As of September 30, 2023, \$250,000 of the City's bank balances is covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City has not adopted a separate investment policy and follows Section 218.45, Florida Statutes, which allows the City to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

At the close of the fiscal year, the City held investments in the Local Government Surplus Funds Trust Fund ("Florida PRIME") external investment pool. The Florida PRIME is administered by the Florida State Board of Administration (SBA), who provides regulatory oversight. On September 30, 2023, the City had \$44,524 invested in Florida PRIME, which is included as a cash equivalent. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

Note 2: DETAILED NOTES ON ALL FUNDS (continued)

Deposits and Investments (continued)

Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's access to 100 percent of their account value in either external investment pool.

At September 30, 2023, the SBA (Florida PRIME) had a weighted average to maturity (WAM) of 35 days and had a quality rating of AAAM from Standard & Poors (S&P).

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the City places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The City's investment policy does not address interest rate risk.

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

Foreign currency risk – The City's investments are not exposed to foreign currency risk.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments.

City of Edgewood, Florida
Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (continued)

Receivables and Due from Other Governments

Receivables and amounts due from other governments at September 30, 2023 consist of the following:

	General Fund	Roads and Streets Fund	Total
Receivables:			
Franchise fees and utility taxes	\$ 66,072	\$ -	\$ 66,072
Other receivables	11,555	-	11,555
Total receivables	\$ 77,627	\$ -	\$ 77,627
Due from other governments:			
Taxes	\$ 244,560	\$ 150,700	\$ 395,260
Police education	183	-	183
Total due from other governments	\$ 244,743	\$ 150,700	\$ 395,443

Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2023:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 284,796	\$ -	\$ -	\$ -	\$ 284,796
Construction in progress	22,974	-	-	(22,974)	-
Capital assets, not being depreciated	307,770	-	-	(22,974)	284,796
Capital assets, being depreciated					
Buildings	626,564	-	-	-	626,564
Machinery and equipment	1,214,893	236,304	(43,219)	22,974	1,430,952
Infrastructure	3,864,206	54,028	-	-	3,918,234
Capital assets, being depreciated	5,705,663	290,332	(43,219)	22,974	5,975,750
Less accumulated depreciation for					
Buildings	(406,364)	(29,996)	-	-	(436,360)
Machinery and equipment	(943,583)	(110,843)	42,394	-	(1,012,032)
Infrastructure	(2,316,852)	(111,482)	-	-	(2,428,334)
Total accumulated depreciation	(3,666,799)	(252,321)	42,394	-	(3,876,726)
Total capital assets being depreciated, net	2,038,864	38,011	(825)	22,974	2,099,024
Governmental activities capital assets, net	\$ 2,346,634	\$ 38,011	\$ (825)	\$ -	\$ 2,383,820

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

Governmental activities	
General government	\$ 34,502
Public safety	102,474
Highways and streets	105,271
Physical environment	10,074
<u>Total depreciation expense - governmental activities</u>	<u>\$ 252,321</u>

Long-Term Debt and Liabilities

Financed Purchases

The City has entered into master lease/purchase agreement with a financial institution to acquire various vehicles.

In 2018, the City acquired a vehicle with a contract principle amount of \$31,750 accruing interest at a 6.90% per annum. The agreement requires annual payments of \$7,270 beginning on January 10, 2019 for five (5) payments ending on January 10, 2023.

In 2018, the City acquired a vehicle with a contract principle amount of \$30,285 accruing interest at a 6.50% per annum. The agreement requires annual payments of \$6,934 beginning on January 10, 2019 for five (5) payments ending on January 10, 2023.

In 2020, the City acquired a vehicle with a contract principle amount of \$42,156 accruing interest at a 7.39% per annum. The agreement requires annual payments of \$9,730 beginning on March 10, 2020 for five (5) payments ending on March 10, 2024.

In 2021, the City acquired a vehicle with a contract principle amount of \$48,850 accruing interest at a 6.85% per annum. The agreement requires annual payments of \$11,169 beginning on October 10, 2021 for five (5) payments ending on October 10, 2025.

In 2021, the City acquired a second vehicle with a contract principle amount of \$48,850 accruing interest at a 6.85% per annum. The agreement requires annual payments of \$11,169 beginning on October 10, 2021 for five (5) payments ending on October 10, 2025.

In 2022, the City acquired a vehicle with a contract principle amount of \$22,974 accruing interest at a 8.93% per annum. The agreement requires annual payments of \$5,487 beginning on October 10, 2022 for five (5) payments ending on October 10, 2026.

City of Edgewood, Florida
Notes to Financial Statements

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

The following is a schedule of minimum future lease payments from lease agreements as of September 30:

<i>For the year ending September 30,</i>	Financed Purchase	Interest Expense	Total
2024	\$ 32,554	\$ 5,000	\$ 37,554
2025	24,925	2,899	27,824
2026	26,799	1,025	27,824
2027	6,381	469	6,850
Total	\$ 90,659	\$ 9,393	\$ 100,052

Changes In Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2023, was as follows for governmental activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Financed purchases	\$ 135,246	\$ -	\$ (44,587)	\$ 90,659	\$ 32,554
Compensated absences	137,689	29,815	(47,077)	120,427	24,085
Governmental activity long-term liabilities	<u>\$ 272,935</u>	<u>\$ 29,815</u>	<u>\$ (91,664)</u>	<u>\$ 211,086</u>	<u>\$ 56,639</u>

Financed purchases and compensated absences will be liquidated in future periods primarily by the General Fund for governmental activities.

Interfund Receivables, Payables And Transfers

	Transfers in: Roads and Streets	Total
Transfers out: General Fund	<u>\$ 308,659</u>	<u>\$ 308,659</u>
Total	<u>\$ 308,659</u>	<u>\$ 308,659</u>

The transfer from the General Fund to the Roads and Streets Fund provides additional funding for budgeted capital improvements.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Net Investment In Capital Assets

The elements of this calculation are as follows:

<i>September 30, 2023</i>	Governmental Activities
Capital assets (net)	\$ 2,383,820
Outstanding debt related to capital assets	(90,659)
Net investment in capital assets	\$ 2,293,161

Note 3: DEFINED BENEFIT PENSION PLANS

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

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

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

Benefits Provided

Benefits under the FRS Pension 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.

City of Edgewood, Florida
Notes to Financial Statements

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight 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 plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.5. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan.

The employer's contribution rates as of September 30, 2023, were as follows:

<i>Year Ending September 30:</i>	FRS	HIS
Regular class	11.57%	2.00%
Special risk class	30.67%	2.00%
Senior management service class	32.52%	2.00%
Elected officials	56.68%	2.00%
DROP from FRS	19.19%	2.00%

The employer's contributions for the year ended September 30, 2023, were \$269,173 to the FRS Pension Plan and \$20,640 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2023, the City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2023. The City's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

<i>September 30, 2023</i>	FRS		HIS	
Net Pension Liability	\$	1,737,339	\$	459,575
Proportion at:				
Current measurement date		0.0044%		0.0029%
Prior measurement date		0.0052%		0.0033%
Pension expense	\$	267,837	\$	162,473

City of Edgewood, Florida
Notes to Financial Statements

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
<i>September 30, 2023</i>				
Differences between expected and actual experience	\$ 163,121	\$ -	\$ 6,728	\$ (1,079)
Change of assumptions	113,254	-	12,082	(39,824)
Net difference between projected and actual earnings on pension plan investments	72,556	-	237	-
Changes in proportion and differences between City pension plan contributions and proportionate share of contributions	27,451	(339,739)	1,791	(53,345)
City pension plan contribution subsequent to the measurement date	62,965	-	5,742	-
Total	\$ 439,347	\$ (339,739)	\$ 26,580	\$ (94,248)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2023. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<i>Year Ending September 30:</i>	FRS	HIS
2024	\$ 4,994	\$ (12,827)
2025	(1,979)	(7,777)
2026	29,966	(12,939)
2027	2,847	(25,379)
2028	815	(13,444)
Thereafter	-	(1,044)
Total	\$ 36,643	\$ (73,410)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2023. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2023. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2022, rolled forward to June 30, 2023.

City of Edgewood, Florida
Notes to Financial Statements

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions (continued)

The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

<u>Year Ending September 30:</u>	FRS	HIS
Inflation	2.40%	2.40%
Salary increases, including inflation	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.65%

Mortality assumptions for both plans were based on the PUB-2010 base tables projected generationally with Scale MP-2018. For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2023:

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.54% to 3.65%.

HIS: Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from \$5 times years of service to \$7.50, with an increased minimum of \$45 and maximum of \$225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1.0%	2.9%	2.9%
Fixed income	19.8%	4.5%	4.4%
Global equity	54.0%	8.7%	7.1%
Real estate	10.3%	7.6%	6.6%
Private equity	11.1%	11.9%	8.8%
Strategic investments	3.8%	6.3%	6.1%
Total	100%		

Note 3: DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	Current Discount Rate			Current Discount Rate		
	1% Decrease	Rate	1% Increase	1% Decrease	Rate	1% Increase
<i>September 30, 2023</i>	5.70%	6.70%	7.70%	2.65%	3.65%	4.65%
City's proportionate share of the net pension liability	\$ 2,967,729	\$ 1,737,339	\$ 707,971	\$ 524,303	\$ 459,575	\$ 405,919

Pension Plans' Fiduciary Net Position

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

Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The City of Edgewood, Florida administers a single-employer defined benefit healthcare plan (the "Plan") that provides medical insurance to its employees and their eligible dependents. Pursuant to Section 112.0801, Florida Statutes, the City is required to provide eligible retirees (as defined in the City's pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active employees. The City does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the City's basic financial statements.

City of Edgewood, Florida
Notes to Financial Statements

Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Funding Policy

The City is funding the postemployment benefits on a pay-as-you-go basis. Contribution rates for the Plan are established by City Council annually during the budget process. The City does not pay for health insurance premiums for retirees. Blended premium rates for active and retired employees combined provide an implicit subsidy for retirees because on an actual basis, their current and future claims are expected to result in higher costs to the Plan than those of active employees. The current year contributions are determined as annualized claims incurred based on the retiree age at the beginning of the fiscal year and the claims table used for liability determination offset by the annual premium paid by the retiree for such coverage. City contributions are assumed to be equal to benefits paid.

Plan Membership

At September 30, 2023, OPEB membership consisted of the following:

	Employees
Inactive members	-
Active members	17
Total	17

Assumptions and Other Inputs

The City's net OPEB liability (asset) is calculated using the Alternative Measurement Method permitted by GASB Statement 75 for employers in plans with fewer than one hundred total plan members.

The Alternative Measurement Method involves estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that the determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

In the September 30, 2023 measurement data, the assumptions and other inputs, applied include the following:

Inflation	2.83 %
Discount rate	4.89 % investment rate of return
Health care cost trend rates	7.70 % decreasing to 5.10 % after 2030
Retirees' share of benefit-related costs	100 % of projected health insurance premiums

City of Edgewood, Florida
Notes to Financial Statements

Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs (continued)

The discount rate was selected based on a 20-year tax-exempt high-quality general obligation municipal bond yield of index. The S&P Municipal Bond 20 Year High Grade Index at September 30, 2023 was 4.89%.

Mortality rates were based on the RP-2014 Mortality Tables for annuitants for small plans for Males and Females as appropriate with both rates, with adjustments for mortality improvements based on Scale MP, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.

The actuarial assumptions used in the September 30, 2023 valuation were not based on the results of an actuarial experience study.

At September 30, 2023, the City reported a total OPEB liability of \$287,873. The information has been provided as of the September 30, 2023 measurement date.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Balance as of September 20, 2022	\$ 35,691	\$ -	\$ 35,691
Changes for the year			
Service cost	1,916	-	1,916
Interest	1,792	-	1,792
Changes of assumptions	248,474	-	248,474
Net changes	252,182	-	252,182
Balance as of September 30, 2023	\$ 287,873	\$ -	\$ 287,873

The following table represents the City's total OPEB liability calculated using the discount rate of 4.89%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (3.89%)	Current Discount Rate (4.89%)	1% Increase (5.89%)
Total OPEB Liability	\$ 313,560	\$ 287,873	\$ 266,266

The following table represents the City's total OPEB liability calculated using the health care cost trend rate of 7.70%, as well as what the City's total OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

City of Edgewood, Florida
Notes to Financial Statements

Note 4: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs (continued)

	1% Decrease (6.70%)	Ultimate Trend (7.70%)	1% Increase (8.70%)
Total OPEB Liability	\$ 272,837	\$ 287,873	\$ 304,385

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2023, the City recognized an increase to OPEB expense of \$252,182. In addition, the City reported deferred inflows of resources relate to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ (263,381)	\$ 24,180
Total	\$ (263,381)	\$ 24,180

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Year ending September 30,

2024	\$ (21,350)
2025	(21,350)
2026	(21,350)
2027	(21,350)
2028	(21,350)
Thereafter	(132,451)
Total	\$ (239,201)

Note 5: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered through participation in a local government non-assessable self-insurance pool – Florida Municipal Insurance Trust. There have been no significant reductions in insurance coverage from the prior year. No settlements have exceeded the City’s insurance coverage for each of the past three fiscal years.

Note 6: COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the City is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the City, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the City or results of activities.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts not recorded, if any, to be immaterial.

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

City of Edgewood, Florida
Budgetary Comparison Schedule – General Fund

<i>For the year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	3,015,294	3,055,294	3,267,373	\$ 212,079
Licenses and permits	40,650	60,650	45,349	(15,301)
Intergovernmental	505,896	1,552,786	2,362,411	809,625
Charges for services	332,913	360,913	368,334	7,421
Fines and forfeitures	46,300	46,300	33,692	(12,608)
Impact fees	650	650	1,547	897
Investment earnings	4,120	4,120	35,652	31,532
Miscellaneous revenue	11,200	11,200	26,954	15,754
Total revenues	3,957,023	5,091,913	6,141,312	1,049,399
Expenditures				
General government				
Personal services	188,156	202,156	203,241	(1,085)
Operating expenditures	418,075	1,194,465	394,593	799,872
Capital outlay	10,000	18,000	6,388	11,612
Public safety				
Law enforcement:				
Personal services	1,812,463	1,840,463	1,771,123	69,340
Operating expenditures	242,918	283,218	261,820	21,398
Capital outlay	5,500	248,000	224,419	23,581
Debt service				
Principal	40,500	44,600	44,587	13
Interest	6,000	7,600	7,586	14
Fire protection:				
Operating expenditures	973,557	975,557	948,822	26,735
Physical environment				
Operating expenditures	232,475	250,475	249,348	1,127
Total expenditures	3,929,644	5,064,534	4,111,927	952,607

-Continued-

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Edgewood, Florida
Budgetary Comparison Schedule – General Fund (Continued)

<i>For the year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess of revenues over expenditures	27,379	27,379	2,029,385	2,002,006
Other Financing Sources				
Transfers out	(308,659)	(308,659)	(308,659)	-
Total other financing sources	(308,659)	(308,659)	(308,659)	-
Net change in fund balance	(281,280)	(281,280)	1,720,726	2,002,006
Fund balance, beginning of the year	3,628,247	3,628,247	3,628,247	-
Fund balance, end of year	\$ 3,346,967	\$ 3,346,967	\$ 5,348,973	\$ 2,002,006

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Edgewood, Florida
Budgetary Comparison Schedule – Road and Streets Fund

<i>For the year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 89,709	\$ 89,709	\$ 83,794	\$ (5,915)
Intergovernmental	28,430	28,430	31,017	2,587
Investment earnings	5	5	119	114
Impact fees	-	-	6,225	6,225
Hurricane relief - Intergovernmental	-	132,461	156,643	24,182
Miscellaneous	17,479	17,479	-	(17,479)
Total revenues	135,623	268,084	277,798	9,714
Expenditures				
Highways and streets	351,921	484,381	306,430	177,951
Capital outlay	-	-	59,525	(59,525)
Total expenditures	351,921	484,381	365,955	118,426
Excess (Deficiency) of Revenues Over (Under) Expenditures	(216,298)	(216,297)	(88,157)	128,140
Other Financing Sources				
Transfers in	308,659	308,659	308,659	-
Total other financing sources	308,659	308,659	308,659	-
Net change in fund balance	92,361	92,362	220,502	128,140
Fund balance, beginning of year	179,722	179,722	179,722	-
Fund balance, end of year	\$ 272,083	\$ 272,084	\$ 400,224	\$ 128,140

Note that this schedule is prepared on a budgetary basis, but it is not different from Generally Accepted Accounting Principles (GAAP) in presentation.

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Edgewood, Florida
Budgetary Notes to Required Supplementary Information

Note 1: BUDGETARY INFORMATION

The City Council annually adopts a budget for the General Fund and the Roads and Streets Fund. All appropriations are legally controlled at the fund level. The City Council employs the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to September 30, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Complete copies of the proposed budget are made available for public inspection. Budget workshops are held and public hearings are conducted to obtain citizens' comments.
- c) Prior to October 1, the budget is legally enacted through passage of an ordinance and becomes the basis for the millage levied by the Council.
- d) Any transfers of budgeted amounts between departments within any fund, and any revisions that alter the total expenditures of any fund must be approved by the Council.
- e) Formal budgetary integration is employed as a management control device during the year for the General Fund and any special revenue funds that have a legally adopted budget.
- f) The budgets are integrated into the accounting system and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the budget. All budgets are presented on the modified accrual basis of accounting (GAAP) except as noted on the budgetary comparison schedules.
- g) Unexpended appropriations on annual budgets lapse at the end of the fiscal year.
- h) The budgetary comparison schedule shown in the accompanying required supplementary information presents comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget.

City of Edgewood, Florida
Schedule of Proportionate Share of Net Pension Liability

	Florida Retirement System (FRS)			
	2023	2022	2021	2020
City's proportion of the net pension liability	0.0044%	0.0052%	0.0054%	0.0061%
City's proportionate share of the net pension liability	\$ 1,737,339	\$ 1,920,280	\$ 407,697	\$ 2,656,804
City's covered payroll	\$ 1,282,785	\$ 1,267,221	\$ 1,205,151	\$ 1,174,032
City's proportionate share of the net pension liability as a percentage of its covered payroll	135.43%	151.53%	33.83%	226.30%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%
	Health Insurance Subsidy (HIS)			
	2023	2022	2021	2020
City's proportion of the net pension liability	0.0029%	0.0033%	0.0035%	0.0034%
City's proportionate share of the net pension liability	\$ 459,575	\$ 346,110	\$ 424,193	\$ 421,143
City's covered payroll	\$ 1,282,785	\$ 1,267,221	\$ 1,205,151	\$ 1,174,032
City's proportionate share of the net pension liability as a percentage of its covered payroll	35.83%	27.31%	35.20%	35.87%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 3 of the Plan's financial statements.

Note 3: Amounts presented were determined as of June 30.

2019	2018	2017	2016	2015	2014
0.0059%	0.0057%	0.0062%	0.0062%	0.0052%	0.0051%
\$ 2,033,346	\$ 1,717,322	\$ 1,830,978	\$ 1,553,082	\$ 674,518	\$ 311,722
\$ 1,157,916	\$ 1,161,110	\$ 1,117,456	\$ 1,091,698	\$ 1,037,212	\$ 976,023
175.60%	147.90%	163.85%	142.26%	65.03%	31.94%
82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

2019	2018	2017	2016	2015	2014
0.0034%	0.0034%	0.0036%	0.0035%	0.0033%	0.0033%
\$ 385,721	\$ 361,699	\$ 383,028	\$ 407,902	\$ 331,504	\$ 305,134
\$ 1,157,916	\$ 1,161,110	\$ 1,117,456	\$ 1,091,698	\$ 1,037,212	\$ 976,023
33.31%	31.15%	34.28%	37.36%	31.96%	31.26%
2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

City of Edgewood, Florida
Schedule of Pension Contributions

Florida Retirement System (FRS)				
	2023	2022	2021	2020
Contractually required contribution	\$ 209,749	\$ 220,226	\$ 205,610	\$ 203,671
Contributions in relation to the contractually required contribution	(209,749)	(220,226)	(205,610)	(203,671)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 1,275,629	\$ 1,235,883	\$ 1,236,560	\$ 1,179,404
Contributions as a percentage of covered payroll	16.44%	17.82%	16.63%	17.27%
Health Insurance Subsidy (HIS)				
	2023	2022	2021	2020
Contractually required contribution	\$ 19,036	\$ 19,773	\$ 20,327	\$ 19,876
Contributions in relation to the contractually required contribution	(19,036)	(19,773)	(20,327)	(19,876)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 1,275,629	\$ 1,235,883	\$ 1,236,560	\$ 1,179,404
Contributions as a percentage of covered payroll	1.49%	1.60%	1.64%	1.69%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.

2019	2018	2017	2016	2015	2014
\$ 214,024	\$ 194,227	\$ 172,477	\$ 165,261	\$ 148,284	\$ 131,513
(214,024)	(194,227)	(172,477)	(165,261)	(148,284)	(131,513)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,157,916	\$ 1,161,110	\$ 1,117,456	\$ 1,091,698	\$ 1,037,212	\$ 976,023
18.48%	16.73%	15.43%	15.14%	14.30%	13.47%

2019	2018	2017	2016	2015	2014
\$ 19,202	\$ 18,998	\$ 18,621	\$ 18,040	\$ 14,133	\$ 12,906
(19,202)	(18,998)	(18,621)	(18,040)	(14,133)	(12,906)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,157,916	\$ 1,161,110	\$ 1,117,456	\$ 1,091,698	\$ 1,037,212	\$ 976,023
1.66%	1.64%	1.67%	1.65%	1.36%	1.32%

City of Edgewood, Florida
Schedule of Changes in Total Other Postemployment Benefits Liability
and Related Ratios

<i>Fiscal year ending September 30,</i>	2023	2022	2021	2020
Total OPEB liability				
Service cost	\$ 1,916	\$ 1,916	\$ 2,774	\$ 2,419
Interest	1,792	2,532	1,355	26
Changes of assumptions	248,474	(20,878)	(5,482)	51,029
Net changes in total OPEB liability	252,182	(16,430)	(1,353)	53,474
Total OPEB liability - beginning	35,691	52,121	53,474	-
Total OPEB liability - ending	\$ 287,873	\$ 35,691	\$ 52,121	\$ 53,474
Covered-employee payroll for the measurement period	\$ 1,235,883	\$ 1,235,883	\$ 1,236,560	\$ 1,179,404
Total OPEB liability as a percentage of covered-employee payroll	23.29%	2.89%	4.21%	4.53%

Notes to the schedule:

The City began recording an OPEB liability in 2020. As a result, this information is only available for four fiscal years.



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**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**

To the Honorable Mayor and City Council,
City of Edgewood, 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 and each major fund of the City of Edgewood, Florida as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Edgewood, Florida’s basic financial statements, and have issued our report thereon dated May 14, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Edgewood, Florida’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Edgewood, Florida’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Edgewood, 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 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 were not identified. We identified a certain deficiency in internal control, 2023-001, described below, which we consider to be a material weakness.

2023-001 REVENUE RECORDED IN ERROR

Criteria: Generally accepted accounting principles require that receivables be recorded for any valid claims for transactions arising on or before the financial statement date. Further, GASB Codification (GASBC) 1600, *Basis of Accounting* requires governmental funds to use the modified accrual basis of accounting when recognizing revenue.

Condition: The City over accrued revenue related to FEMA reimbursements due to duplications in the spreadsheet used to record the entry and the review process did not detect it.

Cause: A spreadsheet used to record the amounts contained incorrect information and thus more revenue than what was obligated was recorded in the general ledger.

Effect: Revenue was overstated by \$220,669.

Recommendation: The preparer and reviewer should compare the spreadsheet to the amount obligated per FEMA's website.

Management's Response: *The FEMA funding process will be documented in the City's "Help Desk" document. In addition, employees will be cross trained so that the process will be clear when future storm events take place. This will ensure that information is understood and that errors will be avoided in the future.*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Edgewood, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Edgewood, Florida's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City of Edgewood, Florida's response to the findings identified in our audit as stated above. City of Edgewood, Florida's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 result 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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

May 14, 2024



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mayor and City Council,
City of Edgewood, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Edgewood, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated May 14, 2024.

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 on 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 requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 14, 2024 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. Corrective action has not been taken to address the finding and recommendation made in the preceding financial audit report. Finding 2022-001 has been repeated on the next page, as 2023-002.

Official Title and Legal Authority

Section 10.554(l)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the City of Edgewood, Florida is disclosed in the footnotes. The City has no component units.

Financial Condition and Management

Section 10.554(l)(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 the City of Edgewood, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City of Edgewood, Florida did not meet any of the 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 the City of Edgewood, Florida. It is management's responsibility to monitor the City of Edgewood, 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.

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 have the following recommendation:

2023-002 ACCRUAL OF RECEIVABLES

Criteria: Generally accepted accounting principles require that receivables be recorded for any valid claims for transactions arising on or before the financial statement date. Further, GASB Codification (GASBC) 1600, *Basis of Accounting* requires governmental funds to use the modified accrual basis of accounting when recognizing revenue.

Condition: The City did not accrue for amounts due to the City from FCC Environmental Services (FCCES) as of September 30, 2023. As the receivable from FCC Environmental Services was not collected within the period of availability, the estimated revenue was recorded as unavailable revenue.

Cause: Per the contract with FCCES, amounts due to the City are to be remitted on a quarterly basis. While FCCES did remit the quarterly payment for the 1st quarter of the fiscal year, the remaining three (3) quarters were delayed. The City did not timely identify the missing remittances.

Effect: Revenue of approximately \$27,560 was not accrued.

Recommendation: The City should ensure that budgetary comparison reports provided to management be reviewed in detail sufficient to identify routine (expected) receipts that may not have been collected as expected in order to follow-up on potential missing receivables on a more timely basis.

Management's Response: *The City will work with its consultants to develop detailed budgetary comparison reports sufficient to identify receipts/revenues potentially not collected in a timely manner and will follow-up with any accounts in question.*

Additional Matters

Section 10.554(l)(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 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, applicable management and the City of Edgewood, Florida's City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

May 14, 2024



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

To the Honorable Mayor and City Council,
City of Edgewood, Florida

We have examined City of Edgewood, Florida's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management of the City of Edgewood, Florida is responsible for the City of Edgewood, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on City of Edgewood, Florida's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City of Edgewood, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City of Edgewood, 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 obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the City of Edgewood, Florida complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
May 14, 2024

CONSENT AGENDA



DRAFT MINUTES

A. CALL TO ORDER, INVOCATION, & PLEDGE OF ALLEGIANCE

B. ROLL CALL & DETERMINATION OF QUORUM

Council President Horn called the meeting to order at 6:30 pm.

Elected Officials in Attendance

John Dowless, Mayor
Richard A. Horn, Council President
Chris Rader, Council President Pro-Tem
Susan Lomas, Councilmember
Beth Steele, Councilmember

Staff in Attendance

Sandra Riffle, City Clerk,
Dean DeSchryver, Police Chief
Miguel Garcia, Deputy Chief
Shannon Patterson, PD Chief of Staff
Stacey Salemi, Code Enforcement Officer
Mike Fraticelli, Sergeant
Tim Cardinal, Sergeant
Ellen Hardgrove, City Planner
Allen Lane, City Engineer
Drew Smith, City Attorney

Applicant/Other Attendees

Charlie Crawford, Toll Brothers
Stuart McDonald, Toll Brothers
Mark McIntosh, Toll Brothers
George Smith, 302 Mandalay Road

C. ORGANIZATIONAL MEETING

1. Administer Oath of Office to newly elected City Councilmember

Mayor Dowless administered the Oath of Office to incoming Councilmember Beth Steele. Councilmember Steele took her seat at the dais.

2. Election of Council President and Pro-Tem

(This business was heard after Citizen Comments)

Councilmember Rader nominated Councilmember Horn for Council President, seconded by Councilmember Lomas. The motion was approved by voice vote (4/0).

Councilmember Lomas nominated Councilmember Rader as Council President Pro-Tem, seconded by Councilmember Steele. The motion was approved by voice vote (4/0).

3. Councilmember Responsibility Designations

Councilmember assignments were designated as follows:

Finance	Council President Horn (temporarily)
Code Compliance	Council President Horn
HAINC Liaison	Councilmember Steele
Cypress Grove Liaison	Councilmember Steele
Land Development/Master Plan	Councilmember Rader
Public Works	Councilmember Lomas
Staff Police Department City Hall Contract Staff	Mayor John Dowless

D. CONSENT AGENDA

- February 20, 2024 City Council Draft Meeting Minutes
Council President Horn noted that "Mark McIntosh" should be changed to "Stuart McDonald."
- March 5, 2024 Special Council Draft Meeting Minutes

Councilmember Lomas made a motion to approve the Consent Agenda as amended, seconded by Councilmember Rader. The motion was approved by voice vote (4/0).

E. PRESENTATION OF PROCLAMATION

- Mayoral Proclamation - Edgewood's 100th Birthday**

Mayor Dowless noted that a Proclamation was issued for Edgewood's 100th birthday and read during the Music Fest on April 23, 2024.

F. ORDINANCES (FIRST READING)

- Ordinance 2024-02 Small Scale Amendment - 302 Mandalay Road**

Attorney Smith read Ordinance 2024-02 in title only. He clarified to the Council and those in attendance that this discussion and vote are regarding the comprehensive plan and not for rezoning.

Planner Hardgrove said the applicant requests to change the future land use map from low-density residential to commercial. The property is located at the southeast corner of Hansel Avenue and Mandalay Road.

Planning and Zoning's recommendation was for denial. Staff's recommendation to Planning and Zoning was for approval. The public expressed significant opposition, with the primary issue being the potential of increased traffic on Mandalay Road. The other concern was the geometry of the Mandalay/Hansel intersection coupled with existing utility poles and land use compatibility. Based on the public input, Staff's recommendation is to implement the City's new Site-Specific Plan (SSP).

Planner Hardgrove explained that a commercial building, located across the street on Mandalay Road, is in the process of approval. She said that the SSP specifically ensures land use compatibility; it controls design with policies specifically for that parcel. The applicant must meet with the community before it goes to P&Z and Council.

In response to Attorney Smith, Planner Hardgrove confirmed that when an SSP comes to the council, it will be closer to a site plan level of detail. An SSP offers control of how the property is used.

The applicant, George Smith, came to the podium. He said the lot is inappropriate for residential use and that the City would gain more tax revenue if the parcel were considered commercial. He is aware of the safety concerns on Hansel Avenue.

Councilmember Rader said that staff recommends a change. This residential lot is more consistent with commercial properties than residential ones due to its access. The process of the SSP allows all things to be considered.

Public Comment:

Dan Drummond, an Edgewood resident, said it is not safe for Mandalay Road to support additional traffic. A medical facility will have in-and-out parking. The parcel is too small for stormwater and adequate parking on site. People will park on the street, which is already too small. It is a hazard to get onto Orange Ave, and cars on the street will make it worse.

He said a commercial property would not maintain the residential character of Edgewood. It would also cause more flooding. The commercial building will be built on the other side of the street. He is concerned about how site plans can be modified once the comprehensive plan is changed.

Attorney Smith responded that an SSP cannot be changed; it goes into the comprehensive plan.

Fulvio Romano, an Edgewood business owner, said Orange Avenue is too busy for a residence. The lot has fences to the south and west, keeping it separated.

Mark Crain, an Edgewood resident, said more traffic on Mandalay would be dangerous. The neighborhood is opposed to more traffic, lighting and dumpsters involved.

Sandy McMillan, an Edgewood resident, said she is concerned about privacy, traffic, lighting and noise. She said she has been hit twice coming in and out of the neighborhood.

Jenn Fine, an Edgewood resident, said she bought her home based on the residential character and that changing the conditions is not fair to the neighborhood.

Greg Levan, an Edgewood resident, said a commercial building would conflict with the intent of the ECD, which is to protect the stability of existing neighborhood character.

Tina Baker, an Edgewood resident, said Mandalay and Orange Avenue is not a safe intersection. The owner knew the lot was zoned for residential use.

Ray Solenberger, an Edgewood resident, said they would need a traffic light at the intersection.

Tim Lavey, an Edgewood resident, said he bought his property on Mandalay because it was a safe street with a cul-de-sac.

Council President Horn said he would vote with Planning and Zoning’s recommendation.

Councilmember Rader noted that the residents were misled as the first 250 feet of Mandalay Road is commercial. However, based on Planning and Zoning’s recommendation, he would not approve the Ordinance.

Council President Horn made a motion to deny Ordinance 2024-02, seconded by Councilmember Lomas. The motion to deny was approved by roll call vote (4/0).

Councilmember Lomas	Favor
Councilmember Rader	Favor
Council President Horn	Favor
Councilmember Steele	Favor

2. Ordinance 2024-03 Parking

Attorney Smith read in Ordinance 2024-03 title only

Council President Horn said he would like to add trailers to the definitions.

There was no public comment.

Council President Horn made a motion to approve Ordinance 024-03 with the inclusion of trailers in the definitions, seconded by Councilmember Lomas. The motion was approved by roll call vote (4/0).

Councilmember Lomas	Favor
Councilmember Rader	Favor
Council President Horn	Favor
Councilmember Steele	Favor

3. Ordinance 2024-04 Personnel - Flexible Workplace Policy

Attorney Smith read Ordinance 2024-04 in title only.

City Clerk Riffle explained the need for the policy. With a small staff, on some days it would be more productive for staff to be able to work from home rather than taking PTO. She explained

that in the last two and a half months, her staff has experienced a baby's birth, a family death, frequent PTO, and a sick child, all of which resulted in not having sufficient staff.

Councilmember Lomas commented that she thinks staff needs to turn off the job after work.

Mayor Dowless said It could benefit the city if work is being done.

Councilmember Rader said it would be important to have discretion and strong leadership to prevent abuse. The option should be used for an acute issue.

Council President Horn said that he would like to look at it after it has been instituted in a year and see the results.

Chief DeSchryver suggested that management make the decision. If an employee uses the flexible workplace more than a certain number of days per month, they should appear before the Council. He suggested 5 days a month. It can be mutually beneficial, but the Manager must be ready to deny the flexibility when it becomes a problem.

Council President Horn noted that it may be easier with the Police Department because they have a few more people. than In City Hall. He cautioned against preferential treatment or even the opposite.

Mayor Dowless said it makes sense to find out why people are not at work.

Attorney Smith said management advocates a flexible workplace as an alternative to PTO.

The council's consensus was for a 12-month sunset. To use the flexible workplace more than five times a month, the employee would have to go to the Council.

Councilmember Rader said the policy requires trust in staff.

Councilmember Horn made a motion to approve Ordinance 2024-04 with the addition of a 12-month sunset and language that limits the duration and number of occurrences with approval. The motion was seconded by Councilmember Steele. The motion was approved by roll call vote (4/0).

Councilmember Lomas	Favor
Councilmember Rader	Favor
Council President Horn	Favor
Councilmember Steele	Favor

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

H. UNFINISHED BUSINESS (This business item was heard after the consent agenda.)

1. Haven Oaks PD Compliance Issues & Performance Bond

Planner Hardgrove Council's approval is required for the plans, construction, and approval of the infrastructure, construction, and approval of the homes. They are at the infrastructure inspection stage of the process.

Toll Brothers asked if they could start four houses without approval for the infrastructure and asked for a Performance Bond to sell the homes.

Toll Brothers requested waivers for the following items.

- **No parking signs**

The road is 24 feet wide and there should be parking on only one side of the road. Duke Energy does not allow signage on their light posts. They have posted the poles with "No Parking" signs. Toll Brothers requested additional signs, including one in the cul-de-sac that specifically reads "no parking in the cul-de-sac." Emergency trucks need the entire circumference of the cul-de-sac to turn around.

In response to Councilmember Lomas, Planner Hardgrove said this would be a waiver because the Developers Agreement (DA) required signs on every lamp post.

There was no public comment.

Councilmember Horn made a motion to approve a waiver from putting no parking signs on the lamp posts, instead putting signs on a standard post and adding an additional sign at the cul-de-sac to prohibit parking. The motion was seconded by Councilmember Lomas. The motion was approved by voice vote (4/0).

- **Waiver for the subdivision monument sign**

There was no discussion or public comment.

Councilmember Rader made a motion to allow the subdivision wall sign to remain as it was constructed, seconded by Councilmember Lomas. The motion was approved by voice vote (4/0).

- **Subdivision wall color**

The requested waiver is for the wall to remain white as it was required to be painted a mottled mixed color. Councilmember Rader said that, logistically, painting three colors is a long-term maintenance challenge.

There was no public comment.

Councilmember Lomas made a motion to accept the plain white subdivision wall.

Councilmember Rader made a friendly amendment to ensure that the wall remains architecturally the same and does not become a flat white wall.

Councilmember Lomas accepted the friendly amendment.

The motion was seconded by Councilmember Steele. The motion was approved by voice vote (4/0).

- **Underground Utilities and Sidewalk Width**

Planner Hardgrove said the DA requires that all utilities be underground. The sidewalk expands to 7 feet at the intersection. Toll Brothers built the sidewalk at 7 feet but saw cut it to 6 feet because they were told to put in a curb or move the sidewalk away from the road.

Discussion ensued regarding the placement of power poles and the sidewalk. The four poles along Holden Avenue are new.

Mr. McIntosh said they cannot control Duke Energy. It was a design challenge for them, and the best they could do was to leave the poles. It would cost Toll Brothers \$200,000 and they would have to raise the prices of the homes.

In response to Mr. McIntosh, Mayor Dowless said Legacy's power is underground.

Councilmember Lomas said Toll Brothers sold the project with power being underground.

Planner Hardgrove said that a Duke Energy representative told her there were several options, including putting the utilities all the way down to Legacy

Councilmember Rader said the sidewalk is the bigger issue, and it is narrower now than it was originally. He suggested moving poles to create the sidewalk, which is less expensive than fully removing the poles.

Mr. McDonald said- Duke Energy will not let them move the poles back. They are working on a design to see how far down they need to go for underground utilities, but they still need four poles. Mr. McIntosh added that those four poles would have to go onto someone else's property to make it work.

Public Comment:

Brett Barner, an Edgewood resident said the intent was to make the neighborhood special. He pointed out there are 7-foot sidewalks except in front of Toll Brothers and the Randall Property. It is a safety hazard.

Councilmember Rader asked if Toll Brothers would like to come back with a solution. He would like staff to meet with Duke Energy.

Mr. McIntosh said he needs more approvals to close. Planner Hardgrove suggested they could get a commitment from Duke to move the poles, then the sidewalks can be maximized.

In response to Councilmember Lomas, Mr. Crawford said the four lots are speculative homes, but he does not know which lots are ready for closing. Only one of the homes has been sold. Lot 43 was scheduled to close the previous week, but they had to extend the time. He explained that closing a house means they have a buyer, but closing a Certificate of Occupancy means the permit is being closed out.

There was no public comment.

Councilmember Rader made a motion to table the decisions on the waiver for the power pole elimination and sidewalk installation until the applicant comes back to Council. The motion was seconded by Council President Horn. The motion was approved by voice vote (4/0).

Home construction requested waivers

Toll Brothers has four pending closings on lots 5, 41, 42, and 43. They want to close them and put up a performance bond.

- Lot 41 - Planner Hardgrove said lot 41 is on a corner and should have window trim and secondary building materials. Toll Brothers has proposed two options. Option A is to plant a hedge along the side of the house and three crepe myrtles in the open space tract. The existing tree would remain. Option B is to offer the same landscaping and add horizontal panels to the side of the house.

The consensus was to accept Option B, which included paneling on the side of the building and landscaping. No vote was needed because this option met the requirements.

Lot 42 does not meet the trim requirements. Toll Brothers is asking for approval for this elevation only for that lot. The elevation will be pulled and no longer offered.

Councilmember Rader made a motion for approval of a waiver for lot 42 with the following conditions: a continuous evergreen hedge using a min 3-gallon container of evergreen plant material shall be planted on the north side of the house, and three crepe myrtles of a variety approved by the landscape architect, shall be planted in the open space tract north of the house with the intent of minimizing the wall's blank wall appearance. Councilmember Lomas seconded the motion. The motion was approved by voice vote (4/0).

- Lot 42 - Toll Brothers requested a waiver for the air conditioning placement unit. It is not possible to walk from the front yard to the back yard without stepping on the neighboring property due to the units proximity to the side property line.

There was no public comment.

Council President Horn made a motion for all future builds to have a 5-foot minimum linear offset measured from the outermost points of the units; seconded by Councilmember Rader. The motion was approved by voice vote (4/0).

- Planner Hardgrove said the rest of the elevations do not meet the requirements, and the Council needs to decide whether to accept them.

Mr. Crawford there are two more homes currently under construction that are modern elevations. The Frederick Modern model has been pulled and will only be built on lot 9, and the Frederick Elite will only be on lot 12. He said Mr. Crawford said the only lots visible outside the subdivision are 42 and 43.

There was no public comment.

Rader motioned approval of the architectural renderings for lots 9 and 12, subject to the installation of upgraded garage doors, seconded by Council President Horn. The motion was approved by voice vote (4/0).

- Approval of elevations – The upper window on the Frederick Contemporary does not have the required trim but does have siding and stonework.

There was no public comment.

Councilmember Rader made a motion to approve the following eight elevations with upgraded garage doors: Chapleton Contemporary, Bronte Contemporary, Ashley Transitional, Ashley Contemporary, Arthur Contemporary, Alina Contemporary, Frankfield Contemporary, and Frederick Contemporary. The motion was seconded by Councilmember Lomas. The motion was approved by voice vote (4/0).

All other permits that were previously issued by OC will still be on hold until the subdivision COC is released, and the required documents are submitted by Toll Brothers.

I. NEW BUSINESS

J. GENERAL INFORMATION

K. CITIZEN COMMENTS

Benjamin Bassem said he has a laundromat business. Staff told him that the city allows dry cleaners but not laundromats. He said there is no laundromat service to the north until Michigan Street, and people in the area must go to Michigan, Oak Ridge, or Conway. Councilmember Rader said the city spent many years with the community developing the ECD and its allowed uses, and he said those uses are very unlikely to change.

Council President Horn said no resident in Edgewood would probably require a laundromat. Councilmember Rader agreed.

There was no direction from Council to take action.

L. BOARDS & COMMITTEES

M. STAFF REPORTS (heard after Councilmember assignments)

City Attorney Smith

- Lindke vs Freed

Attorney Smith explained that Linke claimed that his First Amendment rights were violated when City Manager Freed blocked him on social media and deleted his comments.

Attorney Smith said a government page could not block people, but a private page is not the government's official viewpoint. If using a personal page, make a disclaimer that it is not the official opinion of the city of Edgewood.

- The legislature approved the timing for the creation of building permits.

Council President Horn said he received an email regarding Volusia County that he believes is averting the intent of the legislation by requiring a pre-application.

- A bill to increase sovereign immunity amendments limiting tort liability. There have been efforts to increase the caps.
- Senate Bill 280 passed. The Florida League of Cities is against it as it keeps pre-emption in place. The bill creates a database that tracks advertisements and ads and makes it available to local governments. It will take a couple of years to achieve it while DBPR prepares. The state is a complete regulator of the ads.

In response to Councilmember Lomas, Attorney Smith said an ad does not prove a rental was made.

Police Chief DeSchryver

1. Chief DeSchryver February 2024 Report

- Sergeant Cardinal addressed Council and said that he has looked at many police departments and their health plans. He gave a list of factors that make plans successful.
 1. Accountability helps officers with support. Having a coach or mental health counselor.
 2. Employees should participate in the City's health screening and he suggested offering it more than one time per year.
 3. Require annual physicals
 4. Reward success and incorporate good eating habits during training.
 5. Participate in the state agility test.
 6. Additional money or reimbursement for meal plans or gym membership. It is important to have a coach.

Mayor Dowless explained to the Council that the City replaced employees' health reimbursement cards. The City did not reimburse for weight loss programs, and I asked what the criteria would be for approval.

Sergeant Cardinal said other police departments offer gym memberships, but he has not seen anything about meal plans. He said one plan will not work for all people.

Mayor Dowless said the council is open to hearing ideas.

Councilmember Lomas said she wants its employees to be healthy and happy.

Councilmember Steele said there needs to be accountability.

Councilmember Rader said Altamonte employees get PTO rewards for passing a physical.

Chief DeSchryver gave an update on police department employees. The City hired three new people but will lose two other employees. Officer Schlopy will retire in a couple of weeks, and another officer will be deployed for service soon. The job will be held for this officer until they return to work.

- Chief DeSchryver commented on the 100th birthday Music Fest and acknowledged the officers for going above and beyond. Most worked 12 hours and finished in the rain.
- Reporting numbers for crime have come in. Chief DeSchryver said that the reporting system has changed, affecting how the numbers look. In the past, one call was one event; now, each charge is listed, making it appear that crime numbers have increased when the City is actually experiencing a historic low.

There were 57 crimes this year. Property crimes are fairly consistent.

- Councilmember Rader reported there was an accident in front of Boise Cascade, shutting down Holden Ave. The Boise truck driver, coming from Orange Blossom Trail, yelled at drivers for blocking the entrance and was going against the truck requirement on Holden.

Attorney Smith said the City does not enforce County traffic.

Sergeant Cardinal added that if they are making deliveries on Holden, they can't be stopped from doing so.

Councilmember Lomas said it is in the code. Attorney Smith said code enforcement will need to observe the activity.

- Councilmember Lomas said there is a white van with a Texas tag in the parking lot where Tops in Details used to be.

City Clerk Riffle

1. Election and Charter Amendment Questions

City Clerk Riffle told City Council that all nine Charter Amendment questions were approved in the March 19, 2024 election.

She also alerted Council that the Primary Election would be held on Tuesday, August 20, 2024, which is the same day as City Council. The Council decided to move the regular Council meeting to the next day, Wednesday, August 21, 2024, at 6:30 pm.

N. MAYOR AND CITY COUNCIL REPORTS

Mayor Dowless

Mayor Dowless recapped Edgewood's 100th Anniversary Music Fest event. He said the police department was incredible during the vent and even stayed to take the event down while it was raining. The public gave a lot of positive feedback.

The City applied for a grant through Congressman Soto's office. If the City accepts the terms, it will receive \$1 million as a matching grant.

Council Member Lomas – no report

Council Member Rader – no report

Councilmember Steele

Councilmember Steele said the 100th birthday event was wonderful, and she was excited to participate.

Council President Horn

Council President Horn said he heard a lot of positive feedback about the event. He would like to evaluate the process, identify what went right and what went wrong, and use that information for future events.

O. ADJOURNMENT

The meeting was adjourned at

Richard A. Horn, Council President

Attest:

Sandra Riffle, City Clerk

Approved in the _____ Council Meeting.

Greg Levan, an Edgewood resident, said a commercial building would conflict with the intent of the ECD, which is to protect the stability of existing neighborhood character.

Tina Baker, an Edgewood resident, said Mandalay and Orange Avenue is not a safe intersection. The owner knew the lot was zoned for residential use.

Ray Solenberger, an Edgewood resident, said they would need a traffic light at the intersection.

Tim Lavey, an Edgewood resident, said he bought his property on Mandalay because it was a safe street with a cul-de-sac.

Council President Horn said he would vote with Planning and Zoning’s recommendation.

Councilmember Rader noted that the ~~residents were misled as the~~ first 250 feet of Mandalay Road is commercial. However, based on Planning and Zoning’s recommendation, he would not approve the Ordinance.

Council President Horn made a motion to deny Ordinance 2024-02, seconded by Councilmember Lomas. The motion to deny was approved by roll call vote (4/0).

Councilmember Lomas	Favor
Councilmember Rader	Favor
Council President Horn	Favor
Councilmember Steele	Favor

2. Ordinance 2024-03 Parking

Attorney Smith read in Ordinance 2024-03 title only

Council President Horn said he would like to add trailers to the definitions.

There was no public comment.

Council President Horn made a motion to approve Ordinance 024-03 with the inclusion of trailers in the definitions, seconded by Councilmember Lomas. The motion was approved by roll call vote (4/0).

Councilmember Lomas	Favor
Councilmember Rader	Favor
Council President Horn	Favor
Councilmember Steele	Favor

3. Ordinance 2024-04 Personnel - Flexible Workplace Policy

Attorney Smith read Ordinance 2024-04 in title only.

City Clerk Riffle explained the need for the policy. With a small staff, on some days it would be more productive for staff to be able to work from home rather than taking PTO. She explained

Planner Hardgrove Council's approval is required for the plans, construction, and approval of the infrastructure, construction, and approval of the homes. They are at the infrastructure inspection stage of the process. Planner Hardgrove stated the process for building a subdivision is Council's approval for the site and construction plans, Certificate of Completion once the infrastructure is built then Certificate of Occupancy for the homes. They are at currently trying to get the Certificate of Completion (CofC).

Toll Brothers asked if they could start four houses without approval for the infrastructure and asked for a Performance Bond to sell the homes.

Toll Brothers has requested waivers to deviate from the development agreement to get the CofC for the following items.

☐ No parking signs

Planner Hardgrove stated that the Development Agreement requires No Parking Signs on the lamp posts one side of the road. This is necessary since the fire department requires a minimum of 20 feet of clear space. The road is 24 feet wide with 2 2-foot wide curbs. Thus there is room for and there should be parking on only one side of the road. Duke

Energy does not generally allow signage on their light posts. They Toll Brothers have posted the poles with "No Parking" signs. Toll Brothers Staff recommends -requested- additional signs per a conversation with the Fire Department, including ~~one~~ the ones shown in the orange dots on the presentation exhibit and one in the cul-de-sac that specifically reads "no parking in the cul-de-sac." Emergency trucks need the entire circumference of the cul-de-sac to turn around.

In response to Councilmember Lomas, Planner Hardgrove said this would be a waiver because the Developers Agreement (DA) required signs on every lamp post.

There was no public comment.

Councilmember Horn made a motion to approve a waiver from putting no parking signs on the lamp posts, instead putting signs on a standard post and adding an additional sign at the cul-de-sac to prohibit parking and three additional signs as shown on the Exhibit presented by staff at the meeting. The motion was seconded by Councilmember Lomas. The motion was approved by voice vote (4/0).

☐ Waiver for the subdivision monument sign

There was no discussion or public comment.

Councilmember Rader made a motion to allow the subdivision wall sign to remain as it was constructed, seconded by Councilmember Lomas. The motion was approved by voice vote (4/0).

☐ Subdivision wall color

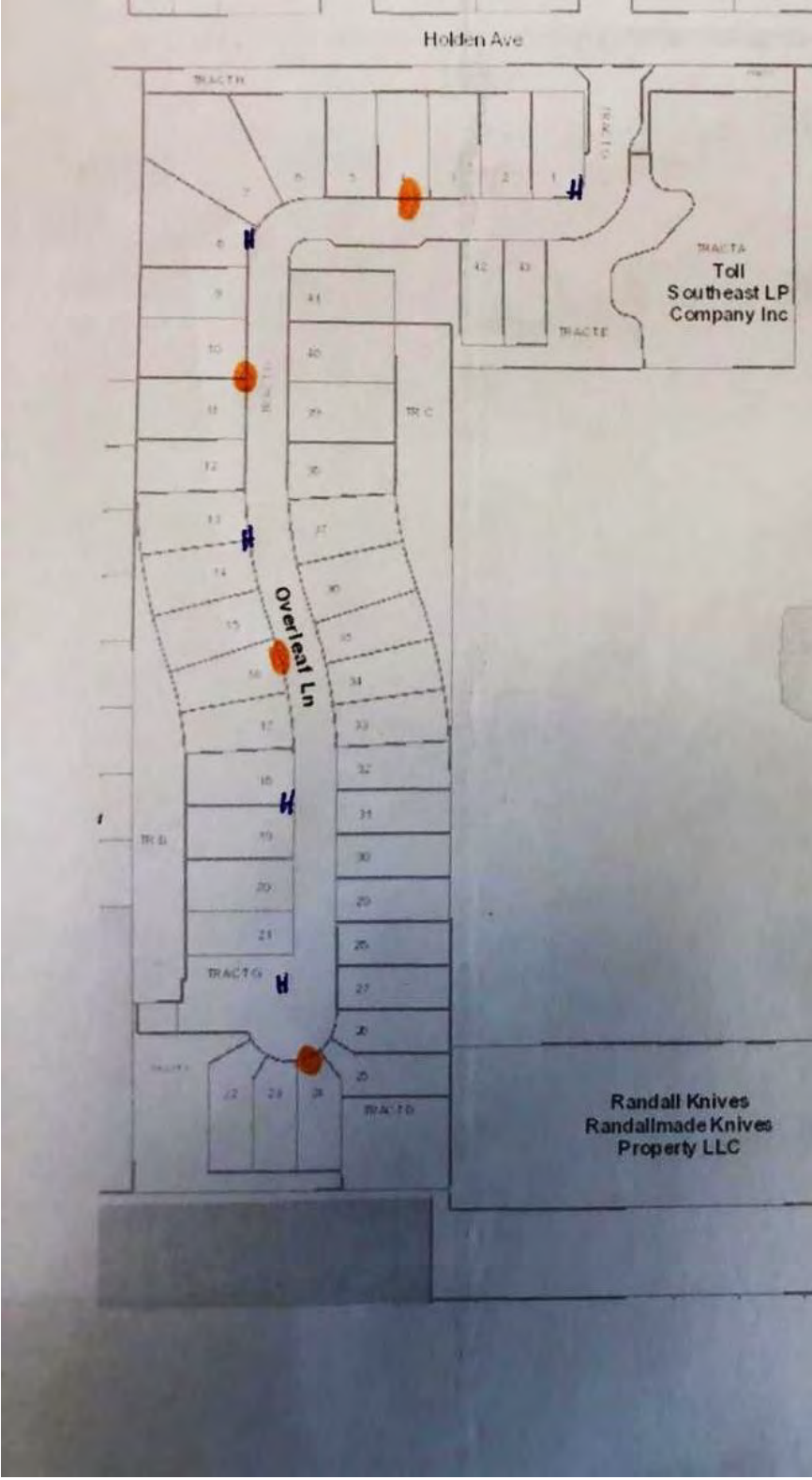
The requested waiver is for the wall to remain white as it was required to be painted a mottled mixed color. Councilmember Rader said that, logistically, painting three colors is a long-term maintenance challenge.

There was no public comment.

Councilmember Lomas made a motion to accept the plain white subdivision wall.

Councilmember Rader made a friendly amendment to ensure that the wall remains architecturally the same and does not become a flat white wall.

Councilmember Lomas accepted the friendly amendment.





DRAFT MINUTES

A. CALL TO ORDER, INVOCATION, & PLEDGE OF ALLEGIANCE

Council President Horn called the meeting to order at 6:31 pm. He asked for a moment of silence and then led the Pledge of Allegiance.

B. ROLL CALL & DETERMINATION OF QUORUM

City Clerk Riffle announced there was a quorum with three Councilmembers and Mayor Dowless present. Councilmember Rader submitted a request before the meeting to be excused as he was out of town.

Councilmember Lomas made a motion to excuse Councilmember Rader's absence; seconded by Councilmember Steele. Motion approved by voice vote (3/0).

City Council and Mayor Present:

John Dowless, Mayor
Richard A. Horn, Council President
Susan Lomas, Councilmember

Staff Present:

Sandra Riffle, City Clerk
Dean DeSchryver, Police Chief
Miguel Garcia, Deputy Chief
Stacey Salemi, Code Enforcement Officer
Ellen Hardgrove, City Planner
Allen Lane, City Engineer
Drew Smith, City Attorney

City Council Absent:

Chris Rader, Council President Pro-Tem

C. PRESENTATIONS AND PROCLAMATIONS

D. CONSENT AGENDA

1. March 26, 2024 City Council Meeting Minutes

City Council reviewed the March 25, 2024, minutes with proposed changes from City Clerk Riffle. The consensus of the Council was to wait until the next meeting so that Councilmember Rader had the opportunity to review the corrections.

E. ORDINANCES (FIRST READING)

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

1. Ordinance 2024-03 Parking

Attorney Smith read Ordinance 2024-03 in title only.

Per the request of the Council, trailers were added to the ordinance.

There was no public comment.

Council President Horn made a motion to approve Ordinance 2024/-3, seconded by Councilmember Steele. Motion approved by roll call vote (3/0).

Councilmember Lomas	Favor
Councilmember Steele	Favor
Council President Horn	Favor
Councilmember Rader	Absent

2. Ordinance 2024-04 Personnel Flexible Workplace

Attorney Smith read Ordinance 2024-04 in title only.

Attorney Smith said the City Clerk provided suggested redline changes with language including civilians versus City Hall employees.

There was no public comment.

Council President Horn made a motion to approve Ordinance 2024-04 with the recommended changes; seconded by Councilmember Steele. Motion approved by roll call vote (3/0).

Councilmember Steele	Favor
Councilmember Lomas	Favor
Council President Horn	Favor
Councilmember Rader	Absent

G. UNFINISHED BUSINESS

1. Haven Oaks Status Update

Planner Hardgrove said the two remaining compliance issues with the Haven Oaks subdivision are the requirements for underground utilities and a seven-foot (7) wide sidewalk along Holden Avenue.

Staff met on-site with Toll Brothers, Orange County Utilities, and Duke Energy. The conclusion of the field visit was for the following recommendations for compliance: retaining the four utility poles at the east end and one at the west end of the property and construction of the 7-foot-wide sidewalk along the entire length, except for two “pinch points” at either end of the property. The sidewalk at the west pinch point will be 5’8” wide; the sidewalk at the east pinch point will be 5 feet wide. This would require replat of the subdivision to dedicate part of the 30 feet buffer to Orange County for the now proposed sidewalk construction.

Planner Hardgrove confirmed to Councilmember Lomas that there is a pole at the pinch point. She also confirmed that the reconstructed sidewalk on west end will be closer to the road and a railing will be required for pedestrian safety.

Engineer Lane described the proposed shift of the sidewalk east of the entrance road. There is a point with an existing drainage culvert that crosses under the sidewalk. At that location, the sidewalk will make a southward jog to go behind the utility poles, coming back to existing sidewalk toward the east end of the property. The existing sidewalk will be widened to the extent possible, ±4’8”. The proximity of the sidewalk to the road at this end will also necessitate a railing for pedestrian safety. County and City staff recommended the sidewalk have smooth radius turns to avoid abrupt changes of direction.

Planner Hardgrove said if the Council agrees to reduce the Holden Ave buffer width, the Developers Agreement will need to be modified reflecting the buffer width requirement. This will be based on whether Orange County approves the sidewalk.

There was no public comment.

Council President Horn made a motion to approve retaining the five utility poles along the subdivision's Holden Avenue frontage and construction of a 7-foot-wide sidewalk along the entire length, with the exception of the two "pinch points" at either end of the property, with a handrail installed at the east and west pinch points where the sidewalk will be at or within 12 inches from the curb; and to include approval of reducing the minimum Holden Avenue Buffer width (30 feet) in order to dedicate portions to Orange County for the Holden Avenue right-of-way to accommodate the sidewalk. Motion seconded by Councilmember Lomas. Motion approved by roll call vote (3/0).

Council President Horn	Favor
Councilmember Lomas	Favor
Councilmember Steele	Favor
Councilmember Rader	Absent

H. NEW BUSINESS

1. Review of Consultant Contracts

City Clerk Riffle provided the current billing costs and terms for each of the City's consultants. She said staff maintains a positive view of each of the consultants, which includes CPH, McDirmit-Davis, CRI, Ellen Hardgrove, Shepard, Smith, Kohlmyer & Hand, P.A., and Garganese, Weiss, D'Agresta & Salzman, P.A.

There was no public comment.

Council President Horn made a motion to accept the appointment of consultants with no changes; seconded by Councilmember Steele. Motion approved by voice vote (3/0).

I. GENERAL INFORMATION

J. CITIZEN COMMENTS

Ferna Gritzer, owner of Flair Salon Suites at Ft. Gatlin Shopping Center, addressed the Council and explained that competition is growing in her market. Another salon suite is opening in the city. She said that cosmetic tattoos were discussed several years ago, and that use was approved. She has had interest from tattoo artists to come into her salon suites and said that 30-40% of people now have tattoos, and it is more accepted.

In response to Councilmember Steele, Ms. Gritzer said she does not have set business hours. They have security with cameras and a self-locking door and they usually open at approximately 8:00 am.

Mayor Dowless stated his concern that he did not want the typical storefront tattoo shop.

Attorney Smith said that hours can be regulated. The City of Flagler Beach recently allowed tattoo shops, and they require a nice look. Signage cannot be regulated, but there can be requirements for hours, storefronts, size, loitering, and a prohibition of congregating in the parking lot.

Ms. Gritzer said there is no individual signage outside the salon suites, but tenants can place signage on their interior windows.

Council President Horn commented that he does not know if the stated percentage of the general population with tattoos mimics Edgewood's.

Attorney Smith said he could produce a draft for the Council to discuss. There was no objection from Council.

K. BOARDS & COMMITTEES

L. STAFF REPORTS

City Attorney Smith – no report

Police Chief DeSchryver

1. March 2024 Report

Chief DeSchryver reviewed his report.

He gave an update on his staff, saying that Officer White will be leaving for military duty and that one officer recently finished his probationary period.

City Clerk Riffle

1. Fiscal Year 2024-25 TRIM Calendar

City Clerk Riffle presented the proposed TRIM calendar to Council for the fiscal year 2024/2025 budget.

Councilmember Lomas said that she will not be available for the final public hearing scheduled for Tuesday, September 17, 2024, as she will leave town the day before. City Clerk Riffle said she would look at what adjustments she can make to the calendar as the final hearing requires four votes.

City Clerk Riffle told Council that several street signs were damaged on northbound Hansel Avenue in areas by the power lines. She has begun investigating what may have caused the damage and will work on repairs.

M. MAYOR AND CITY COUNCIL REPORTS

Mayor Dowless

Mayor Dowless invited the Council to attend the Tri-County League of Cities meeting with him on Thursday.

He met with an engineering group to discuss permitting. Larson Design Group handles permitting for municipalities. He believes it is time to move ahead with an RFQ to move some of the permitting from Orange County, which has a large workload.

Council Member Lomas – no report

Council Member Rader - absent

Council Member Steele – no report

Council President Horn

Council President Horn attended Commissioner Uribe's summit on crime. The Sheriff's Captain for the area also attended, and they discussed the problems with motorcycle groups on the roads.

N. ADJOURNMENT

The meeting adjourned at 7:18 pm.

Richard A. Horn, Council President

Attest:

Sandra Riffle, City Clerk

Approved in the _____ Council meeting

ORDINANCES (FIRST READING)

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

UNFINISHED BUSINESS



Date: May 17, 2024
To: City Council
From: Ellen Hardgrove, City Planner
Allen Lane, City Engineer
Galen Pugh, City Landscape Architect
XC: Sandy Riffle, City Clerk
Brett Sollazzo, Administrative & Permitting Manager
Drew Smith, City Attorney
Re: Haven Oaks Status/Toll Brothers' Request

This agenda item is a status update for Haven Oaks subdivision Certificate of Compliance (CoC) and a request from Toll Brothers to allow Certificate of Occupancy (COs) issuance for an additional six (6) houses prior to the subdivision's CoC.

As has been discussed at recent Council meetings, there were Land Use Plan and Development Agreement noncompliance issues that have delayed approval of the subdivision's CoC. Consequently, issuance of COs for the houses has been deferred; with the exception of four (4) houses [Lots 5, 41, 42, & 43] that Council allowed given Toll Brothers' guarantee via a performance bond that the noncompliance issues would be corrected.

As can be seen from Table 1, which shows the remaining noncompliance items highlighted, most of the noncompliance issues have been corrected. The most significant remaining noncompliance issue is the provision of the 7 feet wide sidewalk. The sidewalk reconstruction requires approval from Orange County; it will also require replat to dedicate additional land for Holden Avenue right-of-way. Toll Brothers has submitted the sidewalk plans to the County, but approval has not yet been issued.

Meanwhile, Toll Brothers has continued to build houses and six are now ready for final CO review. Toll Brothers is requesting Council allow the issuance of COs for these additional six lots prior to the subdivision CoC: Lots 9, 11, 10, 12, 36, and 40.

Table 1
5/17/24 (noon) Status of Non Compliance Subdivision Infrastructure Issues

Non-compliance Item	Status
Overhead utilities*	City Council agreed to allow the five existing utility poles to remain, No additional action needed
Sidewalk width*	Not complete 7 feet wide sidewalk, except at the "pinch points" at the east and west end of the frontage. This triggered the need to replat the subdivision in order to dedicate additional land for Holden Avenue right-of-way.
Raised diverter Island in gate area	Corrected
Light poles	Duke Energy has determined lighting is sufficient
Light poles/palm trees conflict at entry	Potential conflict remains
Drainage culvert concrete flume	Will be corrected with the reconstruction of the sidewalk
Call box/entrance island width	Corrected
Call box/entrance island landscaping	Corrected
Oak trees at entrance	Corrected
Striping of exit lanes	Corrected
Striping of entrance lanes	Corrected
Paver crosswalks internal to subdivision	Corrected
ADA truncated domes	Needs verification from City Engineer that they have been installed correctly
Playground size	Corrected
Playground equipment	Corrected, but swings need a broken link removed
Playground ADA mulch	Certification has been provided
ADA compliance playground/guest parking spaces	Corrected
Additional No Parking signs per Council	Not yet erected as May 17, 2024 inspection
Subdivision wall	Council agreed to one color
Subdivision sign	Council approved the subdivision signs as constructed
Wall landscaping	Needs verification from City Landscape Architect
Replacement trees near playground	Needs verification from City Landscape Architect

NEW BUSINESS



Memo

To: Mayor Dowless, Council President Horn,
Council Members Lomas, Rader, and Steele

From: Sandra Riffle, City Clerk

Date: May 16, 2024

Re: Second Quarter – 2023/2024 Budget Amendment

The following items are included for your review:

- **Resolution 2024-01**
A RESOLUTION OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY'S BUDGET FOR THE 2023/2024 FISCAL YEAR; AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.
- **Budget Amendment – Exhibit A**
Update budget for reimbursement from former employee Ronald Beardslee for 2 months of health insurance coverage.
- **Budget Amendment – Exhibit B**
Update budget for sale of cars sold at Auction - George Gideon Auctioneers, to be used towards financed vehicles from Enterprise.
- **Budget Amendment – Exhibit C**
Adjust for additional special event revenue received
- **Budget Amendment – Exhibit D**
To roll unspent FY 2023 neighborhood grants to FY 2024



RESOLUTION NO. 2024-01

A RESOLUTION OF THE CITY OF EDGEWOOD, FLORIDA AMENDING THE CITY'S BUDGET FOR THE 2023/2024 FISCAL YEAR; AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE TERMS AND CONDITIONS OF THIS RESOLUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, at its regular meeting on September 19, 2023, the City Council of the City of Edgewood, Florida, adopted Resolution No. 2023-04, approving the annual budget for Fiscal Year 2023-2024; and

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

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

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

SECTION 1. BUDGET AMENDMENT: The City Council of the City of Edgewood, Florida, amends the Fiscal Year 2023/2024 budget as shown on Exhibits "A," "B," "C," and "D," which are attached hereto and incorporated by reference herein.

SECTION 2. EFFECTIVE DATE: This Resolution shall become effective immediately upon its passage and adoption.

PASSED and ADOPTED by the City Council of the City of Edgewood, Florida on the **21st** day of **May** 2024.

Richard Alan Horn, Council President

ATTEST:

Sandra Riffle
City Clerk

Exhibit A

City of Edgewood Budget Amendment

Submitted by: McDirmit Davis
Fiscal Year: 23/24
Submitted on: 4/11/2024

Account Number	Account Description		Amount
Expenditures:			
521230-01	PD Health Insurance	\$	4,193.40
Revenues:			
367300-01	Insurance Reimbursements	\$	4,193.40
	Net effect on budget	\$	-

Notes/Comments:
Update budget for reimbursement from Ronald Beardslee for 2 months health insurance

Signed by:

Exhibit B

City of Edgewood Budget Amendment

Submitted by: McDirmit Davis
Fiscal Year: 23/24
Submitted on: 4/11/2024

Account Number	Account Description		Amount
Expenditures:			
521643-01	PD Vehicles Principal Expense	\$	6,671.75
Revenues:			
369950-01	Miscellaneous - PD	\$	6,671.75
	Net effect on budget	\$	-

Notes/Comments:
Update budget for sale of cars sold at Auction - George Gideon Auctioneers,
to be used towards financed vehicles from Enterprise.

Signed by:

Exhibit C

City of Edgewood Budget Amendment

Submitted by: McDirmit Davis
Fiscal Year: 23/24
Submitted on: 5/10/2024

Account Number	Account Description		Amount
Expenditures:			
513543-001	Special Events	\$	25,000.00
Revenues:			
369800-01	Special Events	\$	25,000.00
	Net effect on budget	\$	-

Notes/Comments:
Adjust for additional special event revenue received

Signed by:

Exhibit D

City of Edgewood
Budget Amendment

Submitted by: McDirmit Davis
Fiscal Year: 23/24
Submitted on: 5/10/2024

Account Number	Account Description		Amount
Expenditures:			
521910-01	Neighborhood Grants	\$	2,700.00
Revenues:			
	Fund Balance	\$	2,700.00
	Net effect on budget	\$	-

Notes/Comments:
To roll unspent FY23 neighborhood grants to FY24

Signed by:

GENERAL INFORMATION

CITIZEN COMMENTS

BOARDS AND COMMITTEES



Memo

To: Mayor Dowless, Council President Horn,
Council Members Lomas, Rader, and Steele

From: Brett Sollazzo, Administrative Project Manager

Date: 5/13/2024

Re: Planning & Zoning Report

The following Variance was reviewed by the Planning and Zoning Board at the May 13, 2024 meeting:

1. Variance 2024-01: 465 Mandalay Road SFR Addition Rear Setback

A Variance request to City Code Sec. 134-579 to allow a single family home addition to encroach within the minimum lake setback of 50 feet. The address for this variance is 465 Mandalay Road, which is currently in the R-1AA zoning district and is legally described as MANDALAY SHORES 3/37 LOT 1.

Board Member Nolan completed Form 8B to abstain from voting on this agenda item due to being the contractor for the project.

The following motion was made by the Planning and Zoning Board:

Chair Santurri made a motion to recommend approval of Variance 2024-01 as presented. The motion was seconded by Board Member Gragg. Approved (4/0) by roll call vote.

The motion was approved by roll call vote.

Chair Santurri	Favor
Vice Chair Nelson	Favor
Board Member Gibson	Favor
Board Member Gragg	Favor
Board Member Nolan	Abstained

Public notice letters were mailed out to 66 properties within a 500-foot radius of the subject property. As of this memo, there was one (1) returned letter, and zero (0) letters of objection have been received.

Engineer Lane and the applicant will be in attendance to answer any question you may have regarding this Variance request.



May 3, 2024

Ms. Sandy Riffle, CMC, CBTO
City Clerk
City of Edgewood
405 Bagshaw Way
Edgewood, FL 32809-3406

**RE: 465 Mandalay Rd – Home addition
CPH project number E7601**

Dear Ms. Riffle;

We are in receipt of the revised plan sheet, dated May 2, 2024, for the previously submitted variance application, dated April 10, 2024, for the proposed home addition for the above address. The application is for an addition to the existing home. A proposed master bedroom is designed to be added to the rear/side portion of the home. The application is specifically a Variance Request to encroach into the rear yard setback.

The City Code of Ordinances, Chapter 134, Article V, Division 4, includes the minimum rear and side yard setbacks for lot construction. Section 134-579, Table of bulk regulations and setbacks, states that for District R-1-AA, the minimum side yard requirement is 10 feet, and the minimum lake setback requirement is 50 feet from the normal high-water elevation. Based on the plan provided, the existing home already encroaches on the 50-foot minimum lake setback. The existing home complies with the minimum side yard setback requirements. The proposed addition to the rear of the property does not extend towards the rear of the lot past the existing rear porch. Additionally, the master bedroom addition complies with the minimum side yard setbacks.

We reviewed the applicant's Letter of Explanation which outlines the specifics of the proposed Variance request and includes the justification of the subject request. We reviewed the applicant's letter and the criteria for Variance Request as outlined on the City application. The applicant's letter met the seven (7) criteria outlined in the Variance Application. We have no objections to any of the applicant's responses to the aforementioned criteria.

We also checked the existing and proposed impervious area as part of our review. The existing surface area for the building/pavers/driveway is approximately 5,954 SF. Per the OCPA Website, the total lot area is approximately 15,338 SF. Since it is including part of the canal, the total lot area above the normal high-water line (seawall) is approximately 14,477 SF. The existing percent impervious area is approximately 41.13%.

The total impervious area for the lot, including the existing home, pavers, driveway, and proposed addition is approximately 6,492 SF. The plan also identifies a portion of the existing impervious area that will be removed as part of the work. The final impervious area after the work is complete is approximately 44.84%, which is less than the allowable 45%.

We do not have any objections to the variance application for rear setback. This will need to be submitted to the City Planning and Zoning for their review and then City Council for final review.



Please be reminded, approval of this application by the City of Edgewood does not grant authority to alter other portions of this property, nor does it waive any permits that may be required by Federal, State, or County agencies which may have jurisdiction. Applicant needs to verify if this project does not require an additional roof permit from the County.

Sincerely,
CPH CONSULTING, LLC

Allen C. Lane, Jr.

Allen C. Lane, Jr., P.E.
Sr Project Manager

CC: Gabriela Caron, E.I.

J:\E7601\Civil\City Plans-Application Review\465 Mandalay Rd - home and garage addition\letter\465 Mandalay Rd - Home and Garage Addition Variance Review 5-3-24.docx



APPLICATION FOR VARIANCE

Reference: Code Sections 134-103 through 134-109

REQUIRED FEES: \$750.00 (Commercial) or \$350 (Residential) Application Fee + \$1000 Pass-Through Fees Initial Deposit (Ordinance 2013-01)

Please note the application fee is non-refundable. Additional pass-through fees may be required throughout the project. If any pass-through balance remains at project completion, it will be reimbursed.

IMPORTANT: A COMPLETE application with all required attachments must be submitted to City Staff 30 days before the next Planning & Zoning meeting. No application shall be deemed accepted unless it is complete and paid for. Notarized letter of authorization from Owner MUST be submitted if application is filed by anyone other than property owner. You can submit all documents electronically to info@edgewood-fl.gov.

Please type or print. Complete carefully, answering each question and attaching all necessary documentation and additional pages as necessary.

Applicant Name: Kevin McElroy Owner Name: Findlay Dinger

Email: kevin@edgewood-construction.com Email: fdinger@ductdynasty.net

Phone: 321-377-4008 Phone: 321-698-6986

Property Address: 465 Mandalay Rd Edgewood 32809

Legal Description: MANDALAY SHORES 3/37 LOT 1

Property Zoning: R-1AA Existing on site: _____

Section of Code Variance is being requested: 134-579 Lake Setback 1

Variance Request: To construct an addition to the existing home closer than 50' from the normal high water line.



PROVIDE THE FOLLOWING INFORMATION WITH YOUR APPLICATION:

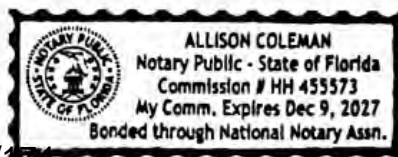
- 1) A signed and notarized Agent Authorization form if the applicant IS NOT the subject property owner.
- 2) Provide a Letter of Explanation which must outline the specifics of the proposed Variance request and include the justification for the subject request. To justify the Variance, the applicant must demonstrate the following:
 - That special conditions and circumstances exist which are peculiar to the land, structure, or building involved and which are not applicable to other lands, structures or buildings in the same zoning district.
 - That the special conditions and circumstances do not result from the actions of the applicant
 - That approval of the variance requested will not confer on the applicant any special privilege that is denied by this chapter to other lands, buildings or structures in the same zoning district.
 - That literal interpretation of the provisions contained in this chapter would deprive the applicant of rights commonly enjoyed by other properties in the same zoning district under the terms of this chapter and would work unnecessary and undue hardship on the applicant.
 - That the variance approved is the minimum variance that will make possible the reasonable use of the land, building or structure.
 - That approval of the variance will be in harmony with the general intent and purpose of this chapter and that such variance will not be injurious to the neighborhood or otherwise detrimental to the public welfare.
 - That the variance sought will be consistent with the Edgewood Comprehensive Plan
- 3) Each application for a Variance shall be accompanied by a site plan. Details of the site plan depend on what section of code you are requesting the Variance for. Please work with City Staff to confirm.

The applicant hereby states that the above request for a Variance does not violate any deed restrictions on the property. Application must be signed by the legal owner, not agent, unless copy of power of attorney is attached.

Applicant Name: Kevin D. McElroy II, Edgewood Construction
 Applicant Signature: [Signature] Date: 4-15-24
 Owner Name: Findlay Dinger
 Owner Signature: [Signature] Date: 4-15-24

Signed and Notarized by Kevin D. McElroy II & Findlay Dinger on April 15th 2024 whom are both personally known to me

x [Signature]
Allison Coleman





Office Use Only:

Received by: Brett Sollazzo Date Received: 4/16/24

Forwarded to: CPH - Allen Lane Date Forwarded: 4/16/24

P&Z Meeting Date: _____ City Council Meeting Date: _____

Notes: _____

Findlay Dinger
465 Mandalay Rd
Edgewood, FL 32809

City of Edgewood
405 Bagshaw Way
Edgewood, FL 32809

April 12, 2024

RE: 465 Variance Application for 465 Mandalay Rd Home Addition

To Whom It May Concern,

I am submitting a request to P&Z and City Council for consideration of a variance to Section 135-579 which requires a 50' setback from the normal high-water elevation for an addition to my home. My home was constructed in the early 1980's prior to this section being enforced. If enforced as currently written a significant portion of my home would be out of compliance (see Exhibit A). The addition I am proposing is nearly even with the rear of my existing home and does not extend closer to the canal than the existing rear porch. Due to the position of the existing conditions, there would be minimal if any impact to the neighboring property owner views of the canal.

To justify the variance request:

1. *That special conditions and circumstances exist which are peculiar to the land, structure, or building involved and which are not applicable to other lands, structures or buildings in the same zoning district.* – A special condition exists relative to the original permitted location relative to the current section 135-579.
2. *That the special conditions and circumstances do not result from the actions of the applicant* - This condition does not exist due to my actions as I purchased the home in the current location.
3. *That approval of the variance requested will not confer on the applicant any special privilege that is denied by this chapter to other lands, buildings or structures in the same zoning district.* – Approval will not confer any special privilege as the other homes along the Mandalay/Harbor Island canals have similar conditions.
4. *That literal interpretation of the provisions contained in this chapter would deprive the applicant of rights commonly enjoyed by other properties in the same zoning district under the terms of this chapter and would work unnecessary and undue hardship on the applicant.* - Other homes along the Mandalay/Harbor Island canals have similar conditions which the applicant would not enjoy should the variance not be granted.
5. *That the variance approved is the minimum variance that will make possible the reasonable use of the land, building or structure.* – The current plan is the minimum variance in relation to the logical connection to the existing home at current door/window opening and in relation to the garage addition.
6. *That approval of the variance will be in harmony with the general intent and purpose of this chapter and that such variance will not be injurious to the neighborhood or otherwise*

detrimental to the public welfare. – Approval of this variance will be consistent the other homes along the Mandalay/Harbor Island canals with similar conditions.

7. *That the variance sought will be consistent with the Edgewood Comprehensive Plan* – The variance will not conflict with the intent of the Edgewood Comprehensive Plan.

Sincerely,

Findlay Dinger

BOUNDARY SURVEY

LEGAL DESCRIPTION:

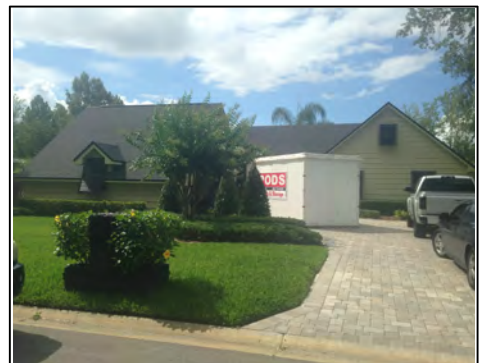
LOT 1, MANDALAY SHORES, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 3, PAGE 37 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

FLOOD INFORMATION:

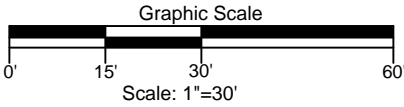
BY PERFORMING A SEARCH WITH THE LOCAL GOVERNING MUNICIPALITY OR WWW.FEMA.GOV, THE PROPERTY APPEARS TO BE LOCATED IN ZONE X/X500/AE (WITH A BASE FLOOD ELEVATION OF 88). THIS PROPERTY WAS FOUND IN CITY OF EDGEWOOD, COMMUNITY NUMBER 120183, DATED 9/25/2009.

CERTIFIED TO:

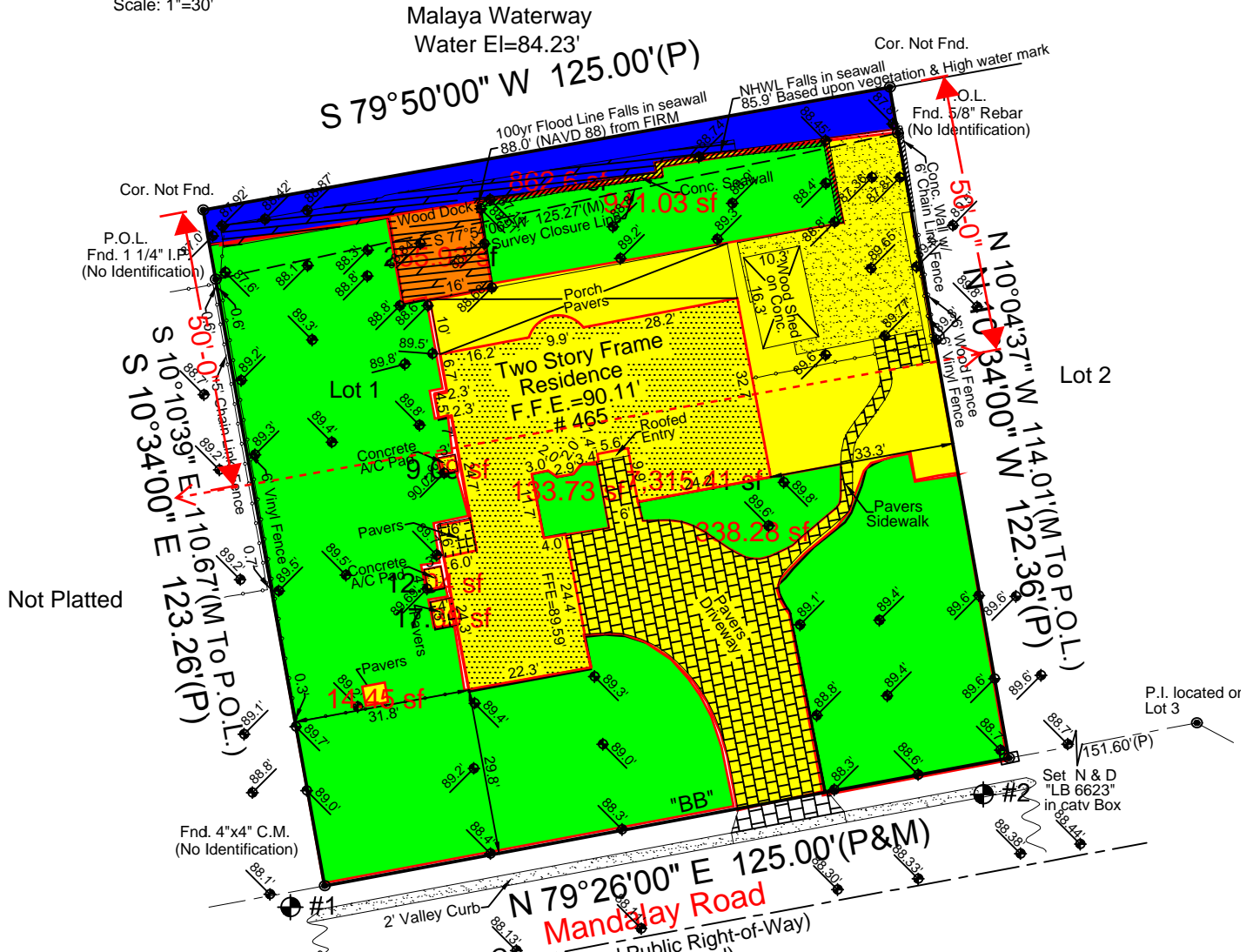
FINDLAY DINGER



465 MANDALAY ROAD ORLANDO, FLORIDA 32809



Current ISR 4/30/2024



465 Mandalay - Current ISR

Total Lot Area	15,338
Canal Deduction	861
Total Land Area (basis of ISR calc)	14,477
Allowed ISR @ 45%	6,515
Current Building/Pavers/Driveway	7,315
Misc Pavers/Pads in West Grass (Add)	52
Pervious Between House & Shed Area (Deduct)	-941
Planter at Front Entrance (Deduct)	-134
Plater at Driveway (east)	-338
Dock (pervious per 134-1 Definition)	0
Total Current IS	5,954
Current ISR	41.13%

Benchmark Information-

- #1 - Disc LB # 7623 in curb inlet. Elevation: 88.01'
- #2 - Disc LB # 7623 in curb. Elevation: 88.00'



Field Date: 4/12/2017	Date Completed: 4/14/2017
Drawn By: N.F.	File Number: IS-29006 NHWE

-Legend-

C - Calculated	PC - Point of Curvature
CB - Centerline	Pg. - Page
CM - Concrete Block	PI - Point of Intersection
CM - Concrete Monument	P.O.B. - Point of Beginning
Conc. - Concrete	P.O.L. - Point on Line
D - Description	PP - Power Pole
DE - Drainage Easement	PRM - Permanent Reference Monument
Esmt. - Easement	PT - Point of Tangency
F.E.M.A. - Federal Emergency Management Agency	R - Radius
FFE - Finished Floor Elevation	Rad. - Radial
Fnd. - Found	R&C - Rebar & Cap
IP - Iron Pipe	Rec. - Recovered
L - Length (Arc)	Rfd. - Roofed
M - Measured	Set - Set 1/2" Rebar & Rebar Cap "LB 7623"
N&D - Nail & Disk	Typ. - Typical
N.R. - Non-Radial	UE - Utility Easement
ORB - Official Records Book	WM - Water Meter
P - Plat	Δ - Delta (Central Angle)
P.B. - Plat Book	-O- - Chain Link Fence
-□- - Wood Fence	

-NOTES-

- >Survey is based upon the Legal Description Supplied by Client.
- >Abutting Properties Deeds have NOT been Researched for Gaps, Overlaps and/or Hiatus.
- >Subject to any Easements and/or Restrictions of Record.
- >Bearing basis shown hereon, is Assumed and Based upon the Line Denoted with a "BB".
- >Fence Ownership is NOT determined.
- >Roof Overhangs, Underground Utilities and/or Footers have NOT been located UNLESS otherwise noted.
- >Septic Tanks and/or Drainfield locations are approximate and MUST be verified by appropriate Utility Location Companies.
- >Use of This Survey for Purposes other than Intended, Without Written Verification, Will be at the User's Sole Risk and Without Liability to the Surveyor. Nothing Hereon shall be Construed to give ANY Rights or Benefits to Anyone Other than those Certified.

-POINTS OF INTEREST-

NONE VISIBLE

I hereby Certify that this Boundary Survey of the above Described Property is True and Correct to the Best of my Knowledge and Belief as recently Surveyed under my Direction on the Date Shown, Based on Information furnished to Me as Noted and Conforms to the Standards of Practice for Land Surveying in the State of Florida in accordance with Chapter 5J-17.052 Florida Administrative Codes, Pursuant to Section 472.027 Florida Statutes.

Patrick K. Ireland
 Patrick K. Ireland, P.S.M. 6637, LB 7623
 This Survey is intended ONLY for the use of Said Certified Parties.
 This Survey NOT VALID UNLESS Signed and Embossed with Surveyor's Seal.

Ireland & Associates Surveying, Inc.
 1301 S. International Parkway Suite 2001
 Lake Mary, Florida 32746
 www.irelandsurveying.com
 Office-407.678.3366 Fax-407.320.8165

BOUNDARY SURVEY

LEGAL DESCRIPTION:

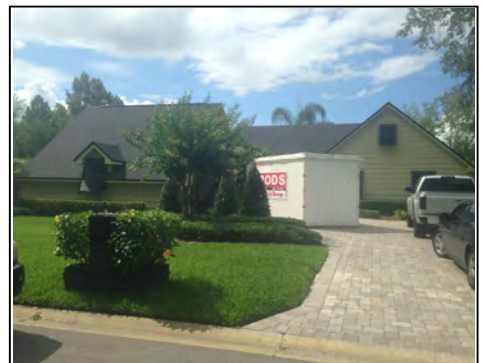
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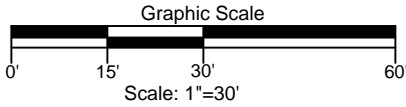
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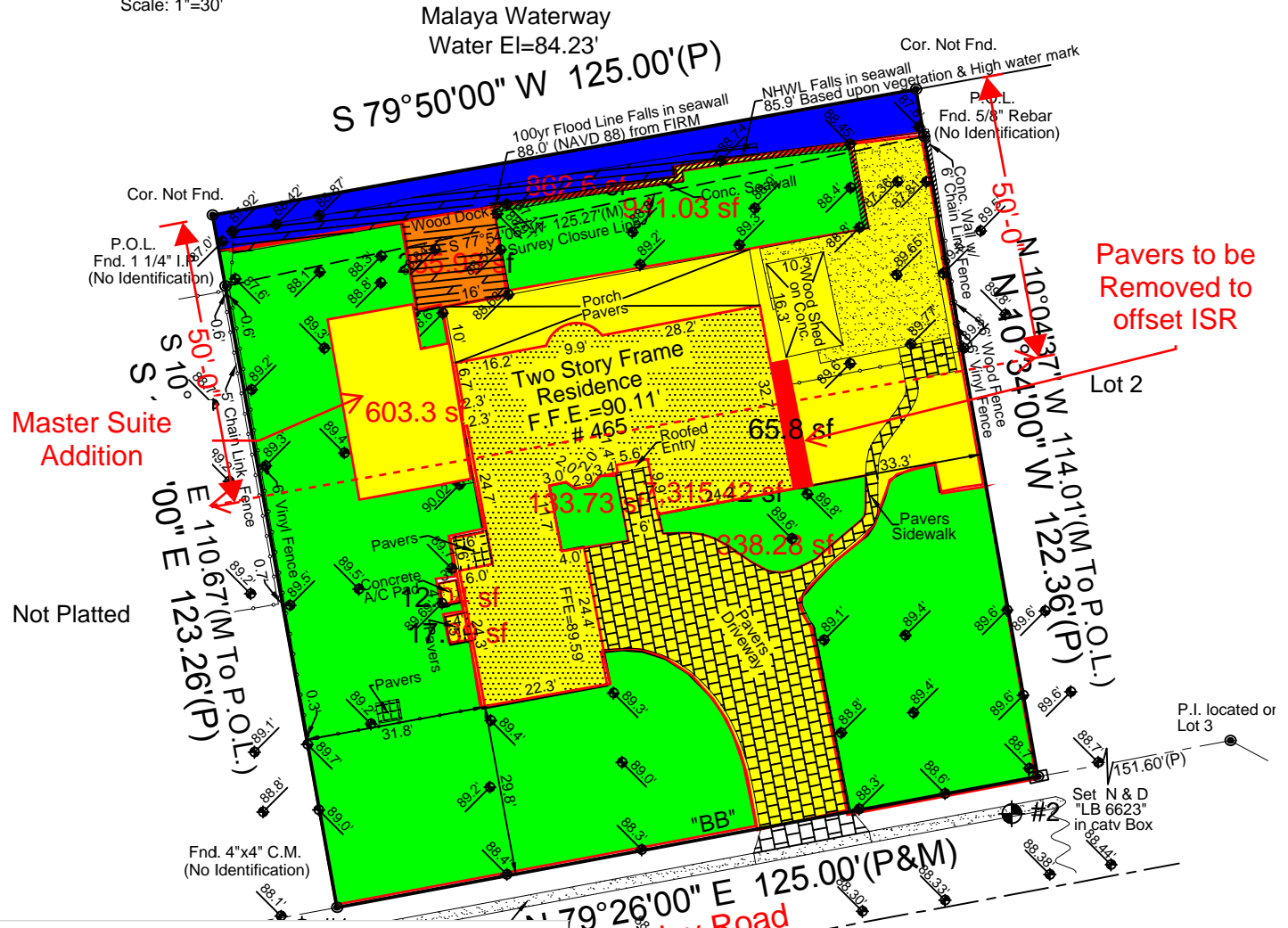
FINDLAY DINGER



465 MANDALAY ROAD ORLANDO, FLORIDA 32809



After Proposed Addition ISR



465 Mandalay - After Proposed Addition	
Total Lot Area	15,338
Canal Deduction	861
Total Land Area (basis of ISR calc)	14,477
Allowed ISR @ 45%	6,515
Current Building/Pavers/Driveway	7,315
Misc Pavers/Pads in West Grass (Add)	52
Pervious Between House & Shed Area (Deduct)	-941
Planter at Front Entrance (Deduct)	-134
Plater at Driveway (east)	-338
Dock (pervious per 134-1 Definitintion)	0
Total Current IS	5,954
Current ISR	41.13%
Removal of Pavers for Offset	-65
Proposed Addition (Master 603ft)	603
Total IS After Addition Project	6,492
Total ISR After Addition Project	44.84%

Mandalay Road
Platted Public Right-of-Way (Asphalt Road)

-Site Benchmark Information-

- #1
Set Nail & Disc LB # 7623 in curb inlet.
Elevation: 88.01'
- #2
Set Nail & Disc LB # 7623 in curb.
Elevation: 88.00'



Field Date: 4/12/2017 Date Completed: 4/14/2017
Drawn By: N.F. File Number: IS-29006 NHWE

-Legend-

C	- Calculated	PC	- Point of Curvature
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Conc.	- Concrete	P.O.B.	- Point of Beginning
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FFE	- Finished Floor Elevation	R	- Radius
Fnd.	- Found	Rad.	- Radial
IP	- Iron Pipe	R&C	- Rebar & Cap
L	- Length (Arc)	Rec.	- Recovered
M	- Measured	Rfd.	- Roofed
N&D	- Nail & Disk	Set	- Set 1/2" Rebar & Rebar Cap "LB 7623"
N.R.	- Non-Radial	Typ.	- Typical
ORB	- Official Records Book	UE	- Utility Easement
P	- Plat	WM	- Water Meter
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□	- Wood Fence	○	- Chain Link Fence

-NOTES-
 -Survey is based upon the Legal Description Supplied by Client.
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 -Bearing ties are NOT to be used to reconstruct Property Lines.
 -Fence Ownership is NOT determined.
 -Roof Overhangs, Underground Utilities and/or Footers have NOT been located UNLESS otherwise noted.
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-POINTS OF INTEREST-
 NONE VISIBLE

I hereby Certify that this Boundary Survey of the above Described Property is True and Correct to the Best of my Knowledge and Belief as recently Surveyed under my Direction on the Date Shown, Based on Information furnished to Me as Noted and Conforms to the Standards of Practice for Land Surveying in the State of Florida in accordance with Chapter 5J-17.052 Florida Administrative Codes, Pursuant to Section 472.027 Florida Statutes.

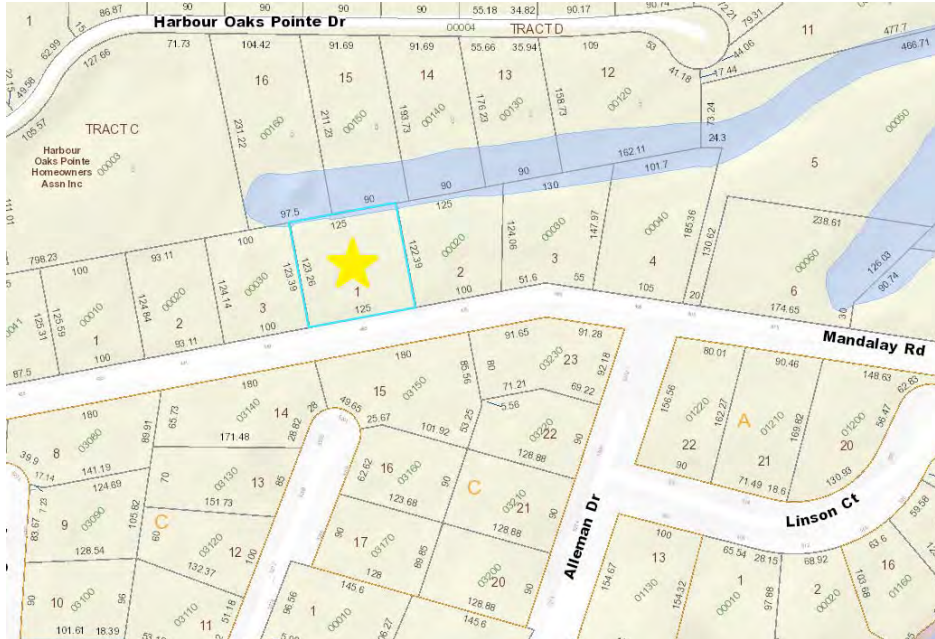
Patrick K. Ireland, P.S.M. 6637, LB 7623
 This Survey is intended ONLY for the use of Said Certified Parties.
 This Survey NOT VALID UNLESS Signed and Embossed with Surveyor's Seal.

Ireland & Associates Surveying, Inc.
 1301 S. International Parkway Suite 2001
 Lake Mary, Florida 32746
 www.irelandsurveying.com
 Office-407.678.3366 Fax-407.320.8165



NOTICE OF PUBLIC HEARING

PLEASE TAKE NOTICE that public hearings are scheduled for the Edgewood Planning & Zoning Board and City Council to consider Variance 2024-01 of City Code Sec. 134-579 to allow a single family home addition to encroach within the minimum lake setback of 50 feet. The address for this variance is 465 Mandalay Road, which is currently in the R-1AA zoning district and is legally described as MANDALAY SHORES 3/37 LOT 1.



All meetings will be held in the Council Chamber of City Hall, 405 Bagshaw Way, Edgewood, Florida, commencing at 6:30 p.m., or soon thereafter on the following dates:

Monday, May 13, 2024 **Planning and Zoning Board Meeting**
Tuesday, May 21, 2024 **City Council Meeting**

Interested parties may attend these meetings and be heard with respect to the proposed variance request. In addition, the application may be inspected by the public at the City Clerk’s Office, 405 Bagshaw Way, Edgewood, Florida. You may reach City Hall at 407-851-2920; City Hall is open Monday – Thursday 8 a.m. to 4 p.m. and Friday 8 a.m. to noon. Should you have any questions or concerns please do not hesitate to come to City Hall to review the file.

This matter is subject to quasi-judicial rules of procedure. Interested parties should limit contact with the Planning and Zoning Board and City Council on this topic to properly noticed hearings or written communication to the City Clerk’s Office.

Any person aggrieved by a recommendation of the Planning and Zoning Board may file a notice of appeal to the City Council within seven days after such recommendation is filed with the city clerk.

The City of Edgewood desires to accommodate persons with disabilities. Accordingly, should any accommodations pursuant to Chapter 286.26, *Florida Statutes* be needed, please notify the City Clerk in writing at least 48 hours prior to the meeting.



This public hearing may be continued to a future date or dates. Any interested party is advised that the date, time, and place of any continuation shall be announced during the public hearing and that no further notices regarding this matter will be published.

Should you desire additional information, regarding this application, including the Engineer's report or proposed plans, please feel free to contact the City Clerk's Office at 407-851-2920, or e-mail at bsollazzo@edgwood-fl.gov.

Brett Sollazzo
Permitting & Administrative Manager
405 Bagshaw Way
Edgewood, Florida 32809
Phone: (407) 851-2920

Dated: 5/3/2024

You may either mail in your comments and concerns on the space provided below or submit directly to City Hall. Please see above our hours of operation. We thank you for your participation.

Harbour Island Rd

Rosalind Ave
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Harbour Oaks Pointe Dr

Harbour
Oaks Pointe
Homeowners
Assn Inc

Mandalay Rd

Hedge Ct

Haverhill Dr

Linson Ct

Alleman Dr

140/174



STAFF REPORTS

City Attorney Smith

Sec. 13. Additional regulations for tattoo and/or body art establishments in b-2 zones.

Tattoo or body art establishments shall be allowed only as conditional uses in the B-2 zones, and in addition to all other rules and regulations established by this ordinance, the following regulations in this section shall apply.

1. *Purpose.* The general purpose and intent of these regulations are to protect the public health, safety, and general welfare by requiring that all tattoo and body art establishments conform to Shelby County health and safety regulations pertaining and to city regulations that will minimize impacts to surrounding properties.
2. *Applicability.* For the purposes of this section, the standards of this section apply to new tattoo and body art establishments. An establishment is considered new when no previous tattoo or body art business existed at that location for a period of 90 consecutive days or greater immediately preceding the filing date of an application for permit under this section. Any properly licensed tattoo or body art establishment legally operating at the effective date of this ordinance shall be considered a legal nonconforming use and shall be subject to the provisions of Article XXVI (Nonconforming Uses of Lands and Buildings) of this ordinance.
3. *Discontinuance and termination.* Any tattoo or body art establishment, whether existing or subsequently granted under this section, that voluntarily discontinues active operation for more than 90 consecutive days; does not maintain a valid city business license for more than 90 consecutive days; or ceases to be licensed by the State of Alabama or any other applicable licensing authority, shall be considered a termination of the use and all privileges and rights held therein.
4. *Definitions.* As used in this section, the following words and phrases will have the following meanings:
 - a. *Body art artist.* Any person who performs the work or procedures involving invasive methods such as body piercing or tattooing to physically adorn the body of another.
 - b. *Body art establishment.* Any establishment, place or premises in which body piercing or tattooing is offered or performed.
 - c. *Body art procedure.* The practice of applying physical body adornment to an individual using invasive procedures or methods such as body piercing, tattooing, and other similar procedures.
 - d. *Body piercer.* Any person who performs the work or act of body piercing.
 - e. *Body piercing.* The act of penetrating the skin of a person to make a hole, mark or scar, generally permanent in nature.
 - f. *Body piercing establishment.* Any establishment, place or premises in which body piercing is performed.

-
- g. *Body piercing operator.* A person who controls, operates, owns, conducts or manages any body piercing establishment, whether performing the work of body piercing or not.
 - h. *Ear piercing.* The puncturing of the outer perimeter or lobe of the ear with an instrument or mechanized ear-piercing system.
 - i. *Tattoo.* To place any design, letter, scroll, figure, symbol or any other indelible mark upon or under the skin of any person with ink or any other substance resulting in the permanent coloration of the skin, including permanent make-up or permanent jewelry, by the aid of needles or any other instrument designed to touch or puncture the skin.
 - j. *Tattoo artist.* Any person who actually performs the work of tattooing.
 - k. *Tattoo establishment.* Any place in which is offered or practiced the placing of designs, letters, scrolls, figures, symbols or any other marks upon or under the skin of any person with ink or any other substance, resulting in the permanent coloration of the skin, including permanent make-up or permanent jewelry, by the aid of needles or any other instrument designed to touch or puncture the skin.
 - l. *Tattoo operator.* Any person who controls, operates, conducts or manages any tattoo establishment, whether actually performing the work of tattooing or not. The term includes technicians or apprentices who work under the operator and perform body art activities.
5. *Locational requirements.*
- a. No tattoo or body art establishment (as described and detailed within this section) established after the date of this section shall be located within 2,500 linear feet of any other tattoo parlor. The method of measurement that shall be used is a straight line measured from the property line of the site of the proposed business to the closest property line that is already occupied by these businesses.
 - b. No tattoo or body art establishment shall be located within 500 feet of a residentially zoned district, as measured by a straight line from the property line of the site of the proposed business to the property line of the closest residentially zoned property.
 - c. No tattoo or body art establishment shall be located within 500 feet of a public building, public or private school, day care center, nursery, preschool, park or playground, church or place of worship, as measured by a straight line from the property line of the site of the proposed business to the property line of the property that is occupied by one of the uses.
6. *Development and operational standards.*
- a. Hours of operation. The hours of operation shall be limited to the hours between 9:00 a.m. and 6:00 p.m.
 - b. No tattoo or body art establishment shall deal in alcoholic beverages.

-
- c. All tattoo and body art establishments, as defined in this section, are subject to the provisions of the Alabama Department of Public Health Rules of State Board of Health Bureau of Environmental Services Division of Food, Milk and Lodging, Chapter 420-3-23 Body Art Practice and Facilities as currently written, or as may from time to time be amended.
 - d. No tattoo or body art establishment shall have an entrance or exit way providing a direct passageway to any type of business, residence or living quarters.
 - e. Walls, ceilings and floors. All walls, ceilings, and floors shall be smooth and easily cleanable and have a nonabsorbent surface. There shall be no carpeting in the tattooing area. Walls and ceilings shall be a light color. Walls, ceilings and floors shall be kept clean, in good repair, and free from dust and debris. Floors, walls or ceilings shall not be swept or cleaned while tattooing is in progress.
 - f. Lighting and ventilation shall be provided in each room or enclosure where services are performed on patrons, in accordance with the city building code.
 - g. Adequate light (200-foot candles) shall be provided in each work area.
 - h. Public restrooms shall be located in such a way so that traffic to the restrooms does not occur in any area in which instruments are sterilized or on any area in which tattoo or body piercing operations are conducted.
 - i. Establishments must have written procedures on the proper handling and sterilization of equipment and demonstrate that all personnel are trained in the procedure.
 - j. Establishments must post and provide to customers upon request, written instructions on tattoo and/or piercing care.
7. *Other requirements.*
- a. All tattoo or body art establishments are required to obtain a conditional use permit issued by the Pelham City Council upon the recommendation of the Pelham Planning Commission. The permit shall be required prior to the issuance of a business license for said use and prior to occupancy of the premises regarding said use.
 - 1. The Pelham Planning Commission shall hold a public hearing, notice of which will be given, for the consideration of the additional rules and regulations described above and comments from the applicant(s) and other interested parties will be heard. After completing an applicable public hearing, the Pelham Planning Commission will vote on a recommendation to make to the Pelham City Council and then submit its recommendation and report.
 - 2. The Pelham City Council will also hold a public hearing considering the additional rules and regulations described above, as well as any requested exceptions, and, shall make the final decision regarding the granting of a permit and issuance of an applicable business license.

-
- b. Before issuance of a business license from the city, each person proposing a tattoo or body art establishment shall provide proof that they have obtained a valid permit from the Alabama Department of Health for a "Body Art Operator's Permit".
 - c. No permit to conduct or operate a tattoo or body art establishment shall be granted unless the applicant shall first furnish proof from a physician duly licensed to practice medicine in the State of Alabama, bearing a date not more than 20 days prior to the date of application, that each tattoo or body art artist working in the establishment is free from contagious, infectious or communicable disease. Such proof shall be furnished annually thereafter and shall include documentation of lack of infection by demonstrating negative results for the following tests:
 - (1) Venereal Disease Research Laboratory (VDRL) for syphilis;
 - (2) Hepatitis B surface antigen (HBsAg) for hepatitis B. Documentation of receipt of a three-dose series of hepatitis B vaccine may be substituted for HBsAg testing;
 - (3) Human immunodeficiency virus antibody (HIV-Ab) for HIV infection;
 - d. Each permit applicant and tattoo or body art artist working in the establishment shall be 19 years of age minimum.
 - e. The applicant must furnish proof of completion of an approved apprenticeship of 380 hours or more in a licensed establishment in Alabama or other state to include the minimum established requirements.

(Ord. No. 135-225, § B, 12-2-19)

Police Chief DeSchryver

**Edgewood Police Department
City Council Report
April 2024**

	March	April
Residential Burglaries	0	0
Commercial Burglaries	0	0
Auto Burglaries	1	1
Theft	1	0
Assault/Battery	2	1
Sexual Battery	0	0
Homicides	0	0
Robbery	0	0
Traffic Accident	13	10
Traffic Citations	90	97
Traffic Warnings	166	92
Felony Arrests	1	2
Misdemeanor Arrests	0	2
Warrant Arrests	0	0
Traffic Arrests	0	1
DUI Arrests	0	0
Code Compliance Reports	24	11

Department Highlights:

- On April 25th, the Edgewood Police Department participated in the Annual Law Enforcement Torch Run. This year the run was held at the Cornerstone at Lake Hart Publix in Moss Park.
- On April 27th, the Edgewood Police Department collected unused prescription drugs during a National DEA Drug Take Back. At this event, 77 pounds of unused drugs were turned over to the DEA for a proper disposal.
- During the month of April, the Edgewood Police Department Officers and Staff attended many meetings and trainings;
 - Officer Chris Meade – Street Cop Conference
 - Officer Matthew Barreto – Traffic Stops and K9 Search and Seizure
 - Officer Matthew Barreto – Bulletproof DUI
 - Officer Ryan White – Pre-Deployment Military Training
 - Officer Miguel Aponte – Advanced Roadside Impairment Driving Enforcement
 - All Officers – ABT training for Law Enforcement; Division of Alcoholic Beverages and Tobacco
 - All Officers – Exposure Control for Law Enforcement
 - Detective Nicolle Crock and Analyst Stacey Salemi – Security Symposium

Reporting Dates: April 1st – 30th

City Clerk Riffle



Memo

To: Mayor Dowless, Council President Horn,
Council Members Lomas, Rader, and Steele

From: Sandra Riffle, City Clerk

Date: May 17, 2024

Re: Revised TRIM Calendar

I have made revisions to the proposed TRIM calendar that was submitted in the April 16, 2024 City Council meeting so that all Councilmembers can attend the final hearing.

The final public hearing has been changed to Friday, September 27, 2024 at 6:30 pm. I also made an adjustment to the first Council workshop and changed it to Wednesday, July 11, 2024 at 6:00 pm. All changes to the proposed TRIM calendar are highlighted in yellow.

REVISED: 2024/2025 FY TRIM CALENDAR

(Tammy on vacation 7/15-7/19)

June 1, 2023	OCPA provides the total assessed value of the nonexempt property.
Tuesday, June 18, 2023 at 6:30 pm Regular City Council Meeting	Approve Non-Ad Valorem Assessment at City Council Meeting
July 1, 2023	Day 1 OCPA certifies the preliminary taxable value (TA) on <i>Certification of Taxable Value</i> (Form DR-420).
Wednesday, July 11, 2024 at 6:00 pm Council Workshop	FY 2024-25 First Budget Workshop
Tuesday, July 16, 2024 at 6:30 pm Regular City Council Meeting	Set tentative millage rate, set a public hearing date for final millage, and proposed FY 2024-25 budget.
Thursday, August 1, 2024 at 6:00 pm	FY 2024-25 Second Budget Workshop
Sunday, August 4, 2024 (within 35 days of certification of value)	Forward to OCPA: DR420 & DR420MM-P
Thursday, August 15, 2024 at 6:00 pm	FY 2024-25 Third budget Workshop (If needed)
Saturday, August 24, 2024 (no later than 55 days after certification of value)	OCPA mails out the Notice of Proposed Property Taxes OCPA mails out the Notice of Proposed Property Taxes (TRIM Notice) Form DR-474, this is the advertisement of the 1 st TRIM hearing
Mon, September 9, 2024 at 6:30 pm Special Council Meeting (must be held between Sept 3-18)	Public hearing/adoption of the tentative budget & proposed millage; (cannot be held on BCC hearing dates of 9/7 & 9/21 or OCPS hearing dates of 7/31 & 9/10)
Tuesday, September 24, 2024	Advertise in the newspaper the public hearing/adoption of the final millage & budget (must be done within 15 days after the public hearing/adoption of the tentative budget & proposed millage)
Fri., September 27, 2024 at 6:30 pm FINAL HEARING/Regular Council Mtg. (must be held within 2-5 days after advertisement) (Sept 26 – Sept 28)	Final public hearing/adoption of millage & budget; (cannot be held on BCC hearing dates 9/7 or 9/21 or OCPS hearing dates of 7/31 & 9/10)
Friday, September 30, 2024	Send resolution/ordinance adopting final millage & budget to OCPA, tax collector, and DOR (must be done within 3 days of final hearing). When the property appraiser receives the resolution or ordinance, the final millage rate notification is considered official.
Tuesday, October 1, 2024	OCPA delivers DR-422 and DR-420MM with the final tax roll and supporting documents.
Tuesday, October 4, 2024 at Noon	City deadline to return DR 422's to OCPA with final millage rate (NOON)
Tuesday, October 15, 2024	Submit TRIM compliance package (due within 30 days of the final hearing)

This calendar is subject to change. Any changes will be posted on the City's website at www.edgewood-fl.gov/news.



Memo

To: Mayor Dowless, Council President Horn,
Council Members Lomas, Rader, and Steele

From: Sandra Riffle, City Clerk

Date: May 17, 2024

Re: FLC Insurance Summit Recap

I would like to thank Mayor Dowless and the City Council for the opportunity to attend the Florida League of Cities Insurance Summit last month. The information was directly applicable to my duties as a Clerk and clearly showed the impact of world and local events on the City's annual budget.

I have included some key slides from the presentations for the Council's review, with some of the more impactful points made during the conference. I believe that it will also give the Council more insight into the recent insurance rate increases that we have seen in the last few years.



Property Insurance Market Update

April 17, 2024

Hilton Orlando Buena Vista Palace

2023 Property Market – A Look Back



- Record-level global catastrophe insured losses in 2022 (\$165B), including Hurricane Ian (\$53B) led to first true hard market since 2006 post- Hurricane Katrina
- Carriers cut back capacity 10% - 25% on average
- Cutbacks in capacity driven by reduced availability of reinsurance
- Wind deductibles as high as 15%
- Forced Wind sub-limits on many policies
- Significant rate increases, especially for coastal exposures
- Continued focus on appraisals to ensure property valuations are keeping up with hyper-inflation

2023 Property Market – A Look Back – cont.



- Higher rates, tightening of terms and conditions, reduced limits, and higher deductibles
- Insurance market set up to better withstand catastrophe loss activity
- 2023 saw record number (28) of CAT events >\$1B
- Global insured CAT losses of \$133B (less than 2022's \$165B, however historically high)
- U.S. Property & Casualty (P&C) industry's net underwriting loss of \$38B, a 10 year high, per A.M. Best
 - Personal lines at 110% combined ratio
 - Commercial lines at 97.1% combined ratio
- P&C delivered operating profit due to boost in investment income

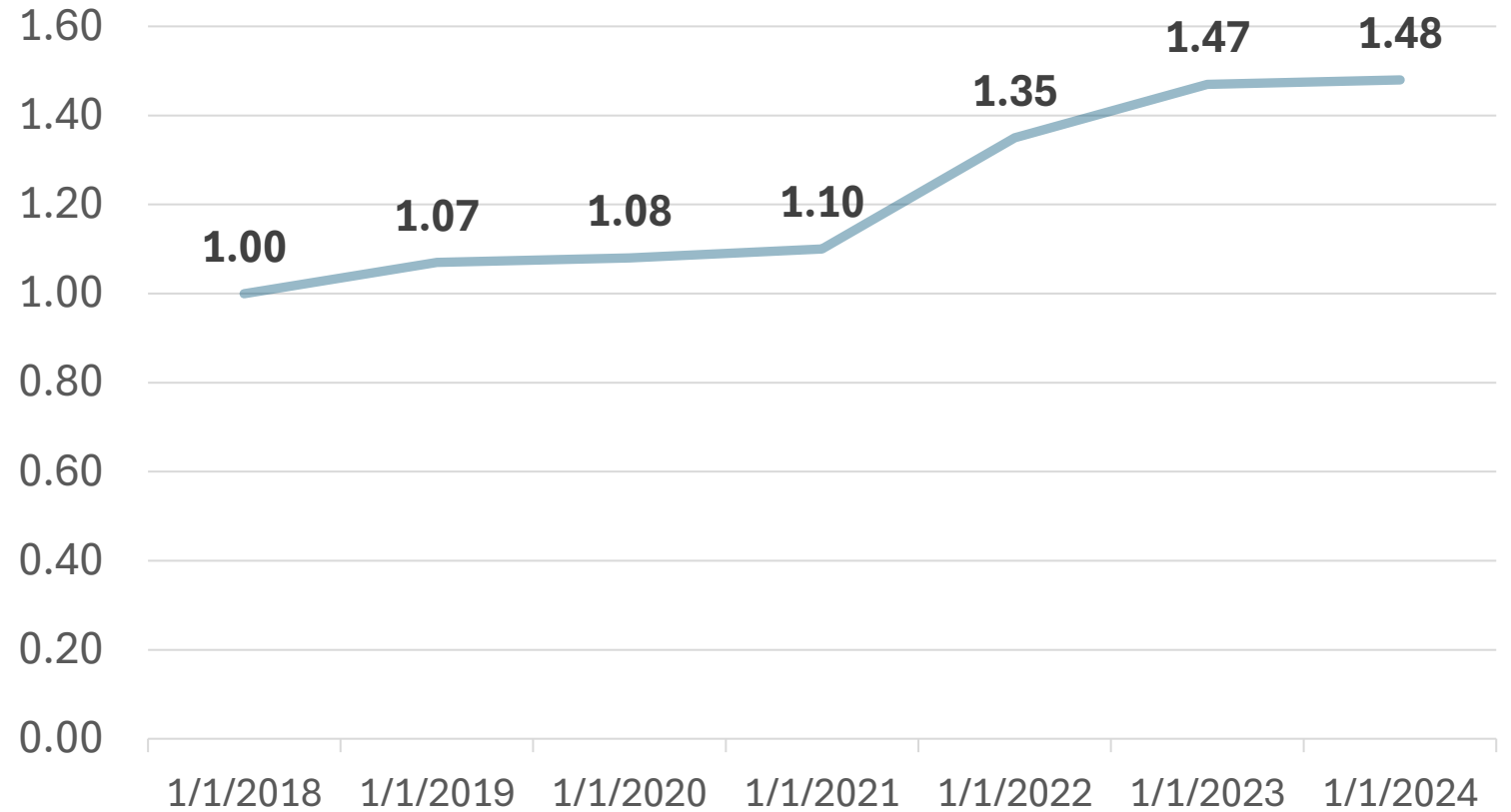
2024 Property Insurance Market Overview

- Property catastrophe treaty reinsurance pricing stabilized at January 1, 2024
- No further reductions in capacity are anticipated
- Stable rate environment thus far in 2024
- Market operating in more calm, orderly, and rational manner
- Less scrutiny of terms and conditions, with most policies renewing with no change in limits, deductibles, sub-limits, etc.
- Model-driven, analytics-based industry continues to push importance of accurate replacement cost valuations
- While a far more stable marketplace and outlook, property market remains somewhat fragile



The Impact of Inflation

- While the rate of inflation has moderated, building costs remain at a multi-decades high, with continuance of elevated labor, construction materials, and transportation costs
- Insurers remain hyper-focused on accurate replacement cost valuations
- Carriers utilizing AI to validate values adequacy
- A building constructed for \$1M six years ago would cost roughly \$1.48M to build today



Source: FM Global

The Florida Factor



Florida continues to be the most challenging catastrophe risk zone in the world



Hurricane Idalia only landfalling hurricane in Florida in 2023 storm season



Treaty reinsurance pricing has flattened out



Insurers being selective in providing their limited Florida wind capacity



Despite legislative reforms to Florida insurance laws, insurers remain concerned about potential claim inflation, public adjuster activity, and legal climate within the state



While Florida should see a more stable market this year, the 2024 hurricane season will drive future market trends

What's Next?



With quiet hurricane season, and no other major catastrophe losses, quick transition into soft market environment is possible,

however...

- El Niño conditions of 2023 quickly dissipating
- National Oceanic Atmospheric Administration's (NOAA) Climate Prediction Center indicating:
 - 83% chance of shifting from El Niño to neutral by April-June
 - 62% chance of La Niña conditions by June-August
- 2024 hurricane season
 - AccuWeather forecast of "potentially explosive" season
 - 20 - 24 named storms, including 8 - 12 hurricanes, and 4 – 7 reaching Category 3 strength or higher
 - Cited abnormally warm sea surface temperatures and La Niña conditions



Casualty Insurance Market Update

April 17, 2024

Hilton Orlando Lake Buena Vista

State of the Liability Market

Impact of Inflation

- Rising claim & operating costs before considering the impact of “Social inflation”
- Pressure on insurers reserve & rate adequacy

Social Inflation and Litigation Funding

- High, “catastrophic like” jury and judge verdicts regardless of merit or facts of the case
- Unrelated 3rd parties seek out and fund the litigation in return for a portion of the lawsuit recovery
 - Since 2016 there have been over \$30 billion in claims driven through litigation funding
 - An additional \$2.7 billion of investment in the litigation finance industry was committed in FY23

Law Enforcement Liability (LEL)

- Increased frequency and severity of litigation
- Civil lawsuits as redress (versus criminal) resulting in large settlements
- Reduction in availability of coverage at substantially higher costs/attachment points

Automobile Liability Trends

- Auto rates have increased for 22 consecutive quarters and still appear to be inadequate

5 Forces Driving Commercial Auto Insurance Costs

1. Bodily Injury Loss Costs

- Severity of loss is up 40% between 2018-2022 due to:
 - Increase in deadly accidents
 - Rising verdicts
 - Increases in Medical Cost Inflation: +5.5% in 2022, +6% in 2023, +7% forecast in 2024

2. Attorney Involvement

- Increased legal representation
- Higher expenditures for medical procedures and treatment

3. Distractions and Impairment

- Vehicle infotainment systems and mobile devices
- 30% of companies surveyed reported employee crashes due to distraction
- Deaths due to preventable crashes up 15% versus pre-pandemic levels

4. Vehicle Repair and Replacement Costs

- Autos have become 24% more expensive to repair since 2019 – technology, labor, advanced materials
- Used car prices were up almost 50% in 2023 when compared to the average between 2015-2019
- Increase in auto thefts

5. Inexperienced Drivers

- Resignations and retirements leading to a shortage of commercial drivers

Sources

¹ *LexisNexis Risk Solutions Auto Insurance Trends Report*

² *Health Research Institute*

³ *Attorney Involvement Keeps Claims Soaring (June 2023, The Institutes)*

⁴ *Travelers 2023 Risk Index – Distracted Driving*

⁵ *Auto Insurance: The Uncertain Road Ahead (2023, APCI)*

⁶ *Edmunds Used Vehicle Report (Q3 2023)*

Travelers – 5 Forces Driving Commercial Auto

State of the Workers' Compensation Market

The most stable line of coverage in the Casualty marketplace. However, it has been impacted by:

- Medical Cost Inflation
- Wage Inflation
- Decreasing frequency; Increasing Severity
 - Survival/Life Expectancy – due to medical advancements, survival rates and life expectancy have increased
 - Fee Schedule Costs – ICU, durable medical equipment and new state-of-the-art attendant care is not covered by the fee schedules
 - Comorbidity – disease coupled with injuries escalates claim costs

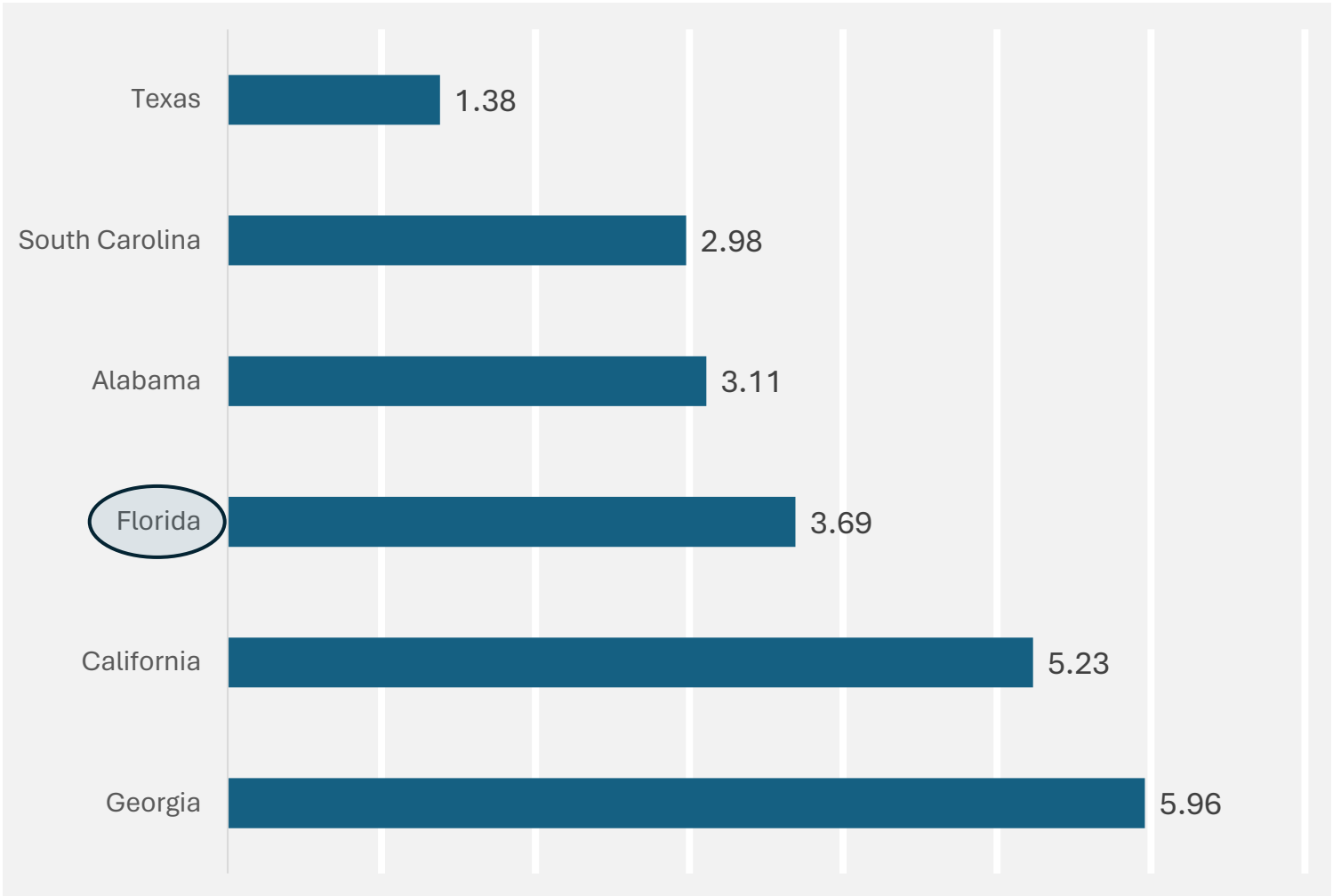
The Public Entity risk profile for Workers' Compensation has become more volatile

- First responders
- Pandemic impact on Public Entities Workers' Compensation
- Legislation - Presumption

Loss Cost

Per \$100 of payroll

Workers Compensation



We aggregated the loss costs of public service jobs like firefighters, police officers, and sanitation workers. Florida’s public service jobs have the third highest loss costs among the states analyzed.

Job Codes

Job Type	GA	FL	TX	AL	SC	CA
Fire Department	7704	7704	7710 7711	7710 7711	7710 7711	7710 7711
Police Department	7720	7720	7720	7720	7720	7720
Sanitation Department	9403	9403	9403	9403	9403	9403

MAYOR & CITY COUNCIL REPORTS

Mayor Dowless

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* FLORIDA BAR BOARD CERTIFIED
IN CITY, COUNTY AND LOCAL
GOVERNMENT

May 16, 2024

VIA E-MAIL

City of Edgewood
c/o John Dowless, Mayor
405 Bagshaw Way
Edgewood, FL 32809

**RE: Representation of City of Edgewood
Retainer for Legal Services (Limited Scope)**

Dear Mayor Dowless:

Pursuant to our correspondence with the City, it is my understanding that the City of Edgewood (the "City") desires to retain the law firm, Fishback Dominick LLP (herein "Fishback Dominick" or the "firm") as conflict counsel to perform legal services in connection with code enforcement issues involving Orange County property and to represent the City in future matters on an as-needed basis when its City Attorney has conflicts. This letter constitutes the engagement agreement between the City and Fishback Dominick, and this letter outlines the terms of the firm's legal representation and fee schedule for this limited scope of services to the City.

Fishback Dominick's attorneys' fees are based upon the time spent, including travel time, at the hourly rates in effect for firm attorneys, paralegals, law clerks and legal assistants that perform the work. Attorney time, paralegal time and law clerk time will be billed in quarter hour increments. Firm time will be billed at the following hourly rates:

Attorneys	\$275.00/hr.
Paralegals & Law Clerks	\$140.00/hr.
Legal Assistants	\$90.00/hr

In addition, the City will be responsible for the payment of any court and administrative hearing filing fees and my firm's out-of-pocket disbursements, which shall be paid for upon my request or upon receipt of monthly invoice. Out-of-pocket disbursements include, court reporter fees, legal process services, application fees, filing fees, Lexis-Nexis or other electronic legal research costs, photocopying expense (in firm copies billed at \$0.25 per copy), long distance telephone calls, photography expense, facsimile costs (billed at \$.25 per page), travel costs (vehicle mileage charged at IRS rates), and other similar expenses.

If the need develops to hire any expert witnesses, the City may be required to supply such experts with a separate retainer for their services and pay for such services independently of the firm's invoices. The City is responsible for compensating expert witnesses and other professionals assisting in litigation, administrative proceedings and other proceedings.

Invoices for attorneys' fees and out-of-pocket disbursements will be rendered on a monthly basis. The invoices will be sent via e-mail or U.S. Mail to the City. Such monthly invoices will be past due thirty (30) days from the date emailed or mailed. The City's failure to timely pay invoices shall result in interest accruing in accordance with the Florida Local Government Prompt Payment Act.

We will keep the City informed of all significant and important dates, events and matters affecting litigation and proceedings that the firm has involvement. The City understands that communications may, at times, be made through paralegals, secretaries, or other attorneys employed by the firm and familiar with this matter. Further, the City acknowledges and understands that there are no assurances or guarantees, either expressed or implied, with respect to the outcome of any case or matter, or any particular issue contained in any case or matter. The opinions of the firm and its attorneys expressed to the City represent our professional judgment, and are not a guarantee of a result. The attorneys' fees and costs incurred shall be due and owing regardless of the outcome of the matter(s) for which the firm is retained.

The City agrees that the services provided by Fishback Dominick and its attorneys, paralegals and other employees under this agreement are performed as an agent of the City and therefore, the City hereby extends the defense protections afforded by Section 111.07, Florida Statutes to Fishback Dominick and its attorneys, paralegals and other employees concerning matters arising from or related to services performed pursuant to this agreement.

In order to enable the firm to effectively represent the City, the City will ensure that its officials, officers, employees and agents, openly and freely communicate with, and provide requested information and documents to the firm, and keep the firm apprised of all developments relating to each matter for which the firm is involved.

The City will appoint no more than two (2) contact persons to direct and consult with Fishback Dominick regarding legal matters. The City represents and warrants and either one or both of these appointed representatives may consult with and provide direction to the firm on behalf of the City. Thus, the firm will assume that either of these contact persons appointed by the City has the requisite authority of the City to give and receive direction regarding legal

services, and the City shall be responsible for all fees and costs incurred as the result of correspondence with and direction received from either one or both of these persons.


Additionally, the City waives any potential conflicts that could arise from our concurrent representation of the City of Belle Isle, Winter Garden, Winter Park, and any other municipal or government client the firm may represent in the future. It is understood that Fishback Dominick LLP is not serving as general counsel for the City of Edgewood and retains the ability to take on other matters. Representing the City of Edgewood in this limited scope does not preclude us from undertaking other engagements that may arise in the future, including those that may involve entities with interests potentially adverse to the City of Edgewood.

In the event my firm's invoices are not timely paid when due, the firm reserves the right to terminate its legal services. Our legal services may be terminated by either you or my firm at any time; however, any attorneys' fees and costs incurred by my firm to the date of termination shall be paid in full. Further, the City shall pay the firm for any services rendered to transition cases and matters to other legal counsel retained by the City.

This agreement may be executed in any number of counterparts, the aggregate of which shall constitute a single document. Electronic and/or facsimile and copies of original signatures to this agreement are sufficient and will be treated as originals.

Please indicate the City's agreement with the above by executing below and returning a signed copy to me. I look forward to working with you on this matter. Thank you again for retaining my firm's services.

Sincerely,



Daniel W. Langley
Partner

The City hereby agrees to the above terms and conditions.

City of Edgewood, a Florida municipal corporation

By: _____
John Dowless, Mayor

Council Member Lomas

Council Member Rader

Council Member Steele

Council President Horn

ADJOURN