

**AGENDA FOR REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
INVERNESS, FLORIDA, CITY HALL, 212 WEST MAIN STREET
October 7, 2014 - 5:30 PM**

NOTICE TO THE PUBLIC

Any person who decides to appeal any decision of the Governing Body with respect to any matter considered at this meeting will need a record of the proceedings and, for such purpose, may need to provide that a verbatim record of the proceeding is made, which record includes testimony and evidence upon which the appeal is to be based (Section 286.0105, Florida Statutes).

Accommodation for the disabled (hearing or visually impaired, etc.) may be arranged with advance notice of seven (7) days before the scheduled meeting, by dialing (352) 726-2611 weekdays from 8 AM to 4 PM.

ENCLOSURES*

- 1) INVOCATION, PLEDGE OF ALLEGIANCE AND ROLL CALL**

- 2) PLEASE SILENCE ELECTRONIC DEVICES**

- 3) ACCEPTANCE OF AGENDA**

- 4) PUBLIC HEARINGS**
 - 4 - 18 a) Carry Forward Reserve Balance- Resolution*

- 5) OPEN PUBLIC MEETING**

The public is invited to express opinion on any item for this meeting or pending action at a future meeting of City Council.

- 6) PRE-SCHEDULED PUBLIC APPEARANCES**
 - 19 a) Hospital Board Presentation

 - 20 b) MPO - Long Range Transportation Plan - Dennis Dix

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October 7, 2014 - 5:30 PM**

7) MAYOR'S LOCAL ACHIEVEMENT AWARDS

8) CITY ATTORNEY REPORT

9) CONSENT AGENDA

- 21 - 24 a) Bill Listing - None
- b) Proclamations
- "National American Indian Heritage Month"
 - "Red Ribbon Week"
 - "The 43rd Festival of the Arts"
- 25 - 37 c) Council Minutes - 09/16/14; 09/18/14PH; & 09/18/14SP*

Recommendation - Approval

10) CITY MANAGER'S REPORT Correspondence/Reports/Recommendations

- 38 - 43 a) WRPC - Agreement Renewal 10/01/04 - 09/30/15*
- 44 - 48 b) Reserve Fund Designation - Resolution*
- 49 - 50 c) Architectural Aesthetic Review Committee- Reappointments*
- 51 - 53 d) Federal Emergency Management Agency(FEMA) Map Change*
(verbal)
- e) Withlacoochee Vo-Tech Institute - Name Change(Verbal)
- 54 - 57 f) Citrus County Sheriff's Office - Fire Services/MSBU Correspondence*
- 58 - 125 g) Audit Services - Bid Recommendation*
- 126 - 139 h) Parking Ordinance (1st Reading)*
- i) Other

**AGENDA FOR REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
INVERNESS, FLORIDA, CITY HALL, 212 WEST MAIN STREET
October 7, 2014 - 5:30 PM**

11) NON-SCHEDULED PUBLIC COMMENT

12) COUNCIL/MAYOR SUBJECTS

13) ADJOURNMENT

a)

DATES TO REMEMBER

Cooterific Car Cruise

Friday, October 17, 2014 from 5:00pm - 8:00pm

Courthouse Square and Downtown Inverness

Inverness Farmers Market & Cooter Trick or Treat

Saturday, October 18, 2014 from 9:00am - 1:00pm

Inverness Government Center City Square

Inverness City Council Regular Meeting

Tuesday, October 21, 2014 at 5:30pm

Historic Courthouse

Cooter Festival:

Cooter Rock the Block; Friday 10/24/14; 6:00-9:30pm

Cooter Fest Saturday; Saturday, 10/25/14; 10:00am - 6:00pm

Cooter Fest Sunday; Sunday, 10/26/14; 12 noon - 5:00pm

Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: Public Hearing – Project Fund Carry-Forward Resolution
Amending Fiscal Year 2014-15 Budget
FROM: City Manager
CC: Finance Director
ATTACHED: Chiodo Memo
Description of Projects
Resolution
Notice of Budget Public Hearing
Budget Summary 2014-15

This is an annual exercise to reconcile closure from the current fiscal appropriation to the new. The continuation of on-going project development from one fiscal cycle to the next is a normal action by City Council. During prior Fiscal Year (2013-14) much was accomplished, but there are always projects that continue from one fiscal cycle to another. To finalize these projects using existing – allocated – funds, City Council must take several steps prescribed by Fl Statutes. Completion of these projects and the carry-forward of respective allocated funds means technically the adopted level of spending will technically increase for 2014-15. The increase is on paper. This action represents existing funds, and no new money is involved. The budgeted carry-forward amount is \$4,625,095 to complete projects with appropriated funds from 2013-14.

Please see attachments for a list of projects and amounts for all sections of the budget.

What is to occur this evening?

To follow procedure, City Government is obligated to advertise and conduct a Public Hearing to provide disclosure and receive public comment. Following the Public Hearing and Council deliberation, the enclosed Resolution must be adopted to amend the budget for Fiscal Year ending September 30, 2015, and to enable use of previously allocated funds for project development.

Recommended Action –

To finalize and carry-forward existing funds:

1. Motion, second and vote to read the Resolution by title
 - a. City Clerk reads Resolution title
2. Open the Public Hearing (Allow the City Manager to comment)
 - a. Those for; Those against
3. Close the Public Hearing to deliberate the matter
4. To proceed, motion and second to adopt the Resolution by Roll-Call

Recommended Action –

It is recommended that City Council proceed to carry-forward allocated and unused funds to the current fiscal program to complete the stated projects.


Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-Fl.gov

FINANCE DEPARTMENT



212 W. Main Street
Inverness, FL 34450
(352) 726-5016 Phone
(352) 726-5534 Fax

Memorandum

To: Frank DiGiovanni, City Manager

From: Sheri Chiodo, Director of Finance

CC: Debbie Davis, City Clerk

Date: October 1, 2014

Reference: Fiscal Year 2015 Appropriations Carry-Forward – All Funds

Department Directors have completed requests for project budget carry forwards for Fiscal Year 2015. The purpose of this amendment is to appropriate funds in Fiscal Year 2015 for projects that were not started or were started but not completed by September 30, 2014. The amounts not expended are proposed to be appropriated in Fiscal Year 2015 to ensure project completion without interruption.

A budget summary ad for publication, notice of public hearing, and resolution, has been provided with this submittal for your reference and council consideration. The total amounts of carry forward projects are **\$4,625,095** allocated between the General, Capital Projects, Utility and Cemetery Funds.

A Description of Affected Projects and Related Amounts are as Follows:

GENERAL FUND

Other General Government

Special Attorney Fees – Appropriates funds for continuation of fire services legal fees. \$5,000

Facilities Maintenance

Misc Equipment – Appropriates funds for the Event Coordinator's office furniture which was ordered but not received in Fiscal Year 2014. \$4,860

Roads and Streets

Equipment Purchases- Appropriates funds to for the replacement of the Public Works Generator (expense shared with Utility Operations Fund). \$1,800

CAPITAL FUND

General Government

Land Acquisition – Continued funding for planned land acquisitions in progress. \$29,000

Government Plaza - Continual development of Government Plaza concept for downtown Inverness. Providing for the interaction of various governmental agencies, providing for centralized government for citizens' access, and creating synergism through cooperation. \$392,175

Data Preservation - Implementation and maintenance of document imaging and records management systems. Project scope includes Tyler Consulting Solutions Best Business Practice analysis and custom documentation, implementation services and equipment including 2 scanners and 2 bar code readers. \$81,960

Art in Public Places - At several well-traveled intersections, along avenues and in other highly-visible areas, sculptures; murals or other media will create another focal point and destination spot that blends with the city's small town charm and character. \$45,000

Neighborhood Centers - Identify, develop and encourage small neighborhoods to work in partnership with the City, thereby improving the quality of life within them. Small entry ways with landscaping are envisioned to expand the beautification programs. Neighborhood watch programs started encouraged promoting safety. City wide clean up could focus on specific areas and get more cooperation from citizens. \$55,000

Wayfind Signs - Development and installation of Wayfind Directional and advertising kiosks to direct visitors and guests to downtown city and mercantile locations. \$40,000

Security Cameras – IP – Continued funding to install security cameras in the Finance Department and IGC locations. \$10,625

GIS System Development – Continued funding for GIS Technology. GIS data provides for volumes of information to be accessed instantly, enabling City staff to be more proactive maintaining public infrastructure such as roads and streets, and utility lines. GIS data will help promote the City to potential businesses, land owners and citizens alike by bringing vast amounts of data like property information, points of interest, and travel routes instantly to their computer or mobile devices. \$20,000

Automation – Software – Continued implementation of software purchased in FY 2014 including Utility Billing, Fixed Assets, Central Property File, Tyler Cashiering, Applicant

Tracking, , Vendor Self Service, and Employee Self Service (web service pages), MapLink GIS Integration, Building Permit/Code Enforcement and Mobile Application Development. \$123,715.

Data Backup System – Ongoing program to automate and improve system backup functionality. \$15,000

PC Replacement Program – Funding to replace outdated desktop computers throughout the City Departments. \$1,700

Computer Equipment – Ongoing program to maintain and enhance technology throughout the city. \$25,900

FDOT Enhancement Program – Continued grant funding FDOT Enhancement Grant is a program that creates a balanced and improved transportation system. Funding is provided for landscaping and scenic highway beautification, lighting, pedestrian and bicycle facilities and acquisition of scenic sites. Conceptual improvements have been planned on Forest Drive from SR 44 west to Independence Highway. \$35,000

Speed Trailer Program - Purchase and utilization of electronic monitoring enhances driver awareness of traveling speed, which is a proven method to improve safety and greatly increases efficiencies to the allocation of sworn Law Enforcement personnel. The system is well received by residents and drivers alike and has been highly effective when used. Additional units will expand the program. \$30,000

Public Works – Roads and Streets

Sidewalk Construction - Sidewalk development is scheduled from a Sidewalk Program Priority List that was implemented in 2002. Funds will be reserved year to year until the reserve has reached a sufficient level to fund the next project. \$64,000

Bicycle Master Plan – Share the Road ID (Sharrows) – A safety program to mark target roadways by signs and lane markings to pronounce "Share the Road." Selected roads will be those leading to places of interest (shopping, schools, downtown, trail, medical, etc.). The program will be limited to roadways of high use by cyclists and vehicles. (State Roads will be exempt.) \$10,000

Traffic Calming – Ongoing project to promote pedestrian safety and neighborhood tranquility by installing speed humps and curb bump-outs. \$56,250

Tompkins Street Rehab - This project will address pedestrian traffic movement and beautification of Tompkins Street between Pine and Seminole. \$30,000

Highland & Montgomery Intersection Improvements – Continue funding to design and construct improvements to the intersection of Montgomery and Highland, including traffic calming elements, wayfinding signs, and a neighborhood entrance. \$75,000

Highland Blvd Reconstruction - Design funds for the widening of Highland Blvd, from S. Line Street to S. Apopka. \$55,500

Road Resurfacing – Continuing program to maintain city streets. \$6,800

Zephyr Street Intersection Improvements - Design improvements to critical intersections on Zephyr Street, including straightening the intersection at Zephyr and Cherry. Zephyr Street is a traffic reliever for HWY 44 and 41 for residents living on roads accessed by North Apopka Avenue. Funding represents the City's matching funds for the CIGP program for the design work as outlined in the 5-year FDOT Plan. \$71,340

North and South Apopka Storm water Improvement Area – Improvements to the storm water utilities on North and South Apopka Ave. \$70,000

Development Services

ICRA Storefront Façade Program - This project continues the downtown redevelopment effort by promoting and partially funding storefront façade improvements within the CRA District. ICRA Storefront Façade Matching Grant Program pays up to 50% of the total cost of each project up to \$15,000. Each project application must be reviewed and approved by the ICRA Board and A/ARC Committee. \$21,800

CDBG – Phase IV Streetscape - Project application will be submitted in October of 2014 with funding to start in late in Fiscal Year 2015. This project would be a continuation of the downtown redevelopment effort by expanding the streetscape/redevelopment on Dampier Street, and MLK Avenue and connect improvements from Dampier to Tompkins along Seminole. This Phase 4 project would complete the streetscape/ redevelopment for all of the CRA area located north of SR 44 and coordinate with the open air market on Dampier. \$240,000

Solar Compacting Trash Cans - Purchase of solar powered trash cans to be located in the highest use areas of the Downtown area. The trash cans compact the contents allowing longer periods between pick-ups. They also communicate via website when they need to be emptied. \$10,000

Downtown Amenities Replacement – An annual program to replace downtown amenities as necessary to improve the function of the downtown streetscape. Amenities would include but not be limited to benches, trash receptacles, tree grates, fencing, banners and other misc. street furniture. \$55,000

Valerie Theater – Ongoing program to renovate the Valarie Theater. \$1,556,045

North Apopka Ave Trailhead Project – Funding to complete the acquisition of an additional street sign, two benches and bicycle rack. \$7,100

Parks and Recreation

Satellite Parks

Cooter Pond Theme Lighting - Boardwalk & landscape lighting as well as electrical outlets will be designed and installed throughout the Cooter Pond Linear Park. Illumination will accommodate special events and fee based activities. \$38,175

Kayak/Canoe Launch – Continued funding for construction of a kayak/canoe launch which will provide a low impact, healthy and environmentally friendly activity to the waterfront park system. The launch will be a tourist destination. \$53,450

Solar Compacting Trash Cans - Purchase of 5 solar powered trash cans to be located in the highest use areas of the Parks system. The trash cans compact the contents allowing longer time between pick-ups. They also communicate by text message when they need to be emptied. \$10,000

Wallace Brooks Park Playground Improvements - Design and installation of new playground equipment. \$20,000

Whispering Pines Park

Directional Signage – This project is to improve/upgrade the existing park signage system within the park. The signs in question direct park patrons to facilities within the Whispering Pines Park. The signage on Hwy 44 will be upgraded with the FDOT improvement of Forest Drive. The park entrance sign, rule sign and the facility location signs will be replaced. \$5,000

Boy Scout Area Upgrades - Removal and replacement of rotting lumber on pavilion, tent shelters and comfort station. Repair roof shingles and trusses. New sink and fixture for kitchen area in main pavilion. Paint comfort station and main pavilion. \$35,000

Playground and Fitness Trail Equipment - Upgrade and replacement of playground features, fitness stations and trail features. Rehabilitation of playground fencing. \$5,000

WATER & SEWER FUND

Equipment Purchases – Appropriate encumbered funding for the replacement of the Public Works Department Generator – Work contracted with Tampa Armature Works - \$5,000

Citrus Booster Storage Tank Rehabilitation – Repairs and rehabilitation to the 500,000 gallon ground storage tank located at the Citrus Booster Station. A 2007 evaluation performed by the tank supplier, Crom Engineering, indicated that work should address: exterior crack repair and painting, leaking at the influent control valve, structural issues at the influent and effluent pipe lines of the tank. \$37,300

Citrus Booster Station Motor Control Center - Planned replacement of the aging Motor Control Center (MCC) at the Citrus booster station. The MCC is equipment crucial to the

operation of the Citrus Booster Pumps. It governs and controls when pumps operate, the speed at which they start and stop, and many other pump functions. Pumps of this size in a water system operation cannot be operated without the MCC. \$30,000

Lift Station Upgrade #24 - Lift station #24 requires physical, electrical and mechanical upgrades. Repairs include replacement of the corroded control panel, compromised effluent piping, and electrical conduit damage. Sulfide corrosion of the interior lining also necessitates an interior re-lining to ensure the physical integrity of the station. \$70,000

Lift Station Fencing - Security fencing installation at sewer pump stations located in public right of ways. Currently only one of thirty stations is fenced; the objective is to fence as many as possible each budget year. \$10,000

ESG Program – Wastewater Treatment Plant Load Controls - Installation of Load Control System allowing Water Reclamation facility equipment to run during non-peak hours when electricity prices are lowest. \$13,900

WWTP Fence and Security - Removal and Replacement to a decorative, black color, chain link fence, which is more compatible with City improvements to Dampier Street, Wallace Brooks Park and general area. \$15,000

Master Lift Station Valve Installation - Installation of an isolation valve upstream of the emergency connection for auxiliary pumping. Installation will be completed without interruption of service utilizing a 14” line stop valve. \$15,000

Lift Station Upgrades and Rehabilitation Program - General annual LS improvements to include electrical and panel replacements and upgrades for SCADA, wet-well lining, lift station equipment replacement, alarm installation, and lift station spare pumps. \$122,200

Water Line Extensions - Annual funding is for water line extensions, or to upgrade undersized infrastructure in order to increase capacity for future line extensions, improve water flow or improve water quality. Fund will build until eligible project is funded. \$20,000

Water Line Improvements – Upgrades – Continued funding to improve water lines and appurtenances in scenarios such as undersized infrastructure, unsuitable materials of construction, aged infrastructure, poor piping configurations or other situations which may be detrimental to the distribution piping system. \$38,800

Utility Acquisition Project – Feasibility study currently in progress to evaluate the acquisition of three utility systems from Citrus County including Rosemont/Rolling Green, Golden Terrace and Foxwood. \$157,400

Automated Meter Reading System – Continued Installation of Automatic Metering Infrastructure (AMI) and equipment. \$514,500

Sewer Line Replacements – Ongoing program to upgrade aging infrastructure. \$33,800

Sewer Lateral Replacements – Continued funding to contract replacement of existing sewer laterals located in the public right-of-ways. \$40,000

CEMETERY FUND

Cemetery Study - A study to provide guidance for the future development and oversight of the cemetery. To streamline processes, encompass comprehensive maintenance, increase revenue and improve customer satisfaction. \$90,000

RESOLUTION 2014-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INVERNESS, FLORIDA AMENDING THE ADOPTED BUDGET FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015, AMENDING THE GENERAL FUND, CAPITAL PROJECTS FUND, WATER/SEWER FUND, AND CEMETERY FUND REVENUES AND EXPENDITURES AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Inverness desires to amend the Fiscal Year 2014-2015 budget to provide for the recognition of Fiscal Year 2014 carry forward reserves and Grant Funds in the General, Capital Projects, Water/Sewer and Cemetery Funds; and

WHEREAS, the City Council desires to appropriate the reserves and grant funds for authorized project expenses appropriated in Fiscal Year 2014 and not expended; and

WHEREAS, the City Council held a public hearing on October 7, 2014; as required by Florida Statute 200.065; and

WHEREAS, Ordinance Number 2013-706, Section 5, authorizes amendments to the final adopted budget by resolution approved by the City Council of the City of Inverness, Florida.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF INVERNESS AS FOLLOWS:

Section 1. That revenue accounts in the General Fund shall be amended as follows:

| Revenues | Original Budget | Revised Budget | Adjustment |
|-----------------------|------------------------|-----------------------|-------------------|
| Cash Balances Forward | \$2,813,591 | \$2,825,251 | \$11,660 |

Section 2. That expenditure accounts in the General Fund shall be amended as follows:

| Expenditures | Original Budget | Revised Budget | Adjustment |
|---------------------|------------------------|-----------------------|-------------------|
| General Government | \$2,107,870 | \$ 2,117,730 | \$ 9,860 |
| Transportation | \$ 727,066 | \$ 728,866 | \$ 1,800 |

Section 3. That revenue accounts in the Capital Projects Fund shall be amended as follows:

| Revenues | Original Budget | Revised Budget | Adjustment |
|---------------------------------|----------------------------|---------------------------|-------------------|
| Cash Balances Forward | \$2,677,625 | \$5,970,160 | \$3,292,535 |
| Grants and Local Shared Revenue | \$1,922,321 | \$2,030,321 | \$ 108,000 |

Section 4. That expenditure accounts in the Capital Projects Fund shall be amended as follows:

| Expenditures | Original Budget | Revised Budget | Adjustment |
|----------------------|----------------------------|---------------------------|-------------------|
| General Government | \$ 349,500 | \$ 1,189,575 | \$ 840,075 |
| Public Safety | \$ -0- | \$ 30,000 | \$ 30,000 |
| Transportation | \$ 1,742,000 | \$ 2,110,890 | \$ 368,890 |
| Economic Environment | \$ 1,228,400 | \$ 1,660,200 | \$ 431,800 |
| Culture/Recreation | \$ 2,036,621 | \$ 3,766,391 | \$1,729,770 |

Section 5. That revenue accounts in the Water/Sewer Utility Funds shall be amended as follows:

| Revenues | Original Budget | Revised Budget | Adjustment |
|-----------------------|----------------------------|---------------------------|-------------------|
| Cash Balances Forward | \$5,304,288 | \$6,427,188 | \$1,122,900 |

Section 6. That expenditure accounts in the Water/Sewer Utility Funds shall be amended as follows:

| Expenditures | Original Budget | Revised Budget | Adjustment |
|----------------------|----------------------------|---------------------------|-------------------|
| Physical Environment | \$ 2,719,415 | \$ 3,842,315 | \$1,122,900 |

Section 7. That revenue accounts in the Cemetery Fund shall be amended as follows:

| Revenues | Original Budget | Revised Budget | Adjustment |
|-----------------------|----------------------------|---------------------------|-------------------|
| Cash Balances Forward | \$ 663,231 | \$753,231 | \$ 90,000 |

Section 8. That expenditure accounts in the Cemetery shall be amended as follows:

| Expenditures | Original Budget | Revised Budget | Adjustment |
|----------------------|----------------------------|---------------------------|-------------------|
| Physical Environment | \$ 56,182 | \$ 146,182 | \$ 90,000 |

Section 5. That this resolution shall be effective on the 7th day of October, 2014

PASSED AND ADOPTED this __ day of _____, 2014.

CITY OF INVERNESS

By: _____
Ken Hinkle
 President of City Council

ATTEST:

Deborah Davis
 City Clerk

NOTICE OF BUDGET HEARING

The City Council of the City of Inverness will hold a public hearing on Tuesday, October 7, 2014 at 5:30 p.m. at the Inverness Government Center, 212 W. Main Street, Inverness, FL to consider and finalize a resolution amending the adopted budget for the General, Capital Projects, Cemetery and Utility Funds for the fiscal year commencing October 1, 2014 and ending September 30, 2015.

2014/2015 FISCAL YEAR
 THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE CITY OF INVERNESS ARE 4.36% THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES

| ESTIMATED REVENUES | GENERAL FUND | WHISPERING PINES PARK | CAPITAL PROJECTS FUND | WATER & SEWER | CEMETERY | IMPACT FEE FUND | PENSION FUNDS | TOTAL BEFORE COMPONENT UNIT | I.C.R.A. TRUST FUND | TOTAL ALL FUNDS |
|---|-------------------|-----------------------|-----------------------|-------------------|----------------|-----------------|----------------|-----------------------------|---------------------|-------------------|
| TAXES: | | | | | | | | | | |
| AD-VALOREM | 2,332,594 | | | | | | | 2,332,594 | | 2,332,594 |
| AD-VALOREM Delinquent Taxes | 58,517 | | | | | | | 58,517 | | 58,517 |
| SALES AND USE TAXES | 300,000 | | | | | | | 300,000 | | 300,000 |
| FRANCHISE FEES | 714,500 | | | | | | | 714,500 | | 714,500 |
| UTILITY SERVICE TAXES | 710,000 | | | | | | | 710,000 | | 710,000 |
| COMMUNICATIONS SERVICE TAX | 313,000 | | | | | | | 313,000 | | 313,000 |
| LOCAL BUSINESS TAX | 58,000 | | | | | | | 58,000 | | 58,000 |
| LICENSES AND PERMITS | 85,600 | | | | | | | 85,600 | | 85,600 |
| GRANTS/SHARED REVENUE | | 7,500 | 2,030,321 | 600,000 | | | | 2,637,821 | 75,000 | 2,712,821 |
| STATE SHARED REVENUES | 684,500 | | | | | | | 684,500 | | 684,500 |
| CHARGES FOR SERVICES | 1,070,675 | 129,750 | 4,300 | 3,377,008 | | | | 4,581,733 | | 4,581,733 |
| FINES AND FORFEITURES | 24,800 | | | | | | | 24,800 | | 24,800 |
| INTEREST EARNINGS | 45,100 | 800 | 20,000 | 34,000 | 21,500 | | 22,500 | 143,900 | 800 | 144,700 |
| RENTS & ROYALTIES | 154,800 | | | 250 | | | | 155,050 | | 155,050 |
| SPECIAL ASSESSMENTS/IMPACT FEES | 600 | | 563,000 | | | 25,000 | | 588,600 | | 588,600 |
| CONTRIBUTIONS/DONATIONS | - | 300 | - | | | | | 300 | | 300 |
| SALE OF FIXED ASSETS | - | | | | 14,600 | | | 14,600 | | 14,600 |
| PENSION CONTRIBUTIONS | - | | | | | | 1,500 | 1,500 | | 1,500 |
| MISCELLANEOUS REVENUES | 30,400 | 2,700 | 20,000 | 19,000 | 300 | | | 72,400 | | 72,400 |
| DEBT PROCEEDS | | | 1,500,000 | - | | | | 1,500,000 | | 1,500,000 |
| TOTAL SOURCES | 6,583,086 | 141,050 | 4,137,621 | 4,030,258 | 36,400 | 25,000 | 24,000 | 14,977,415 | 75,800 | 15,053,215 |
| TRANSFERS IN | 465,000 | 410,000 | 834,000 | 3,538,983 | 130,658 | | | 5,378,641 | 63,000 | 5,441,641 |
| FUND BALANCES/RESERVES/NET ASSETS | 5,404,192 | 290,940 | 5,970,160 | 7,673,800 | 753,231 | 492,080 | 399,317 | 20,983,720 | 70,990 | 21,054,710 |
| TOTAL REVENUES, TRANSFERS & BALANCES | 12,452,278 | 841,990 | 10,941,781 | 15,243,041 | 920,289 | 517,080 | 423,317 | 41,339,776 | 209,790 | 41,549,566 |
| EXPENDITURES | | | | | | | | | | |
| GENERAL GOVERNMENTAL | 2,117,730 | | 1,189,575 | | | | 17,500 | 3,324,805 | | 3,324,805 |
| PUBLIC SAFETY | 775,000 | | 30,000 | | | | | 805,000 | | 805,000 |
| PHYSICAL ENVIRONMENT | 1,190,008 | | - | 3,842,315 | 146,182 | | | 5,178,505 | | 5,178,505 |
| TRANSPORTATION | 728,866 | | 2,110,890 | | | | | 2,839,756 | | 2,839,756 |
| ECONOMIC ENVIRONMENT | 242,058 | | 1,660,200 | | | | | 1,902,258 | 94,995 | 1,997,253 |
| CULTURE & RECREATION | 921,671 | 691,265 | 3,766,391 | | | | | 5,379,327 | - | 5,379,327 |
| DEBT SERVICES | - | | | 848,248 | | | | 848,248 | - | 848,248 |
| TOTAL EXPENDITURES | 5,975,333 | 691,265 | 8,757,056 | 4,690,563 | 146,182 | - | 17,500 | 20,277,899 | 94,995 | 20,372,894 |

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE REFERENCED TAXING AUTHORITY AS A PUBLIC RECORD

2014/2015 FISCAL YEAR
 THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE CITY OF INVERNESS ARE 4.36% THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES

| | | | | | | | | | | |
|---|-------------------|----------------|-------------------|-------------------|----------------|----------------|----------------|-------------------|----------------|-------------------|
| TRANSFERS - OUT | 1,132,000 | 75,000 | - | 3,988,983 | 134,158 | | | 5,330,141 | 111,500 | 5,441,641 |
| FUND BALANCES/RESERVES/NET ASSETS | 5,344,945 | 75,725 | 2,184,725 | 6,563,495 | 639,949 | 517,080 | 405,817 | 15,731,736 | 3,295 | 15,735,031 |
| TOTAL APPROPRIATED EXPENDITURES, | | | | | | | | | | |
| TRANSFERS, RESERVES & BALANCES | 12,452,278 | 841,990 | 10,941,781 | 15,243,041 | 920,289 | 517,080 | 423,317 | 41,339,776 | 209,790 | 41,549,566 |

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE REFERENCED TAXING AUTHORITY AS A PUBLIC RECORD

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Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: Hospital Transaction Presentation
FROM: City Manager
CC: City Clerk
ATTACHED: N/A

A formal presentation will be made by William Grant, representing the Citrus County Hospital Trustee Board, concerning details and scope of the pending transaction and transition of Citrus Memorial Health Services (CMH) to Hospital Corporation of America (HCA).

Following Mr. Grant's informational statement, your questions will be welcomed and answered.

Recommended Action –
No action is recommended or necessary.


Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov

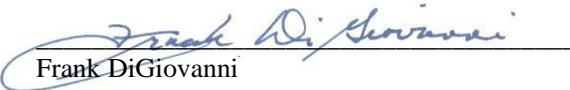
Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: MPO- Long Range Transportation Plan
FROM: City Manager
CC: City Clerk, Ass't City Manager, Community Dev., Public Works
ATTACHED: N/A

Mr. Dennis Dix, representing the Hernando/Citrus Metropolitan Planning Organization will be present to inform and discuss the Transportation Long-Range Plan.

Following the presentation, Mr. Dix will be available to answer any questions.

Recommended Action –
No Action is Necessary


Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov

Agenda Memorandum – *City of Inverness*

DATE: September 30th, 2014
ISSUE: Authorization for Proclamation Issuance
FROM: City Clerk Davis
CC: City Manager
ATTACHED: Draft Proclamations

The attached request is for the Inverness City Council to consider and authorize issuance of the following Proclamations in recognizing,

- “Red Ribbon Week”
- “42rd Festival of the Arts Weekend”
- “National American Indian Heritage month”

Recommended Action:

If City Council supports the above listed subject, and wishes to issue these Proclamations, please motion, second and vote to authorize that we finalize each of these Proclamations to be issued by the Mayor as arranged by the Office of the City Clerk.



Deborah Davis, City Clerk

Proclamation

DRAFT

WHEREAS, the City of Inverness and the Anti-Drug Coalition of Citrus County value the health and safety of all our citizens; and

WHEREAS, substance abuse is particularly damaging to one of our most valuable resources, our children, and a contributing factor in the three leading causes of death for teenagers – accidents, homicides, and suicides; and

WHEREAS, it is the goal of Red Ribbon Week, the City of Inverness, and the Anti-Drug Coalition of Citrus County to involve families, schools businesses, churches, law enforcement agencies and service organizations in all aspects of this campaign and establish an atmosphere that supports awareness, education and on-going initiatives to prevent illegal drug use, and

WHEREAS, the Red Ribbon Week Campaign theme promotes family and individual responsibilities for living healthy, drug-free lifestyles, without illegal drugs or the illegal use of legal drugs, and

WHEREAS, there are many activities planned during the Red Ribbon Week Campaign in Citrus County,

NOW, THEREFORE, BE IT RESOLVED That I, Bob Plaisted, serving as Mayor of the City of Inverness, do hereby proclaim **October 23rd through October 31st, 2014** as

“Red Ribbon Week”

Bob Plaisted, Mayor
City Council of Inverness

ATTEST:

Deborah Davis, City Clerk

DRAFT

Proclamation

WHEREAS, the Festival of the Arts is a tradition, bringing focus to its historical significance and preservation of all art forms; and

WHEREAS, the Festival of the Arts, coordinated by the City of Inverness, the Festival of the Arts Committee, and the Citrus County Chronicle, is celebrating 43 years of successfully sharing the talents of Artists and Craftsmen from across the Country; and

WHEREAS, an appreciation of the Arts is experienced by all ages the 1st weekend in November around Courthouse Square; and

NOW, THEREFORE I, Bob Plaisted, Mayor of the City of Inverness do hereby proclaim November 1st and 2nd, 2014 as

THE 43rd FESTIVAL OF THE ARTS WEEKEND

in the City of Inverness, and urge our citizens to participant in this event.

Bob Plaisted, Mayor
City of Inverness

ATTEST:

Deborah Davis, City Clerk

DRAFT

Proclamation

WHEREAS, the history and culture of our great nation have been significantly influenced by American Indians and indigenous peoples; and

WHEREAS, the contributions of American Indians have enhanced the freedom, prosperity, and greatness of America today; and

WHEREAS, their customs and traditions are respected and celebrated as part of a rich legacy throughout the United States; and

WHEREAS, Native American Awareness Week began in 1976 and recognition was expanded by Congress and approved by President George Bush in August 1990, designating the month of November as National American Indian Heritage Month; and

WHEREAS, in honor of National American Indian Heritage Month, community celebrations as well as numerous cultural, artistic, educational and historical activities have been planned;

NOW, THEREFORE, I, Bob Plaisted, by virtue of the authority vested in me as Mayor of the City of Inverness, do hereby proclaim **November** as the

“National American Indian Heritage Month”

And urge all our citizens to observe this month with appropriate programs, ceremonies and activities.

ATTEST:

Bob Plaisted, Mayor
City Council of Inverness

Deborah Davis, City Clerk

September 16, 2014
5:30 PM

The City Council of the City of Inverness met on the above date in Regular Session at 212 W. Main Street with the following members present:

President Hinkle
Vice President Hepfer (Not present)
Councilwoman Bega
Councilman McBride
Councilman Ryan
Mayor Plaisted

Also present were City Manager DiGiovanni, City Attorney Haag, Asst. City Manager Williams, Community Development Director Malm, Public Works Director Cottrell, Woodard & Curran Director Mike Regina, and City Clerk Davis.

The Invocation was given by Councilman Ryan and the Pledge of Allegiance was led by the City Council.

ACCEPTANCE OF AGENDA

Councilman Hinkle motioned to accept the Agenda and moving the Mayors Local Achievement Awards as presented. Seconded by Councilman McBride. The motioned carried.

PUBLIC HEARINGS

None

OPEN PUBLIC MEETING

None

CITY ATTORNEY REPORT

None

SCHEDULED APPEARANCES

Map of 4 county region - 750,000 population within 4 county area

6)a) WRWSA – Richard Owen appeared before Council and presented the background of the Withlacoochee Regional Water Supply Authority, the Regional Water Supply Planning ,Water Conservation, and other Activities. He displayed a map of the four county region, which consists of a 750,000 population within the four county area. The Water Authority plans for future water supplies for member governments, and locates, develops, delivers wholesale water supply to member governments as needed. The board representation consisted of Citrus County (3); Hernando (3); Marion (4); Sumter (3). He spoke to the Charles A. Black Wellfields and the supply demand projections (2010-2035) and the increase in demand in each of the counties, as well as in the categories ia; Public Supply, Domestic, industrial commercial; recreational, and agriculture. He addressed

their Water Conservation Efforts, and the Results, and the WRWAS Current Activities. The Regional Priorities and objectives are to Increase Conservation; Maximize Beneficial use of Reclaimed Water; and Partner with Withlacoochee Regional Water Supply authority to promote regional water supply planning and development.

MAYOR'S LOCAL ACHIEVEMENT AWARDS

7)a) Child Passenger Safety Week Proclamation – Presentation* Sue Littman, of the Early Learning Coalition of the Nature Coast and Michelle Tewell of the Citrus County Sheriff's Dept. were presented a Proclamation by Mayor Plaisted. Sue Littman, spoke and encouraged people to take advantage of the service for car seat inspections, at the sites in Crystal River at the Early Learning Coalition, and the Sheriff's Whispering Pines Park Administration Bldg.

CONSENT AGENDA

Councilwoman Bega motioned to accept the Consent Agenda. Seconded by Councilman McBride. The motion carried.

- a) Bill Listing*
 - Recommendation – Approval
- b) Council Minutes – 09/02/14 *
 - Recommendation – Approval

CITY MANAGER'S REPORT

10)a) A/V Agreement – Construction Manager at Risk was addressed by City Manager DiGiovanni who advised that a major component to the success of the Valerie Theatre and Plaza is the sound system and visual (AV) component. The City has engaged the firm of Clancy and Theys for continual services of Construction Manager at Risk (CMAR), and with keeping with the scope of the agreement for CMAR, we requested that they develop and propose a guaranteed maximum price (GMP) to specially design and engineer an integrated A/V system. An amendment to the Construction Management at Risk Agreement that outlines a guaranteed maximum price for the Audio/Visual Systems Project at \$355,258 has been provided for Council action and is based on the prospective diligence of pre-construction services. He stated that this is the 3rd element to this project.

Councilman Ryan questioned what the increase was, and it was explained that this is not an increase but is designed as the 3rd project (modification) to the Construction Management Agreement that we have, and is included within the CIP budgeted for this project.

Councilman McBride questioned what it will do. City Manager explained that it is the management of sound within the Theatre and is part of the major functions for a cultural building, which brings a dynamic element to the overall Theatre.

Councilman McBride motioned to authorize that the Council President execute the amendment to the CMAR continual services agreement for the Audio/Visual Systems Project. Seconded by Councilman Ryan . The motion carried unanimously.

10)b) Law Enforcement Services was addressed with City Manager DiGiovanni advising that City Administration has met with representatives of the Sheriff's Office to clarify points and develop wording to renew the Agreement. The program cost for next fiscal year is structured at \$747,620 which is an increase of \$14,455 from the previous (current) year. We wanted to get language to what it was in 2004 to maintain a consistency over a 10 year period.

He advised that through the authorities of City Charter, elected officials directs how law enforcement will be applied in the COI and does so through the Inter-Agency Agreement. After this was placed on the agenda, the Sheriff Dept. found fault with 2 elements of the 10 year Agreement. 1) Language that says the City Council reserves the understanding that we will direct law enforcement services and another was on sovereign immunity. There are 2 recommendations to modify the agreement, stating that he doesn't feel it needs to be modified. He asked that Attorney Haag speak on what he understands the amelioration might need to be.

Attorney Haag noted Section 2, of the Agreement, last sentence which states that a *"Inverness similarly retains the right to control law enforcement services provided pursuant to this Agreement"*. The Sheriff's Office has one concern that the City is going to try to control or dictate how the deputies perform their functions. Attorney Haag had a concern with the language, that when using the term control, it comes with liability, and could possibly get dragged into litigation with the Sheriff Dept by an aggrieved citizen. That language also appears in Section 3, and repeats Inverness' right to control and supervise law enforcement services. We already state in Section 2, that both parties recognize that Inverness retains the right to resume responsibilities to provide law enforcement services within the City at the expiration of this agreement. He thinks we can do without the control language in the agreement. Both he and the Sheriff Office have the concern if we are opening up Pandora's box when it comes to liability. He noted that if this were to occur it would be quite expensive. The only other item of concern was at the end Section 13, Indemnification and Hold Harmless – we end the paragraph with language to the effect that *"The Sheriff does not assume any existing or contingent liabilities regarding liability of Inverness unless specifically listed above. By agreement to the provisions of this paragraph 13, the parties hereto do not in any way waive or limit their entitlements of sovereign immunity."* Sheriff's Office Attorney Wes Bradshaw, has asked that the last sentence be changed to read *"not withstanding the foregoing, the parties intend to avail themselves of the benefits of Section 768.28, Florida Statutes, and of other statutes and common law governing sovereign immunity to the fullest extent possible. Nothing in this agreement is intended to insure to the benefit of any third-party for the purposes of allowing a claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law."* He noted that this was more encompassing from the original agreement, and has no problem substituting the last sentence for what Attorney Bradshaw requested, and would be up to City Council.

City Manager DiGiovanni stated that the fact that you are contracting with someone gets you culpable in litigation. As far as the City dealing with potential liabilities and litigations, just because you made the determination to contract with someone to perform certain acts, you can get pulled into things, but it doesn't mean you're going to lose. He wanted to be clear on the gravity or lack of, of what we are discussing and how the

change came about. Council should hear all points of a position and make the determination you feel is best.

Attorney Haag explained that portions of changes to the Agreement, came from the Sheriff's Dept. Attorney, so therefore they will likely approve this.

He clarified the changes in paragraph 2, that the last sentence would be eliminated and the last sentence of paragraph 3, insert a period after the word requested. After the word regular, add the phrase "and Special". The last sentence in paragraph 13 would be replaced with language previously read into the record.

Councilman McBride stated he had no problem with changing both paragraph 2 and 3. He questioned if changing the verbiage in Paragraph 13 as recommended by the Sheriff Attorney is a good thing for the City. Attorney Haag explained that it applied to both the Sheriff and the City and the purpose of it is to avail ourselves of any theory of sovereign immunity that a lawyer can dream up. Councilman McBride question if there was anything in these changes that will bring about an unintended consequence? Attorney Haag stated he didn't foresee any issue.

Councilwoman Bega motioned to support and accept the Agreement with the Citrus County Sheriff's Office for Law Enforcement Services through September 30th, 2015, and authorize that the Council President execute the document, with recommended changes by Attorney Haag. Seconded by Councilman Ryan. The motion carried unanimously.

10)c) Parking Ordinance (1st Reading) was addressed. City Manager DiGiovanni pointed out that the proposed Parking Ordinance has been modified to replace the current outdated Ordinance with a modern approach to parking regulation and management, while addressing certain behaviors that require added attention. He noted that this was not about tickets and over regulation, but the ability to modify existing regulations to better address the high amount of activity in the downtown. Most comments on parking are about convenience. We have a parking ordinance that has worked up to the present, is running into difficulty. There are more people wanting to come to downtown, larger vehicles, situations with people backing into light poles/vehicles, parking on wrong sides of road, etc. We need to get parking regulations to address these situations. He commended the work put into this by Dale Malm and Eric Williams. He stated that just prior to this meeting he had conversation with Attorney Haag and they both wished to review this again to be sure the Ordinance is codified correctly and is ready for their first reading. This gives us the opportunity to have Council's input on the parking situation. He noted that we do not make money on issuing tickets.

What is before you in this ordinance, redacts the majority of the current parking ordinance, and brings forward a new approach. This deals with impounding vehicles, driveways, sidewalks, and two hour parking regulations.

Councilman Ryan stated that lawnmowers on trailers are parking in the IGC parking lot taking up to seven spaces. Also some business owners complain that the events take away from their customer parking. He also has received comments on vendors at the Farmers Market that park in the lot and take up a lot of spaces.

Councilwoman Bega commented that some of it is a little restrictive. She referenced Page 15, Section 21.19, Parking for Certain Purposes Prohibited and understands that you are not allowed to put a "for sale" sign in the car, with the exclusion, that if you have

a license to sell cars or if it's your car, the registered car owner is the registered owner of the property. She thinks there should be different verbiage because when you have to follow the rules or enforce the rules you can't pick and choose who you enforce them for, but must enforce them for everybody. She referenced Section 21.19, (4) and noted how people are having their cars wrapped, with business signs, magnetic signs on their cars. Is this prohibiting that unless you're the owner of the property? Councilwoman Bega asked what's a sign, and what's not a sign? Are you really advertising a business doing that or is that a sign for your own business. With the "car for sale" sign, maybe there is a number, a limit to how many per year, or so many at one time.

Councilman Ryan and Councilwoman Bega spoke of cars that are wrapped with a business name and spoke ordinance language which needed clarification.

Council President Hinkle brought up that during events downtown, we have a lot of private businesses their driveways are blocked by people, with a chain and people think it's a parking spot, and people parking on sidewalks.

City Manager DiGiovanni stated that sidewalk violations and backing in is a problem, which are things we need to address. He stated that we will revisit what council has addressed. If there are questions beyond this evening, please jot them down and they can be addressed when the Ordinance is brought forward.

10)d) Commercial Sanitation Rate Modification – Resolution was addressed. City Manager DiGiovanni explained that rates are annually adjusted by contract for all facets of this program, and the City must additionally adjust rates for the shared dumpster program. The City's Residential and Commercial Rates for Collection, which are shown in the proposed annual rate sheet (Attachment A), and Fiscal Year 2014/15 Customer Rate Schedule, have been adjusted to correspond to the Consumer Price Index, and in accordance with the Franchise Agreement. The Shared Dumpster Program Sanitation Rates have been modified to reflect the collection and disposal and operational costs of the facility. Once approved, the rate structure for the 2014/15 Fiscal Year, will become effective October 1, 2014.

Councilman Ryan motioned to read Resolution 2014-23 read by title only. Seconded by Councilman McBride. The motion carried.

RESOLUTION 2014-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INVERNESS, FLORIDA, ADOPTING THE 2014/15 COMMERCIAL SANITATION RATES AND AMENDING THE RATE SECTION, ATTACHMENT A, TO THE FRANCHISE AGREEMENT BETWEEN THE CITY AND WASTE MANAGEMENT AND PROVIDING FOR AN EFFECTIVE DATE.

Councilman McBride motioned to adopt Resolution 2014-23 by roll call vote. Seconded by Councilwoman Bega. Roll call vote was as follows:, Councilman Ryan, yes; Councilwoman Bega, yes; Councilman McBride, yes; President Hinkle, yes. The motion carried.

10)e) Veteran's Day parade – FDOT Permit – Approval was addressed with City Manager DiGiovanni explaining that FDOT must approve the temporary closing of Hwy 41/44 (FDOT roadway) to accommodate the Veterans Day Parade. City Council must authorize the City's hosting of the parade and accommodation of the parade to be held on Veteran's Day, Tuesday, November 11th, 2014. This action is taken by FDOT confirming that the elected officials support the closing of the road. **Councilman McBride motioned to authorize that the City host and accommodate the Veterans Day Parade on November 11th, 2014, on the FDOT Highway 41/44 through town, and accordingly support a temporary closure of the road for this purpose. Seconded by Councilman Ryan . The motion carried unanimously.**

10)f) Agreement – City Manager Services - Due to the fact he was not able to get this agreement into agenda packet and hasn't been distributed until this evening, he recommended not acting on it this evening. He stated that he has tried to provide history of past, the elements of the old contract are incorporated into the new with some changes and additions. You can also see on 1st page what was in the old contract, but not received by himself due to commonality with everyone else. He tried to in the memorandum, keep things clear as the cost. The FRS still requires that the City pay FRS (\$16,300), that will go into the program with no benefit derived by this community. He can no longer collect from the FRS. He suggested that the Council President call a Special meeting of City Council on Thursday, Sept 18th at 5:15pm, or immediately following the Budget Public Hearing to adopt the 2014/15 Budget. This will provide them time to review the Agreement and jot down questions and have an open discussion. **Council President Hinkle called for a special meeting to take place on Thursday, September 18th @ 5:15pm, or immediately following the Budget Public Hearing. Consensus was received by all.**

City Manager DiGiovanni additionally reported on the following:

He noted the Progress Report of the Valerie Theatre provided to them this evening, which included a pictorial essay of the progress. We will have a photo essay available the day of the opening.

COUNCIL/MAYOR SUBJECTS

Mayor Plaisted commented on 9-11 ceremonies through the day. He questioned the status of the Pritchard Island situation with Sanitation. City Manager noted he was sure if we would achieve satisfaction with all the resident, however the program is working as in other communities throughout the City.

Councilwoman Bega commented that she has met new employee Liz who is working in Events, who is a nice addition to the City.

Councilman McBride commented on the 9-11 event. We are about to embark on a busy time in the City. So Buckle Up!

Councilman Ryan also commented on attending the 9-11 ceremony, which was very moving. He expressed appreciation to Law Enforcement, Fire Dept., schools, and veterans, who all attended.

Councilman Hinkle spoke to 9-11 ceremony and the event at the Hospital “Stair Climb” put on by the Fire Dept.

CITIZENS NOT ON AGENDA

Karen Estey, resident and member of the MPO Citizens Advisory Council provided a synopsis of the first MPO/CAC Meeting (Citizens Advisory Council), they had in Brooksville. She advised of the Chairman and V Chairman they nominated. In addition, she noted that the Advisory Council deleted item # 13 on priority list regarding the Floral City Bypass. There was discussion on how changes to the priority lists were being made without the knowledge or action of the MPO Board. She advised that the CAC is trying to create priorities as far as intersections and major things that need to be done right away like the traffic signal at Independence and 41, and if anyone knows of anything that needs to get done she needs the information and needs to be done before their meeting in October.

Meeting adjourned at 7:40pm.

City Clerk

Council President

September 18, 2014
5:01pm

The City Council of the City of Inverness met on the above date in a Public Hearing Session for FY 2014/15 Final Budget at 212 W. Main Street with the following members present:

President Hinkle
Vice President Hepfer
Councilman McBride
Councilwoman Bega
Councilman Ryan
Mayor Plaisted (Not Present)

Also present were City Manager DiGiovanni, Asst. City Manager Williams, Finance Director Chiodo, City Clerk Davis.

The following Notice was served to all Council, Mayor, Media, publicly posted, and TRIM'S were mailed to each City of Inverness property owner by the Property Appraiser's Office.

NOTICE

DATE: March 20th, 2014

PLEASE BE ADVISED **BUDGET RELATED WORKSHOPS** ARE CALLED FOR THE CITY COUNCIL OF THE CITY OF INVERNESS, AT 212 W. MAIN STREET, INVERNESS, FLORIDA, AS FOLLOWS:

| | | |
|------------------------|--------|--|
| April 3 rd | 5:30pm | Overview of Projects & Goals |
| May 1 st | 5:30pm | City-Wide Five-Year Capital Improvement Plan (CIP) |
| May 8 th | 5:30pm | CIP Workshop (if necessary) |
| July 22 nd | 5:30pm | City-Wide Council Budget Workshop |
| July 24 th | 5:30pm | City –Wide Budget Workshop (if necessary) |
| Sept 4 th | 5:01pm | Tentative Budget Adoption - 1 st Public Hearing |
| Sept. 18 th | 5:01pm | Final Budget Adoption - Final Public Hearing |

/s/ Ken Hinkle _____
President of City Council

Council President Hinkle stated the purpose of this hearing was to adopt a final property tax rate (or millage) and budget for the 2014-2015 fiscal year for the City of Inverness. A proposed property tax rate was advertised on the TRIM notices of 6.9949 mills. The City Budget has been finalized using the rate 6.9949 mills. The Final Millage Rate is greater than the rolled back rate of 6.4949 by 7.7%.

Council input:

Councilman Ryan stated that this seems to be the most conservative way to go.

Councilwoman Bega stated that she doesn't wish to do a tax increase, but understands why this minimum increase is needed.

Council President Hinkle asked "if there was anyone present who wished to address the council as to any item within the Budget or millage levy?"

Sophia Diaz Fonseca, resident, and downtown business owner stated that the ½ mill proposed increase for the next fiscal year is unwarranted for the following reasons:

1) Per the budget packet a 30% loss in property evaluations has occurred since 2008 and affects all markets in the area. This is not a good time to increase taxes when the price of services, i.e; garbage pick-up has to increase and a pending fee for fire services.

2) IGC was built for growth of city services and departments, and instead is leased for office space to non-profit and government entities, which is competition to for profit businesses who rent office space. The City shouldn't be purchasing properties on speculation, unless there is a set approved concept for purchasing them. 3) She stated that the City is almost doubling the Special Event and Visitors Bureau with events, expanding from 50+ to 60+ this fiscal year. The closing of roads creates a problem for some merchants in the downtown and spoke to the % of older citizens who cannot park close.

4) Valerie Theatre is allocated 4.4 % of personnel cost in 2015, not to mention cost to redo it is 2.5 million of tax payer's dollars, and supplemented by ½ million grant. Instead of creating a department to manage, she suggested creating a public private partnership to take on the risk and maintenance of the building, taking burden off taxpayers. 5) The narrative states that revenues would be generated from rentals and will impact the old courthouse and her business. Auxiliary Catering and Alcohol sales would be in direct competition with restaurants, catering, and bars in the downtown.

She spoke to the last budget meeting, with regard to Councilman Hinkle who stated the community wanted to save the historical Valerie. She stated that the only thing saved were 3 walls, and when done it will never be eligible for Historic Resources Grants and the National Register. Only the space was saved, but not the history. She spoke to statement made by City Manager, that staff had not received raises in five years and the problem is that the largest raise in budget is going to special events coordinator and she has been there for one year.

President Hinkle advised that proposed budget was developed using the rate of 6.9949 mills. The next motion must be to adopt the final millage rate. Any budget amendments may be made after adoption of the final millage rate. He asked if there was motion to read the Final Mill Levy Resolution by title only.

Councilman McBride motioned to read the Final Mill Levy Resolution by title only. Seconded by Councilwoman Hepfer. The motion carried.

RESOLUTION 2014 - 22

A RESOLUTION OF THE CITY OF INVERNESS OF CITRUS COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE CITY OF INVERNESS FOR FISCAL YEAR COMMENCING ON OCTOBER 1, 2014 AND ENDING ON SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE.

Councilman McBride moved to adopt the Final Mill Levy Resolution, adopting the millage rate of 6.9949 mills for 2014-2015 fiscal year. Seconded by Councilman Ryan. Roll call vote was as follows: Councilman Ryan, yes; Councilwoman Bega, yes; Councilman McBride, yes; Councilwoman Hepfer, yes; President Hinkle, yes. The motion carried

President Hinkle then stated the next item for consideration was the Ordinance to adopt the City Budget for fiscal year 2014/2015. He asked if there was a motion to read the Ordinance by title only. **Councilman McBride motioned to read the Ordinance by title only. Seconded by Councilwoman Hepfer. The motion carried.**

ORDINANCE NO. 2014-706

AN ORDINANCE OF THE CITY OF INVERNESS, FLORIDA ADOPTING A FINAL BUDGET COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; PROVIDING FOR PROPOSED EXPENDITURES; PROVIDING TAXABLE VALUES; PROVIDING FOR OPERATIVE FISCAL YEAR; PROVIDING FOR EXPENDITURES DURING FISCAL YEAR AND SUBSEQUENT HOLD OVER FUNDS; PROVIDING FOR AMENDMENTS TO BUDGET; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR EFFECTIVE DATE.

President Hinkle asked if there was a motion to adopt the Budget Ordinance, adopting the final budget for the 2014-2015 fiscal year as proposed? **Councilman Ryan motioned to adopt the Budget Ordinance adopting the final budget for the 2014-2015 fiscal year as proposed on the second reading. Seconded by Councilman McBride. Roll call vote was as follows: Councilman Ryan, yes; Councilwoman Bega, yes; Councilman McBride, yes; Councilwoman Hepfer, yes; President Hinkle, yes. The motion carried**

The meeting adjourned @ 5:14 pm.

City Clerk

Council President

September 18, 2014
5:15 PM

The City Council of the City of Inverness met on the above date in Special Session at 212 W. Main Street with the following members present:

President Hinkle
Vice President Hepfer
Councilwoman Bega
Councilman McBride
Councilman Ryan
Mayor Plaisted – (Not Present)

Also present were City Manager DiGiovanni, Asst. City Manager Williams, Senior staff members, and City Clerk Davis.

The following Notice was served to all Council, Mayor, Media, and publicly posted.

NOTICE OF SPECIAL COUNCIL MEETING

DATE: September 16, 2014

PLEASE BE ADVISED, THE CITY COUNCIL OF THE CITY OF INVERNESS, FLORIDA, WILL MEET IN SPECIAL MEETING ON **THURSDAY, September 18th, 2014 @ 5:15PM** AT THE 212 W. MAIN STREET, INVERNESS, FLORIDA FOR THE PURPOSE OF DISCUSSING:

CITY MANAGER SERVICE AGREEMENT

/s/ Hinkle
President of City Council

The Invocation was given by Council President Hinkle and the Pledge of Allegiance was led by the City Council.

City Manager DiGiovanni clarified statements made at the prior Public Hearing. The Event Director did not get a \$7000-\$8000 raise, and the Valerie Theatre did not cost \$2.5 million as there is a Plaza that is a separate cost along with audio and visual equipment. Historical restoration was never addressed. Preserving the historical use of the Valerie Theatre, that part of the Square, and improvement to the area is important.

City Manager wished to distribute a letter received this date, and does not need to be discussed, but thought they should be informed, as there will likely be an article written on it. He spoke of previous meetings with the Citrus Co. Sheriff's Office regarding the existing MSBU and fire services, and an effort is being made by the Sheriff to look into this issue. City staff will continue with due diligence to provide Council with sufficient information to make an informed decision.

Proposed City Manager Service Agreement-

City Manager DiGiovanni addressed the City Manager Service Agreement, noting that this is about the City and what's best for the greater good and interest of this community.

He stated that the issue before Council is that they need to have understanding of what you need, want, and get. This shouldn't be looked at politically, and urged Council to say what they want and feel. Once Council has determined all needs, wants, etc., the instrument on the dais is an agreement based on the prior agreement. Major changes are as follows:

- Cell phone (contract of 1995). The new contract removes cell phone stipend.
- Employee will fund a home base office space.
- Better structured hours of work.
- 3 year agreement. Now a 1 year with renewal clauses.
- Severance provisions are same as previous.
- Vacation/Sick increased by 5 vacation days and 6 sick days.
- Retirement is removed. However the City must pay approximately \$16,300 to FRS and he cannot receive anything.
- Venue for disputes remains the same.
- Signing Bonus has been added of \$3,500 per contract. The current contract was modified years ago as Council didn't wish to conduct annual pay adjustments. The new contract has a minimum of a 3% increase every year. He noted when things went bad and employees did not get raises, he chose to not accept a raise. He noted table in his memorandum and spoke of the loss. This signing bonus is in lieu of this.
- The new contract shows a salary benefit of what you are currently doing with SS Solutions. The agreement with SS solutions regarding City Manager services of approximately \$115,000 and have to add the \$16,000 to FRS. This would put Manager Services at \$134,800.

City Manager DiGiovanni stated he hoped this was clear and he has enjoyed, from 1995 to date, serving at the pleasure of the City Council. The goal is to make the City of Inverness consistent, better, and stronger.

Comments:

Council President Hinkle stated Frank is still needed and has been an asset to community. He spoke of other cities and their pay rates.

City Manager DiGiovanni spoke to rates paid in Crystal River, Dunnellon, and Brooksville, and his uniqueness due to his tenure. He is only the 3rd manager in history of Inverness. The City of Inverness is a much more sophisticated and complex community compared to other local cities.

Council President Hinkle expressed concerns in providing the signing bonus, due to the need of increases to senior staff.

City Manager DiGiovanni noted that he would hold off on signing bonus until we could address employee increases.

Councilwoman Hepfer referenced the signing bonus and him not taking a raise when times were tough. The City has an awesome staff that he built. We want to stay amazing and is in agreement with contract.

Councilman Ryan spoke to having sat on both side of the dais, including the boards he has served on. Having watched the vision that Frank has given to the city and his leadership, he is in complete agreement to include the signing bonus.

Councilwoman Bega stated she has no problem with the bonus, but questioned why we are not renewing with the staffing company (SS Solutions). What is being presented is numbers to numbers and is costing more than him not getting a raise to go this way. Why not go the other way and get some of that money back to you? She's asked if this set a precedent for future managers.

City Manager DiGiovanni stated that would change a number of variables. In the future Council will take that as a basis and negotiate and determine that individual's value. Most of the provisions came from the International City/County Manager's Association. In the future you will speak to levels you are funding it at. That will be an open discussion in public to make determinations and move further. The wording will stay similar. The big things in this are severance, retirement and paid time off.

Councilman McBride knows we do not want to pay by the hour. He spoke to the matrix comparison of current and new noting the base salary of \$99,701, than add-ons and the \$3,500 bonus. Councilman spoke to the application of the bonus would be in the first month of each renewal year. The contribution of \$16,000+ to FRS goes into someone else's pocket. The great loss that an organization experiences when you have a competent and capable person is when that person leaves taking the knowledge and history, and that is the loss. A new person would need to do their homework, as these are big shoes to fill.

City Manager DiGiovanni questioned if there is value staying with SS Solutions as there are more expenses through them. If Council wants to stay with SS Solutions we need to make a provision where some of the \$16,000 would be added to the bonus number, we can probably make it work. There was discussion with Council of the expense of SS Solution vs. FRS. The Florida Retirement System is based on base salary at 16.3%. Councilwoman Bega thinks it needs to be worthwhile to the City and the Manager.

Consensus was to have him stay with the City vs. the private company. Agreed to no bonus until everyone else gets a pay increase and will change wording in the agreement.

Councilwoman Hepfer made a motion to move forward with the contract and authorize Council President to sign with the change that the bonus will take place once employees get an increase. Seconded by Councilwoman Bega. Motion carried unanimously.

The Special Meeting was adjourned at 6:02.

City Clerk

Council President

Agenda Memorandum – *City of Inverness*

DATE: September 25, 2014
ISSUE: Withlacoochee Regional Planning Council Annual Agreement
FROM: City Manager
CC: City Clerk
ATTACHED: Transmittal letter
WRPC Agreement w/Exhibits A & B for 10/01/14 – 09/30/15

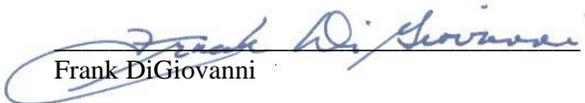
The City has maintained an annual contract with the Withlacoochee Regional Planning Council (WRPC) for many years. The WRPC provides planning services that may be affiliated with any project or purpose the city may choose. The WRPC has administered state mandated updates for the Comprehensive Plan, and has a solid base of information to assist us to meet other state mandates that relate to planning purposes. In addition to meeting state required reports, the WRPC is able to perform any planning venue at a reasonable cost.

The enclosed agreement has a term of one year and is the same as the existing contract. Labor and related charges by the WRPC are typically less than the private sector. The WRPC Executive Director has presented the document for action by City Council. If approved, we will secure all signatures to finalize the matter.

Recommended Action:

Motion, second and vote to accept the agreement with the WRPC and authorize the President to execute the document for a one-year term. (The duration of this contract matches the fiscal cycle of city government)

Thank you for your attention to this matter.


Frank DiGiovanni

MICHAEL R. MOEHLMAN
EXECUTIVE DIRECTOR

1241 S.W. 10TH Street
OCALA, FLORIDA 34471-0323

Telephone 352-732-1315
FAX 352-732-1319
email: mailbox@wrpc.cc
Http://www.wrpc.cc



OFFICERS

DENNIS DAMATO
CHAIR

JOSEPH JOHNSTON, III
VICE-CHAIR

MARTHA HANSON
SECRETARY

September 22, 2014

Mr. Frank DiGiovanni, City Manager
City of Inverness
212 W. Main Street
Inverness, FL 34450

Dear Mr. DiGiovanni:

Enclosed please find two original copies of contracts for renewal of the City of Inverness's service agreement with the Withlacoochee Regional Planning Council; the agreement is for services needed through September 30, 2015. Once the contract has been approved by the appropriate authority, please return one fully-executed copy for our files.

The agreement is essentially the same as the one for the fiscal year ending September 30, 2014; the contract imposes no retainers and all services are performed only on written request.

Please telephone if you have any questions.

Sincerely,

Michael R. Moehlman
Executive Director

MRM:bjf

Enclosures

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE CITY OF INVERNESS
AND THE
WITHLACOOCHEE REGIONAL PLANNING COUNCIL**

THIS AGREEMENT, made and entered into by and between the City of Inverness hereinafter referred to as "Local Government," and the Withlacoochee Regional Planning Council, hereinafter referred to as "Council."

WITNESSETH:

WHEREAS, the Local Government desires to engage the Council to render professional planning services in connection with an undertaking which is to be financed by the Local Government;

NOW, THEREFORE, for and in consideration of the mutual terms, covenants and conditions herein contained to be complied with by the parties hereto, the parties hereto contract and agree as follows:

1. Performance of Service: Local Government hereby contracts and agrees to engage Council to perform such services on behalf of Local Government as provided for in Exhibit "A" attached hereto and made a part hereof, and to compensate Council for its performance of said services as provided for in paragraph 4 and Exhibit "B" herein. Said services shall be scheduled and arranged in accordance with the provisions of Exhibit "A".
2. Area Covered: Council shall perform its services as provided for in Exhibit "A" attached hereto in connection with and respecting the following area or areas, herein called the "service area." Said service area being that area contained within the municipal limits of the City of Inverness.
3. Contract Period: (See Paragraph 6).
4. Compensation and Method of Payment: Council shall be compensated for the services it renders to Local Government as provided for herein in accordance with the schedule provided for in Exhibit "B" (Payment Schedule) attached hereto and made a part hereof. Council shall submit invoices to the Local Government in accordance with the Payment Schedule provided for in Exhibit "B" attached hereto which shall be due and payable by Local Government upon their receipt of same. The parties hereto understand and agree that the payment to Council by Local Government shall be in accordance with the provisions of Exhibit "B" attached hereto, and that Local Government at the expiration of the term of this AGREEMENT shall be responsible for the actual direct costs and expenses incurred by Council for the provision of the professional services; said direct costs and expenses shall include time of personnel, travel, and associated costs.
5. Council Coordination: The Council shall maintain a close working relationship with the Local Government. The Council shall coordinate with the director of development services, who shall be designated as the Program Coordinator with the Council throughout the contract period.
6. Duration and Termination: It is mutually agreed that this agreement shall commence October 1, 2014 and continue through September 30, 2015. However, this AGREEMENT may be terminated subject to the terms of the AGREEMENT. It is mutually agreed that each of the parties shall have, and there is hereby reserved to each party the absolute right to cancel and annul this AGREEMENT at any time

upon thirty (30) days written notice to the other party. In the event of termination of this AGREEMENT, all finished and unfinished research, prepared by the Council under this AGREEMENT shall be made available to the Local Government. The Local Government shall be billed for all costs incurred for services provided by the Council after the termination of this AGREEMENT.

7. Contract Modification: Local Government and the Council shall mutually agree upon any extension of or revision, modification, or addition to this AGREEMENT and/or any provisions of Exhibit "A" all of which extensions, revisions, modifications and additions shall be in writing and signed by the parties. Upon the decision to modify this AGREEMENT, a mutually agreeable fee for the performance of the modified services shall be negotiated and agreed upon by the parties hereto in writing.

IN WITNESS WHEREOF, the Local Government and the Council have executed this AGREEMENT the day and year first above written.

Witnesses:

City of Inverness

DATE: _____

BY: _____

Title

Withlacoochee Regional Planning Council

Witnesses:

Bruce Dwyer

BJ Fowler

DATE: September 18, 2014

BY: *Michael R. Moehlman*

Michael R. Moehlman, Executive Director
Title

EXHIBIT "A"

Task I: General services to be provided by the Council

The following services are to be provided by the Council as requested by the Local Government:

1. Attend Local Government's planning and zoning board meetings when requested in advance by the Local Government.
2. Provide professional planning products, advice and comments on planning and land development regulation matters as requested by the Local Government.
3. Review, and provide comments and/or products on other matters requiring professional planning expertise as requested by Local Government.

Task II: Requests for attendance at meetings and review of matters mentioned under Task I

1. With regard to Exhibit "A", Task I(1), sufficient advance notification shall be understood to mean a period of not less than ten (10) working days prior to said meeting.
2. With regard to Exhibit "A", Task I(2)(3), performance of services and work schedules shall be mutually agreed to by the Council and Local Government determinate upon type, amount, and complexity of service requested.
3. Requests for Planning Services and meeting attendance shall be submitted in written form for clarification purposes.

Task III: Requests for written work products and work product approval

1. When the services mutually agreed upon per Exhibit "A", Task II(2) require written work products, any preliminary draft versions of a written work product shall be furnished to the Local Government for review and comment. The Local Government shall provide comments on a preliminary draft version of a work product to the Council within fifteen (15) days (excluding weekends and holidays) of receiving the preliminary draft. These comments shall reflect any changes in the preliminary draft work product needed to create an acceptable and approvable final document by the Local Government. A final document product will be presented to the Local Government for review and approval incorporating any changes required by the Local Government after review of the preliminary draft(s).
2. The Local Government shall provide the approval of the final document product, in writing or by official action, within fifteen (15) days (excluding weekends and holidays.) After fifteen (15) days, if no refusal or approval is made, the Council shall consider the lack of refusal or approval to be an official approval. Local approval of the work product is independent of formal adoption of a work product by the Local Government and any approvals granted by any other agency.

EXHIBIT "B"

1. The Council shall be compensated for the actual costs of professional services rendered. Council shall submit monthly invoices to the Local Government in accordance with the actual costs incurred. The invoices shall be due and payable by the Local Government upon their receipt of same.
2. Direct Charges: The Local Government shall be responsible for the actual direct costs and expenses incurred by Council for the provision of the planning services; said direct costs and expenses shall include but not be limited to time of personnel, supervision of personnel, travel, graphics, and reproductive costs.
3. Other Direct Charges (indirect) : Council shall also charge Local Government for indirect costs associated with the planning services. (depreciation, insurance, etc.)
4. Charges for personnel time shall be assessed at the most current hourly rate* schedule, to include salary and fringe benefits of staff involved. The following staff may work on the project. Other staff not listed may be required to work on the project.

Hourly Rate* Schedule (Effective October 1, 2014)

| | |
|-----------------------|------|
| Planning Director | \$64 |
| Senior Planner | \$42 |
| Principal Planner | \$36 |
| Secretarial (Average) | \$39 |

*Rate varies monthly because of paid leave time used.

Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: 2014-15 Fund Balance Appropriations
FROM: City Manager
CC: City Clerk, Finance Director
ATTACHED: Memorandum by Sheri Chiodo
Resolution

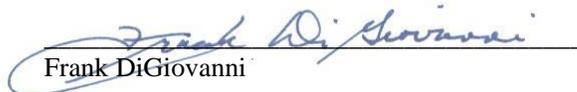
The proper appropriation of funds by the Elected Body is crucial. On an annual basis, City Council receives a recommended allocation of available funds to specific purposes. The action on our part is mostly ministerial.

A Resolution has been created to support the recommended action for the 2014-15 Fiscal Year. The total amount of this action is \$15,735,031, found on Exhibit A of the enclosed Resolution.

NOTE: Fund balances in each category are healthy with exception of Whispering Pines Park, which has been reduced to critical mass.

Recommended Action –

1. Motion and second to read the Resolution by title
 - a. Clerk reads Resolution title
2. Deliberate the substance of Reserve Designations
3. To proceed, motion and second to adopt the Resolution by roll-call


Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov



FINANCE DEPARTMENT

212 W. Main Street
Inverness, FL 34450
(352) 726-5016 Phone
(352) 726-5534 Fax

Memorandum

To: Frank DiGiovanni, City Manager

From: Sheri Chiodo, Director of Finance

CC: Debbie Davis, City Clerk

Date: October 1, 2014

Reference: Fiscal Year 2015 Fund Balance Designations

Annually through the budgetary process, Council establishes fund balance designations and reserves for future intended uses.

The Fiscal Year 2015 budget establishes designations, reserves and unrestricted fund balance totaling \$5,344,945 in the General Fund, \$75,725 in the Whispering Pines Park Fund, \$2,184,725 in the Capital Improvement Projects Fund, \$6,563,495 in the Utility Funds, \$ 639,999 in the Cemetery Fund, \$517,080 in Transportation Impact Fees, \$405,817 in pension assets and \$3,245 in the ICRA Fund. Exhibit A of the enclosed resolution identifies those designations. Designations are earmarked for specific purposes and may be amended during the budgetary process annually by recommendation of the City Manager and adoption of a resolution by City Council. Designations remain until amended, deleted or appropriated for expenditure.

Forwarded is the recommended resolution format for council adoption and an Exhibit A, which details the fund balance designations by fund and type.

RESOLUTION 2014-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INVERNESS, FLORIDA ESTABLISHING FUND BALANCE RESERVE DESIGNATIONS FOR FISCAL YEAR 2015 AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Inverness desires, from time to time, to earmark or segregate unreserved, undesignated Fund Balance for planning and preparing for future uses; and

WHEREAS, the City Council desires to regulate the use of said funds, and allow their appropriation for expenditure only under specific circumstances and with appropriate controls for the protection of the City's interest,

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF INVERNESS as follows:

Section 1. That the unreserved, undesignated Fund Balance of any governmental fund may be, from time to time, earmarked or segregated for purposes identified by the City Council, by resolution.

Section 2. That designations of Fund Balance created under Section 1 of this resolution may be amended, increased, decreased or appropriated, by recommendation of the City Manager and upon adoption of a resolution of the City Council.

Section 3. That the designations listed in Exhibit A attached are hereby established effective October 1, 2014 and shall remain until amended, deleted or appropriated for expenditure by the City Council.

Section 4. All resolutions or parts of resolutions in conflict herewith shall be and hereby are repealed.

Section 5. That this resolution shall become effective on October 7, 2014.

PASSED AND ADOPTED this ____ day of October, 2014.

CITY OF INVERNESS

By:

Ken Hinkle
President of City Council

ATTEST:

DEBORAH DAVIS
City Clerk

**EXHIBIT A
RESOLUTION 2014-**

| <u>DESIGNATION/RESERVES</u> | <u>AMOUNT</u> |
|--|---------------------------|
| <u>GOVERNMENTAL FUNDS</u> | |
| GENERAL FUND (0001) | |
| <u>COMMITTED FUND BALANCE</u> | |
| Land Acquisition Reserve | \$ 570,687 |
| Employee Accrual Balance | \$ 136,000 |
| Disaster Preparation | \$ 750,000 |
| IGC Building Maintenance Reserves | \$ 537,345 |
| Capital Equipment Purchases | \$ 633,000 |
| Tort Liability | <u>\$ 200,000</u> |
| TOTAL GENERAL FUND COMMITTED FUND BALANCE | \$2,827,032 |
| <u>RESERVED FUND BALANCE</u> | |
| Prepaid Items | <u>\$ 52,282</u> |
| <u>UNASSIGNED FUND BALANCE</u> | |
| | <u>\$2,465,631</u> |
| TOTAL GENERAL FUND - FUND BALANCE | \$5,344,945 |
| <u>WHISPERING PINES PARK FUND</u> | |
| <u>UNASSIGNED FUND BALANCE</u> | |
| | <u>\$75,725</u> |
| TOTAL WHISPERING PINES PARK FUND BALANCE | \$ 75,725 |
| <u>CAPITAL IMPROVEMENT FUND</u> | |
| Designated For Capital Projects | <u>\$2,184,725</u> |
| TOTAL CAPITAL IMPROVEMENT FUND | \$2,184,725 |
| TOTAL GOVERNMENTAL FUNDS | \$7,605,395 |
| <u>PROPRIETARY FUNDS (ENTERPRISE)</u> | |
| <u>REVENUE FUND</u> | |
| Unrestricted | <u>\$ 310,000</u> |
| TOTAL REVENUE FUND | \$ 310,000 |
| <u>OPERATIONS AND MAINTENANCE FUND</u> | |
| Restricted – Customer Deposits | \$ 204,494 |
| Restricted – Capacity Fees | <u>\$ 587,118</u> |
| TOTAL RESTRICTED RESERVES | \$ 791,612 |
| Unrestricted | <u>\$3,080,865</u> |
| TOTAL OPERATIONS AND MAINTENANCE | \$3,872,477 |

RENEWAL AND REPLACEMENT FUND-UTILITIES

| | | |
|--|---------------------|----------------------------|
| Designated – Capital Equipment | | |
| Unrestricted Fund Balance | \$ 435,000 | |
| | <u>\$ 1,946,017</u> | |
| TOTAL RENEWAL AND REPLACEMENT FUND | | <u>\$ 2,381,017</u> |
| TOTAL UTILITY FUND | | \$6,563,495 |
| CEMETERY FUND | | |
| Reserve for Perpetual Care | \$ 594,891 | |
| Unrestricted Fund Balance | <u>\$ 45,108</u> | |
| TOTAL CEMETERY FUND | | \$ 639,999 |
| RESERVE FOR TRANSPORTATION IMPACT FEES | | \$ 517,080 |
| RESERVE FOR PENSION FUND ASSETS | | \$ 405,817 |
| RESERVE FOR ICRA – COMPONENT UNIT | | <u>\$ 3,245</u> |
| <u>TOTAL RESERVES AND FUND BALANCES</u> | | <u>\$15,735,030</u> |

Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: Archetural Aesthetic Review Committee (AARC) Appointments
FROM: City Manager
CC: City Clerk, Community Development Director
ATTACHED: Memo by Dale Malm

It is highly recommended that City Council reappoint the following to an additional four-year term on the City's AARC.

- Tom Slaymaker 4 Yrs. 9/2018
- David Arthurs 4 Yrs. 9/2018
- Paul Gibbs 4 Yrs. 9/2018

Recommended Action –

Motion, second and vote to reappoint the above listed members to a four year term that concludes on the last day of September, 2018.



Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov

MEMORANDUM

To: Frank DiGiovanni, City Manager
From: Dale Malm
Date: September 30, 2014
Re: Architectural/Aesthetic Review Committee
Re-Appointment of Members

The terms for following members on the AARC are expiring. All of the below members have indicated an interest to remain as a member of this Committee. Additionally all members have met the attendance requirements of this board.

:

| <u>Member Name</u> | <u>Term</u> | <u>Expiring Date</u> |
|--------------------|-------------|----------------------|
| Tom Slaymaker | 4 Yrs. | 9/2018 |
| David Arthurs | 4 Yrs | 9/2018 |
| Paul Gibbs | 4 Yrs | 9/2017 |

The Department is recommending the re-appointment of the above members to the AARC Committee. Should there be anything further needed to proceed, please let me know.



Federal Emergency Management Agency

Washington, D.C. 20472

The Honorable Robert Plaisted
Mayor, City of Inverness
212 West Main Street
Inverness, FL 34450

Case No: 07-04-2262V
Community: City of Inverness, FL
Community No.: 120348
Effective Date: September 27, 2014
LOMC-VALID

SEP 22 2014

Dear Mayor Plaisted:

This letter revalidates the determinations for properties and/or structures in the referenced community as described in the Letters of Map Change (LOMCs) previously issued by the Department of Homeland Security's Federal Emergency Management Agency (FEMA) on the dates listed on the enclosed table. As of the effective date shown above, these LOMCs will revise the effective National Flood Insurance Program (NFIP) map dated September 26, 2014 for the referenced community, and will remain in effect until superseded by a revision to the NFIP map panel on which the property is located. The FEMA case number, property identifier, NFIP map panel number, and current flood insurance zone for the revalidated LOMCs are listed on the enclosed table.

Because these LOMCs will not be printed or distributed to primary map users, such as local insurance agents and mortgage lenders, your community will serve as a repository for this new data. We encourage you to disseminate the information reflected by this letter throughout your community so that interested persons, such as property owners, local insurance agents, and mortgage lenders, may benefit from the information.

For information relating to LOMCs not listed on the enclosed table or to obtain copies of previously issued LOMR-Fs and LOMAs, if needed, please contact our FEMA Map Information eXchange (FMIX), toll free, at 1-877-FEMA-MAP (1-877-336-2627).

Sincerely,


Luis Rodriguez, P.E., Chief
Engineering Management Branch
Federal Insurance and Mitigation Administration

Enclosure

cc: Community Map Repository
Dale Malm, Community Development Director, City of Inverness

REVALIDATED LETTERS OF MAP CHANGE FOR CITY OF INVERNESS, FL
Case No: 07-04-2262V **Community No.: 120348**

September 27, 2014

| Case No. | Date Issued | Identifier | Map Panel No. | Zone |
|-------------|-------------|---|---------------|------|
| 93-04-156A | 07/09/1993 | CITY OF INVERNESS | 12017C0376D | X |
| R4-974-187 | 09/18/1997 | INV. HGLNDS, LOTS 18 & 19, BLK 276 | 12017C0379D | X |
| R4-981-188 | 12/16/1997 | WINDERMERE, PHIV, LOTS 1-4, BLK X | 12017C0377D | X |
| R4-981-198 | 12/16/1997 | WINDERMERE, PHIV, LOTS 1-4, BLKDD | 12017C0377D | X |
| 98-04-652A | 02/11/1998 | WHISPERING PINES VILLAS - (SEE PROPERTY DESCRIPTION) | 12017C0376D | X |
| 98-04-2098A | 10/07/1998 | PARKER BROTHERS LAKE SIDE SUBDIVISION - LOT 7 - 518 N. TURNER CAMP ROAD | 12017C0377D | X |
| 01-04-4086A | 11/30/2001 | LOTS 14 AND 15, BLOCK B, HERON WOODS - STATELY OAKS DRIVE | 12017C0377D | X |
| 02-04-5372A | 06/21/2002 | LOT 21, BLOCK E, HERON WOODS - 975 HAWK CREST LANE | 12017C0377D | X |
| 02-04-9514A | 11/20/2002 | UNIT 2, BUILDING B, PRITCHARD ISLAND - 820 PRITCHARD ISLAND | 12017C0377D | X |
| 03-04-0266A | 12/11/2002 | LOT 20, BLOCK D & LOT 28, BLOCK E, HERON WOODS | 12017C0377D | X |
| 03-04-6384A | 06/20/2003 | UNIT 3, BUILDING B, PRITCHARD ISLAND - 822 PRITCHARD ISLAND ROAD | 12017C0377D | X |
| 03-04-7280A | 07/01/2003 | UNIT 4, BUILDING A, PRITCHARD ISLAND - 812 PRITCHARD ISLAND ROAD | 12017C0377D | X |
| 04-04-0036A | 11/17/2003 | LOT 3, BLOCK W, WINDERMERE PHASE FOUR - 816 LANARK DRIVE | 12017C0377D | X |
| 04-04-8498A | 09/23/2004 | BUILDING A, PRITCHARD ISLAND - 816 PRITCHARD ISLAND | 12017C0377D | X |
| 05-04-0531A | 12/08/2004 | INVERNESS HIGHLANDS SOUTH, BLOCK 203, LOTS 20 & 21 -- 722 BALBOA AVENUE | 12017C0379D | X |
| 05-04-1495A | 02/18/2005 | PRITCHARD ISLAND, BUILDING N, UNITS 7 & 8 -- 1032 PRITCHARD ISLAND ROAD | 12017C0377D | X |
| 09-04-1690A | 02/12/2009 | ANGLERS LANDING, PHASES 5 & 6, BLOCK 25, LOT 2 -- 1408 LONGBOAT POINT | 12017C0379D | X |
| 11-04-1592A | 12/28/2010 | PRITCHARD ISLAND, BLOCK M, UNITS 7 & 8 -- 1016 PRITCHARD ISLAND ROAD | 12017C0377D | X |

REVALIDATED LETTERS OF MAP CHANGE FOR CITY OF INVERNESS, FL
Case No: 07-04-2262V **Community No.: 120348**

September 27, 2014

| <u>Case No.</u> | <u>Date Issued</u> | <u>Identifier</u> | <u>Map Panel No.</u> | <u>Zone</u> |
|-----------------|--------------------|--|----------------------|-------------|
| 11-04-1666A | 03/15/2011 | INVERNESS HIGHLANDS SOUTH, BLOCK 214, LOTS 17-18 -- 215 CABOT STREET | 12017C0379D | X |
| 12-04-1415A | 01/12/2012 | INVERNESS VILLAGE, BLOCK 11, LOTS 5 & 6 -- 2617 WEST HIGHWAY 44 | 12017C0378D | X |
| 13-04-5756A | 06/20/2013 | WINDERMERE, PHASE ONE, BLOCK G, LOT 2 -- 707 MORAY DRIVE | 12017C0377D | X |
| 14-04-4965A | 05/20/2014 | ANGLERS LANDING PHASES 5-6, BLOCK 22, LOT 1-6 -- 1421, 1423, 1425, 1427, 1429, 1431 LONGBOAT POINT | 12017C0354D | X |
| 14-04-4966A | 05/20/2014 | ANGLERS LANDING PHASES 5 & 6, BLOCK 20, LOTS 1-6 -- 410, 412, 414, 424, 426 & 428 SIESTA TERRACE | 12017C0354D | X |
| 14-04-5627A | 06/03/2014 | ORIGINAL CITY, BLOCK 130 1/2, LOT 3 & A PORTION OF LOT 2 -- 204 WEST VINE STREET | 12017C0354D | X |
| 14-04-7671A | 08/05/2014 | ANGLERS LANDING, PHASES 5 & 6, BLOCK 24, LOTS 1-4 -- 1412, 1414, 1416 & 1418 LONGBOAT POINT | 12017C0354D | X |
| 07-04-6354A | 10/23/2007 | PRITCHARD ISLAND 1ST ADDITION, LOT 1 -- 991 PRITCHARD ISLAND ROAD | 12017C0377D | X |
| 10-04-0054A | 10/15/2009 | Lot 29, Pritchard Island First Addition Subdivision - 815 Pritchard Island Road | 12017C0377D | X |

Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: Correspondence by Sheriff Jeff Dawsy
FROM: City Manager
CC: City Clerk
ATTACHED: Sheriff Dawsy Letter

The attached is clear and self-explanatory.

Much legality exists and we have performed much by way of legal diligence to properly inform and help guide the means to meet the interests of the Inverness community. While complexities exist, the County Commission is the entity to address concerns of the City with respect to taxation, the MSBU and any related funding mechanism.

City Council may wish to comment with respect to an appropriate reply.

Recommended Action –
Discussion only; no vote is necessary.


Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov



SHERIFF
JEFFREY J. DAWSY



September 18, 2014

received
9-18-2014 JN

Frank DiGiovanni, City Manager
City of Inverness
212 W. Main St.
Inverness, FL 34450

Frank,

In an effort to continue to provide exceptional fire services to the residents of Inverness, I would like to offer an alternative to the existing MSBU fire services contract that is currently being negotiated between the City of Inverness and the Board of County Commissioners.

For many years we have effectively worked together on a common goal: ensuring that all residents receive outstanding law enforcement services within the City of Inverness. Now, I would like to make sure we take this same approach towards Fire Services within your city.

For almost a year, this topic has been a source of controversy and contention within our two organizations that has played out publically for too long. I want to see a new focus and find a way to redirect all of this negativity into something positive.

With that in mind, I propose we take a new direction for Fire Services:

- Create a one-year contract between the City of Inverness and Citrus Sheriff Fire Rescue that would include fire services and certain ancillary support functions (dispatch, radios, CAD, fire inspections, etc.) at a cost less than what is currently being provided by the MSBU & MSTU. However, the cost associated with this contract will be based on the level of service you want us to provide to residents. (See attached proposal overview.)
- The City of Inverness would be removed from the MSTU and MSBU but instead be billed for defined fire services based on the contract.

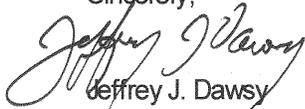
You have expressed concerns in reference to your residents being taxed to support fire service outside the city. This proposal should address those regionalization issues. I feel this is a good compromise and should address any concerns you and the city council have regarding the MSBU. Obviously, I believe the MSBU for Fire Services is a much better way of doing business to provide fire safety for every single resident within the City of Inverness. The MSBU is not a band-aid approach, but a long term solution for the future. However, the proposed contract

1 DR. MARTIN LUTHER KING JR. AVE. - INVERNESS, FLORIDA 34450-4968 PHONE 352 726-4488

would give the City of Inverness an additional year to determine how to provide fire services to residents in the future with no interruption in service.

Frank, I know we both want what is best for all of the people in this community. We look forward to a productive resolution with positive outcomes for all involved. We would appreciate a response from you by Friday, October 10, 2014 so that we can move forward based on your decision.

Sincerely,



Jeffrey J. Dawsy
Sheriff, Citrus County

cc: Public Safety Chief, Jim Goodworth
Commission Chair, John JJ Kenney
Commissioner Rebecca Bays
Commissioner Dennis Damato
Commissioner Joe Meek
Commissioner Scott Adams
Interim County Administrator, Jeff Rogers
County Attorney, Kerry Parsons
Chronicle Publisher, Gerry Mulligan



CITRUS COUNTY SHERIFF'S OFFICE

A Nationally Accredited Law Enforcement Agency

**SHERIFF
JEFFREY J. DAWSY**



Proposal Overview

Below are services that would be provided in the proposed Fire Services contract between the Citrus County Sheriff's Office and the City of Inverness.

Personnel

Two career firefighters/ 24 hours a day

- Reflects personnel staffing prior to the MSBU which included two firefighters per engine.

Existing Engine, Equipment & Apparatus

Continued Training of Personnel

Fire Prevention Services

- Public education
- Fire code inspections

Communications Center

- CAD Maintenance
- Radio system upgrade
- Dispatch services

Specialized Hazmat & Technical Rescue Support

Advanced Life Support (ALS) First Response

All 911 Service Requests

We are estimating this proposed contract would cost the City of Inverness \$490,000. This contract would be reviewed and evaluated annually. This plan does not take into account future needs such as station upgrades, any new station construction costs, or potentially rising personnel costs.

1 DR. MARTIN LUTHER KING JR. AVE. - INVERNESS, FLORIDA 34450-4968 PHONE 352 726-4488

Agenda Memorandum – *City of Inverness*

DATE: October 3, 2014
ISSUE: Auditor Firm Bid Recommendation
FROM: City Manager
CC: City Clerk and Finance Director
ATTACHED: Memo by Sheri Chiodo
 Firm Submittals: McDirmit Davis & Purvis Grey
 CAAFR Paper

Competitive proposals were solicited from firms to perform the complex task of providing auditor services to the City. Why bid services? We have been with the same firm for approximately 36 years. While time alone does not justify change, we have bid this work every three to five years. Respondents are:

- Purvis Gray and Company, Ocala Florida
- Williams, McCranie, Wardlow and Cash, Inverness Florida
- McDirmit Davis, Orlando Florida
- Mauldin & Jenkins, Bradenton, Florida

Each respondent is suited to provide service to Inverness, but all firms are not equal in size, stature and dimension. This is not an evaluation of ability; it is a situation of dynamics, organizational depth, and level of (city) need.

Inverness has transformed from a small, quaint, simple operation to a dynamic program that is emerging to become much more complex with an expanded CRA. Cost is always a factor. Firm cost proposals are found in the below table:

| <u>Total all Inclusive Pricing</u> | | | | |
|------------------------------------|-----------------------------|------------------------------|--------------------------|---|
| | McDirmit & Davis | Mauldin & Jenkins | Purvis & Gray | Williams, McCranie, Wardlow & Cash |
| Year 1 | \$ 24,960.00 | \$ 29,000.00 | \$ 35,000.00 | \$ 25,000.00 |
| Year 2 | \$ 35,780.00 | \$ 41,500.00 | \$ 44,500.00 | \$ 30,400.00 |
| Year 3 | \$ 35,780.00 | \$ 42,600.00 | \$ 45,000.00 | \$ 30,400.00 |
| | \$ 96,520.00 | \$ 113,100.00 | \$ 124,500.00 | \$ 85,800.00 |

The recommended course of action (see attached memorandum) was generated by a staff level appointed committee. My participation has been limited to review findings. The preferred firm to award the 3-year bid is Purvis & Grey. A quick comparison shows them

Administrative Offices
 212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov

Agenda Memorandum – *City of Inverness*

to be the highest cost firm. The second ranked firm to consider is McDirmit & Davis – a good firm that can deliver audit services at a highly qualified, competent level. So, what's the difference?

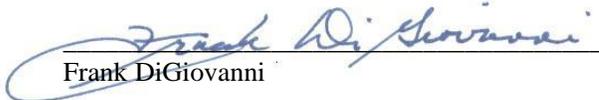
The City of Inverness is technologically advanced for a community of our size or even larger. Much is performed electronically. Money is received, purchases are made and vendor payment approvals and payments are all accomplished by an electronic means. In addition, Inverness is at the threshold of heightened complexity with an expanded CRA. The decision before Council is not about today, but more so about the duration of a 3-year window that represents the term of this contract.

Consideration must be given to the level of service, and depth of audit services that will be demanded by Inverness to keep operations well above board through the full three years. We know what the beginning looks like, but importantly, what is decided today must stand to be efficient and effective thirty-six months from now.

Recommended Action –

The action of City Council will be to select a firm for staff to negotiate and structure a full three-year contract. Variables and clear guidance will be provided for City Council to facilitate the best course for the ensuing three-year period.

To proceed: Motion, second and vote to award the Auditor Services bid to _____, and authorize that we enter negotiations with that firm to structure a 3-year working agreement.


Frank DiGiovanni

Administrative Offices
212 West Main Street, Inverness Florida 34450
www.Inverness-FL.gov



FINANCE DEPARTMENT

212 W. Main Street
Inverness, FL 34450
(352) 726-5016 Phone
(352) 726-5534 Fax

Memorandum

To: Frank DiGiovanni, City Manager

From: Sheri Chiodo, Director of Finance

**CC: Debbie Davis, City Clerk
Paula Carnevale, Assistant Finance Director**

Date: October 2, 2014

Reference: Auditing Services – Award of Bid

SUMMARY

Consideration to award the independent auditing services bid to the firm and to authorize staff to proceed with contract negotiations with the selected firm.

BACKGROUND

The City of Inverness engages a qualified independent Certified Public Accountants and/or firms licensed to practice in the State of Florida for the purpose of providing an annual examination of the financial statements and records of the City of Inverness. The audit is conducted for the purpose of forming an opinion of the general purpose financial statements taken as a whole and to determine whether operations were conducted in accordance with legal and regulatory requirements. These audits are performed in accordance with generally accepted auditing standards and the standards for financial audits set forth in the U.S. General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Federal Single Audit Act Amendments of 1996, and the U.S., Office of Management and Budget (OMB) Circular A133, Audits of State and Local Governments and the provisions of the Florida Single Audit Act.

The GFOA's best practice for Audit Procurement Services recommends governmental entities "undertake a full-scale competitive process" for the selection of independent auditors at the end of term of each audit contract. Ideally a policy of auditor rotation where the auditor is replaced at the end of contract with a new firm provides the best auditor independence although is not always feasible with government auditing due to frequent lack of competition, therefore; best practice allows for the participation of the existing audit firm to bid in the process. Finally, the GFOA recommends that the audit procurement process should be structured so that the principal factor in the selection of an auditor is based on the auditor's ability to perform a quality audit and in no case

should price be allowed to be the sole criteria for selection. (See attachment “GFOA Best Practice Audit Procurement”).

The audit firm of Williams, McCranie Wardlow and Cash has conducted the annual financial audits of the City of Inverness for 35 years commencing in fiscal year 1978. The City released a Request for Proposal for Independent Auditing Services on August 11, 2014 and publicly opened said bids on September 5, 2014. The following firms responded:

- Purvis Gray and Company, Ocala Florida
- Williams, McCranie, Wardlow and Cash, Inverness Florida
- McDirmitt Davis, Orlando Florida
- Mauldin & Jenkins, Bradenton, Florida

The RFQ Committee served as the selection committee for this process. Following presentations by all four of the firms on Friday, September 26th the committee ranked the proposals using the criteria shown below:

| | Evaluation Criteria | Maximum Points |
|----------|--|----------------|
| A | Technical Quality | |
| 1 | Expertise and Experience | |
| i | The Firm's past experience and performance on comparable government engagements | 20 |
| ii | The quality, expertise and experience of the firm's professional personnel to be assigned to the engagement and the ability to provide the required services | 20 |
| 2 | Response of References | 10 |
| 3 | Audit Approach | |
| i | Adequacy of proposed staffing plan for various segments of the engagement, including supervision and involvement of experiences personnel. | 10 |
| ii | Adequacy of sampling techniques and audit work plan | 10 |
| iii | Adequacy of analytical and substantive procedures | 10 |
| B | Price | 20 |
| | Total Points | 100 |

The final Rankings of the firm are shown below:

1. Purvis Gray and Company
2. McDirmitt Davis
3. Mauldin Jenkins
4. Williams, McCranie, Wardlow & Cash

The City will not require a single audit or a CAFR for 2014 but will most likely require single audits and CAFR in years 2015 and 2016. The pricing schedule below reflects services to be provided for each year of the contract period:

| Total all Inclusive Pricing | | | | |
|------------------------------------|------------------------------|------------------------------|--------------------------|---|
| | McDirmitt & Davis | Mauldin & Jenkins | Purvis & Gray | Williams, McCranie, Wardlow & Cash |
| Year 1 | \$ 24,960.00 | \$ 29,000.00 | \$ 35,000.00 | \$ 25,000.00 |
| Year 2 | \$ 35,780.00 | \$ 41,500.00 | \$ 44,500.00 | \$ 30,400.00 |
| Year 3 | \$ 35,780.00 | \$ 42,600.00 | \$ 45,000.00 | \$ 30,400.00 |
| | \$ 96,520.00 | \$ 113,100.00 | \$ 124,500.00 | \$ 85,800.00 |

Although the Purvis Gray and Company proposal is the highest bid, the committee’s ranking was based on the firms specific audit approach, technical expertise, and adequate resources in the firm to ensure timely completion of audit and delivery of the financial reports. The firm has audit experience of similar requirements with the City of Belleview, City of Mount Dora, City of Eustis, City of Ocala, City of St. Cloud, City of Lake City, City of Dade City, The Villages Community Development District, and the Withlacoochee Regional Water Supply Authority to name a few. Purvis Gray and Company has extensive experience in Community Redevelopment Agencies and Utilities and has an advanced technology audit approach which encompasses the information technology environment (significant financial applications, supporting technologies, operating systems, databases, network, etc.) as well IT General Control over the technologies evaluation of associated risks. The firm also provides additional consultation services in such areas as internal control reviews, performance audits, feasibility/efficiency studies, utility rate/revenue sufficiency studies, fraud/defalcation engagements, expert testimony, and procedures documentation. Staff recommendation is based on the firm’s ability to meet the City’s current needs as well as a partner for future growth and internal changes including CRA expansions, Utility Acquisitions, and expanded cultural, events and recreational facilities.

The second ranked firm, McDirmitt & Davis was rated very close to Purvis and Gray and could provide adequate independent audit services over the three year contract period. Over the past five years this firm has audited the Cities of Umatilla, Clermont, Oviedo, Lake Mary, Tavares, Maitland, Winter Springs and the Homosassa Water District to name a few. The firm proposed a lower cost over of \$96,520 (\$27,980 lower than the number 1 ranked firm) for the three-year contract period.

References have been checked and the top two ranked firms and positive feedback was provided on both proposers.

I have provided the firms qualifications and experience, customer listing and audit approach for your reference.

FISCAL IMPACT

City Council has appropriated \$50,000 for audit services for fiscal year 2015 providing adequate funding for the audit services contract.

RECOMMENDATION

The preferred firm to award the independent auditing services bid is to the firm of Purvis Gray and Company for an initial term of three fiscal years beginning with the fiscal year ending September

30 2014 at their proposed price of \$124,500 for the three year period. The pricing for each year is as follows: 2014 - \$35,000 2015-\$44,500 and 2016-\$45,000. The 2015 and 2016 fiscal year audits include costs for Federal and State Single Audits and CAFR report development.

Technical Proposal

Firm Qualifications and Experience (Continued)

Your audit will be conducted primarily from our Ocala office with assistance from other offices as needed. Our Ocala office has approximately 23 individuals in total, including 6 partners, 3 managers, 6 seniors, and several staff accountants, paraprofessionals and support staff.

The audit team includes 3 partners, a manager, a senior auditor, an IT consultant, and staff auditors as needed. These are all full-time, year-round auditors that are CPAs. For more specific information on the individuals committed to your engagement, please refer to the staffing diagram that can be found on page 12.

■ **Audit Department**

The Audit Department is the largest department in the firm. All of the Audit Department staff has met the continuing education requirements for auditing governmental entities set forth in the *Yellow Book*. The mission of the department is to achieve technical excellence which can be used to provide the highest level of quality service to our clients. We feel that this higher level of service sets us apart from other firms.

Our auditors work year-round on audit engagements. We are familiar with governmental and utility accounting auditing, and will not need to be trained by your staff. We understand governmental fund structures, the Florida uniform system of accounts, and the different bases of accounting for governmental, proprietary, and fiduciary fund types. We are up-to-date on the special requirements of new Governmental Accounting Standards Board (GASB) statements, including fund balance reporting, deferred inflows/outflows, and pensions. We have audited virtually every federal or state grant program. We understand property recordkeeping and rate-setting for water and sewer utilities, property tax reform, shared revenues, impact fees, self-insurance, airports, health care centers, and Community Redevelopment Agencies. We are intimately familiar with *Rules of the Auditor General*, Chapter 10.550.

As governmental auditors and consultants, we are immersed in the governmental industry and fully understand the extreme fiscal and budget challenges facing the City. ***In this environment, we will conduct an effective audit as efficiently as possible for a competitive fee.***

Auditors in the Purvis, Gray and Company Tallahassee office have provided help to many of our governmental clients by being in touch with the political issues in our state's capital which affect municipalities. Our Tallahassee office audits several state-wide associations and has developed contacts at all state agencies which have proven valuable in resolving client accounting and auditing issues related to state funding and grant programs.

We provide our auditors with the information technology tools needed to complete an effective and efficient audit. Our audit team has extensive experience working in various technology environments and utilizes the technology described under the "*Technology to be Used in Engagement*" section below. Our paperless audit documentation system allows our auditors to access the audit engagement file securely maintained on our in-house servers from the City's Administration Center or remotely, so that our auditors may respond to City requests and work with City personnel timely to ensure the effectiveness and efficiency of the audit process. Additionally, our auditors may employ computer-aided audit techniques (CAAT), which allows us to analyze the City's data and may allow us to perform a 100% test of a transaction class for certain attributes in less time than it would take to take a statistical sample and test such sample manually.

Technical Proposal

Firm Qualifications and Experience (Continued)

■ Information Technology (IT) Department

In addition to supporting our firm's IT environment, the IT Auditor/Consultant assigned to the City's audit engagement and our IT Department professionals have extensive experience and proficiency working in various computerized environments. *Our auditors and our IT professionals are familiar with all fund accounting and operational software products utilized by Florida Municipalities.*

■ Accounting and Tax Services

The Accounting and Tax Services Department of Purvis, Gray and Company is often used in troubleshooting problem tax areas associated with audits of not-for-profit entities. Our tax professionals deal with issues such as bond arbitrage rebate calculations, payroll tax problems, ERISA compliance for employee benefit plans, unrelated business income tax issues, tax effects of planned giving, charitable annuities and remainder trusts, and other tax topics. This department is also responsible for the preparation of payroll and income tax returns for individuals and businesses including corporate, partnership, estate, and trust tax returns. In addition, this department provides tax research support to our Audit Department.

■ Consulting

The consulting practice of Purvis, Gray and Company utilizes members of the Audit, Accounting and Tax Services, and IT Departments to perform a wide-range of consulting and management advisory services for our clients. Our consulting personnel have performed engagements in each of the following categories:

● Accounting System Reviews and Documentation

- ▶ GASB Statement No. 34—Capital Asset Records and Entity-wide Conversion
- ▶ Internal Control Reviews
- ▶ Procedures Documentation
- ▶ Performance Audits and Cost Reduction Studies
- ▶ Feasibility/Efficiency Studies
- ▶ Budget Review and Budget Preparation

■ Utility and Cost Studies

- ▶ Rate/Revenue Sufficiency Studies
- ▶ Reviews of Power Supply (Electric and Gas) Alternatives
- ▶ Overhead/Indirect/Other Cost Studies
- ▶ Landfill Closure and Postclosure Analysis
- ▶ IRS Arbitrage Rebate Calculations and Consultation
- ▶ Utility Billing System Setup and Revision
- ▶ Water-Sewer Work Order Systems and Property Records

■ Other Financial Services

- ▶ Fraud/Defalcation Engagements
- ▶ Expert Testimony
- ▶ Personal Financial/Retirement Planning
- ▶ Other Financial Services
- ▶ Tax Representation

Due to our extensive involvement in the electric, water, wastewater and stormwater utility industries, individuals participating in our consulting practice stay current on the issues facing those competitive industries. In addition to revenue sufficiency and rate studies, members of your audit team have assisted our clients in negotiations of power supply and sale contracts, made recommendations on power supply alternatives, reviewed billing systems for billing inaccuracies, assisted in the development of work order and continuing property record systems, performed merger and utility system acquisition feasibility studies, assisted with landfill closure and postclosure analysis and funding, and assisted in many other areas.

Independence rules govern the performance of consulting services for clients audited under *Government Auditing Standards*. Any consulting services performed for the City would be in compliance with those new standards.

Technical Proposal

Firm Qualifications and Experience (Continued)

Firm Personnel

MANAGING PARTNER

David A. Gaitanis, C.P.A.

AUDIT DEPARTMENT

Partners

Ronald D. Whitesides, C.P.A.
Robert O. Dale, C.P.A.
Joseph J. Welch, C.P.A.
Mark A. White, C.P.A.
Helen Y. Painter, C.P.A.
Timothy M. Westgate, C.P.A.
Ryan M. Tucker, C.P.A.

Managers

Terry W. Kite, C.P.A.
James E. Kading, C.P.A.
Roberto A. Martinez, C.P.A.
Barbara Boyd, C.P.A.
Alison L. Stone, C.P.A.
Marie F. Dennis, C.P.A.
Todd M. Hallowell, C.P.A.
Philip A. Gesner, CPA.CITP, CISA

Professional Staff

Steven W. Huss, C.P.A.
Kevin R. Smith, C.P.A.
George T. Presnell, III, C.P.A.
Tiffany K. Mangold, C.P.A.
Kathryn L. Eno, C.P.A.
Gabriela Pelleova, C.P.A.
Mike S. Johnson
Laurie A. Walker
Kyle A. Vermillion
Christopher M. Tanski
Megan L. Burnsied
Duston G. Scott
Sean Pfalzgraf
Arriel Crichton
Leanne Rodriguez

ACCOUNTING AND TAX SERVICES

Partners

Steven T. Lee, C.P.A.
John Michael Williams, C.P.A.
Andrew R. Spahn, C.P.A.
Fred L. Doerr, C.P.A.
James W. Patray, III, C.P.A.
Larry D. Kieszek, C.P.A.

Managers

Eric J. Benton, C.P.A.
Janell M. Martin, C.P.A.
Rachel A. Clements, C.P.A.
Lizette M. Wagoner, C.P.A.
Ryan R. Patton, C.P.A.
Dana C. Davis, C.P.A.

Professional Staff

Helen A. Ingmarsson, C.P.A.
Jeremy T. Lacey, C.P.A.
Belinda Rembert, C.P.A.
Kimberly M. Mottl, C.P.A.
Heather J. Whitston
Alana Barreau
Jacob M. Sistrunk
Melissa Bender
Michael C. Hand

INFORMATION TECHNOLOGY DEPARTMENT

Network Consulting

Jon S. May
Roger K. Reynolds

IT Auditor/Consultant

Philip A. Gesner, CPA.CITP, CISA

Programmer/Analysts

Leah G. Oehmig, MCP.MBSS

ADMINISTRATION DEPARTMENT

FIRM ADMINISTRATOR – D'Yān L. Means

PARAPROFESSIONALS – (4 Members Not Individually Listed)

SUPPORT STAFF – (11 Members Not Individually Listed)

Technical Proposal

Firm Qualifications and Experience (Concluded)

No Subcontracting or Joint Ventures

Your audit will be conducted by Purvis, Gray and Company. There is no joint venture or consortium proposed. All members of the engagement team are partners or employees of Purvis, Gray and Company.

Quality Control Review

Purvis, Gray and Company is a member of the AICPA's Governmental Audit Quality Center (GAQC). Our firm places high priority on its quality control and has undergone a peer review developed by the AICPA at least every 3 years since 1979. Because our firm has a heavy concentration of governmental audit clients, several governmental audit engagements are selected for review by the peer review team. Below is a copy of our most recent review which was performed in September 2013.



Fowler, Holley, Rambo & Stalvey, P.C. CERTIFIED PUBLIC ACCOUNTANTS BUSINESS CONSULTANTS

Curse G. Fowler, CPA, PE, CFPP • Carlton W. Holley, CPA • C. Wayne Rambo, CPA, CVA • Richard A. Stalvey, CPA
3008 Wildwood Plantation Drive • Post Office Box 1887 • Valdosta, GA 31607-0887 • (229) 244-1559 • (800) 950-3129 • Fax (229) 245-7322

System Review Report

September 11, 2013

To the Partners of
Purvis, Gray and Company, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Purvis, Gray and Company, LLP (the firm) in effect for the year ended May 31, 2013. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/peerreview.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans and an audit performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Purvis, Gray and Company, LLP in effect for the year ended May 31, 2013, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiencies* or *fail*. Purvis, Gray and Company, LLP has received a peer review rating of *pass*.

Fowler, Holley, Rambo & Stalvey, P.C.
Fowler, Holley, Rambo & Stalvey, P.C.

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James E. Fowler, CPA • R. Arden Deloach, Jr., CPA • B. Scott Taylor, CPA • Robert D. Escoe, CPA • Emory A. Roering, CPA, CFEA
Dustin C. Wilcox, CPA • Fitzroy A. Craig, CPA • Barry C. Smith, CPA • Joseph R. Jenkins, CPA
www.fowlerholley.com • MEMBER OF AICPA INTERNATIONAL

Technical Proposal

No Record of Substandard Work

Purvis, Gray and Company is not aware of any federal or state desk reviews nor have there been field reviews of its audits during the past 3 years by state regulatory bodies or professional organizations.

No Disciplinary Action

We have no record of substandard work and have no enforcement actions pending by the State Board of Accountancy or any other regulatory agency or professional organization, nor have we had any such actions in the past 3 years.

No Litigation Against the Firm

There are no pending lawsuits against Purvis, Gray and Company, nor have there been any within the last 3 years.

Partner, Supervisory and Staff Qualifications and Experience

Audit Team Members

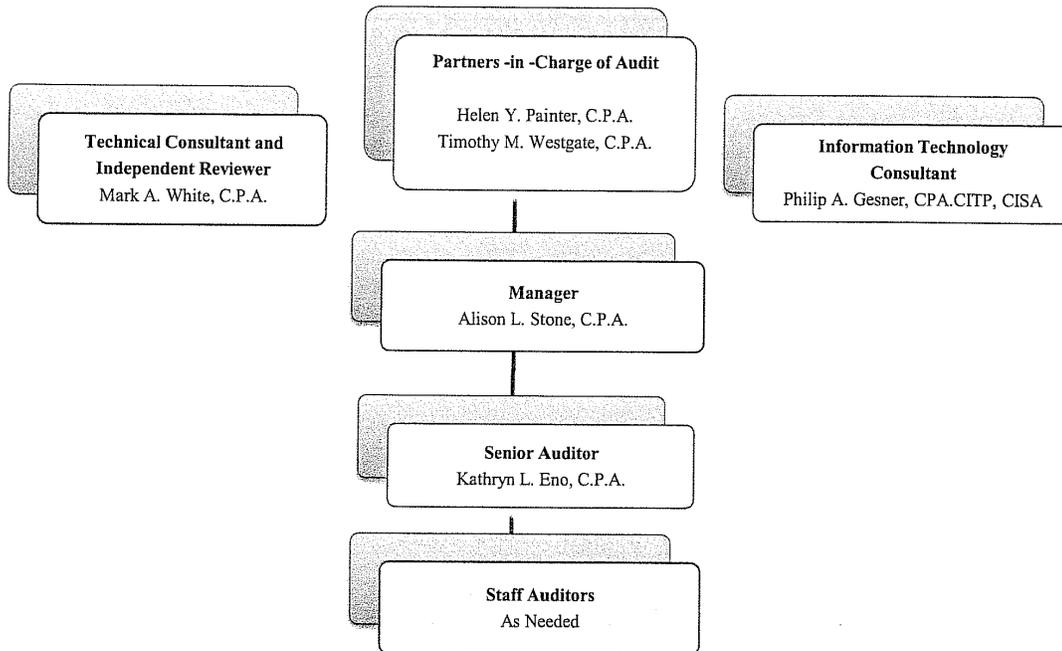
The firm that will be the most qualified to serve as auditors for the City will be the one that can demonstrate its qualifications through past experience, education and high quality control considerations. Purvis, Gray and Company's approach to staffing audit engagements is to choose partners, managers and staff based upon the expertise, experience and technical ability needed to perform the audit engagement efficiently and provide the highest level of client service. The individuals assigned to your audit possess the necessary technical skills and experience to ensure that the City receives the highest level of service.

Ms. Helen Y. Painter, C.P.A., and Mr. Timothy M. Westgate, C.P.A., will be the partners in charge of the City's audit engagement and will be the "key" members of the audit team. Ms. Painter and Mr. Westgate have a combined total of thirty-seven years of experience in accounting and auditing for governmental bodies, nonprofit organizations and commercial enterprises. They will consult Mr. Mark A. White, C.P.A., on technical matters and for independent review, and Mr. Philip A. Gesner, C.P.A., CITP, CISA as information technology consultant. Listed below are the roles of each member of the audit team and a brief description of their qualifications. All audit staff assigned to your engagement are licensed to practice as certified public accountants in the State of Florida or are "exam-eligible." All are employed by the firm on a full-time basis. We expect the whole audit team to return to the City on an annual basis.

Technical Proposal

Partner, Supervisory and Staff Qualifications and Experience (Continued)

Audit Team Members (Concluded)



Team Roles

- **Role of the Partners-in-Charge of Audit**

Overall responsibility for excellent client service, will work closely with client's management and manager to ensure that all work is properly planned, executed, and completed. Conducts entrance, exit, and interim work conferences with client and participates extensively in audit fieldwork and the review process.
- **Role of the Technical Consultant and Independent Reviewer**

This team member will provide consultation and review of technical accounting and auditing issues, and a final "cold" review of the audited financial statements and reports.
- **Role of the Information Technology Consultant**

This team member will supervise or perform the review of the City's Information Technology Environment and key IT General Controls, Application Controls, and IT-Dependent Manual Controls in consultation with the audit team. He will also supervise or perform Computer Assisted Audit Techniques (CAAT) or data analysis in consultation with the audit team. This team member will provide recommendations to strengthen the City's Information Technology Environment and IT-related controls. He will also provide assistance on any IT-related issues, as deemed necessary by the audit team.
- **Role of the Manager**

This team member will be primarily responsible for planning, conducting, and completing all fieldwork. She will participate in entrance, exit, and interim work conferences, and will keep the Partner-in-Charge and client fully informed on the job status.
- **Role of the Senior Auditor**

The senior auditor responsibilities include staff supervision, participation in planning, conducting, and completing fieldwork, and report preparation. Will review the workpapers and assist in managing the effectiveness and efficiency of the audit, operating within the time budget. Will work closely with the supervisory members of the Audit Team and the client. May participate in entrance, exit, and interim work conferences.

Technical Proposal

Partner, Supervisory and Staff Qualifications and Experience (Concluded)

Continuing Quality of Staff

We expect your audit team members to be available throughout your contract and option periods. While some staff turnover inevitably occurs, our firm makes every effort to maintain the high quality of our staff. We do this through hiring the best people, providing more than the minimum required continuing education, mentoring, and, most importantly, upper management participate in the audit fieldwork thereby providing true on-the-job training. We do not hire seasonal employees and staff turnover has been relatively low compared to industry standards in the past three years. The audit team members listed in this proposal have all been with our firm for at least three years. If it did become necessary to change any team members on your audit, it would be discussed with you in advance, and we would obtain your written approval. The City has the right to approve or reject replacements.

Continuing Professional Education and Training

As members of the Governmental Audit Quality Center of the AICPA, each CPA is required to obtain forty hours of continuing professional education each year. Over 50% of Purvis, Gray and Company's audit engagements are governmental clients; accordingly, many of our continuing professional education programs are related to governmental accounting and auditing. The continuing professional education material is presented by nationally prominent accounting professors and other individuals who have thorough knowledge of auditing both municipal and county governments.

Our partners and managers also attend the annual meeting of the FGFOA, FMEA/FMPA, and FACC where they attend and teach continuing education classes that deal with new GASB pronouncements and current issues in Florida law that affect local governments and other similar topics. *Client accounting staff are routinely invited to attend our continuing education classes throughout the year at no cost.*

Members of the audit team assigned to the City's audit have attended numerous courses on governmental accounting and auditing and have participated in audits of countless cities and counties. In addition, all of our Audit Department personnel meet the governmental education requirements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. A full list of CPE courses attended by your proposed audit team can be found on their individual résumé, beginning on page 15. The following is a brief list of some of the governmental continuing education class topics that our partners and staff have recently taught:

- Understanding the New COSO Framework (FL Association of School Business Officials October 2013)
- Internal Controls and Fraud (FSFOA Conference in November 2012)
- SAS Update for Financial Managers (The New Risk Standards)
- GASB Statement No. 45—OPEB
- Auditing Update—Hot Topics for Fiscal Officers and Auditors
- The New Single Audit Requirements
- Debt-Accounting, Covenants, Compliance
- State-shared and Local Option Revenues for Cities and Counties
- Governmental Compliance Auditing in Florida—Local Laws and Regulations
- What to Expect from Your Auditors
- Internal Controls for Managers
- The New COSO Internal Control Framework
- GASB Statement No. 51—Accounting and Financial Reporting for Intangible Assets
- GASB Statement No. 53—Accounting and Financial Reporting for Derivative Instruments
- GASB Statement No. 54—Fund Balance Reporting and Governmental Fund Type Definitions
- The State Financial Emergency Law

Technical Proposal

Partner, Supervisory and Staff Qualifications and Experience (Concluded)

Continuing Professional Education and Training (Concluded)

- GASB Statement No. 57—OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans
- GASB Statement No. 60—Service Concession Arrangements
- GASB Statement No. 61—Reporting Entity
- GASB Statement No. 62—Codification of AICPA and FASB
- GASB Statement No. 63—Deferrals Presentation
- GASB Statement No. 64—Derivative Terminations
- GASB Statement No. 65—Assets and Liabilities – Reclassification and Recognition
- GASB Statement No. 66—Technical Corrections
- GASB Statement No. 67—Financial Reporting for Pension Plans (amending GASB No. 25)
- GASB Statement No. 68—Accounting and Financial Reporting for Pensions (amending GASB No. 27)
- The New Pension Accounting Standards: A Game Changer!

Résumés

Beginning on the next page, the partner in charge, consultants, manager, and senior auditor résumés provide more specific information for each individual, especially their participation in local government audits, relevant continuing professional education for the past three years, memberships, and copy of licenses to practice as a Certified Public Accountant in the State of Florida.

Helen Y. Painter, CPA

Audit Partner

*Member of Concurring Review Team
and Member of Quality Control Team*



Office Location:

*Ocala, Florida
(352)732-3872*

www.purvisgray.com

Profile

Education:

*Graduated Florida Atlantic University,
1993, BS, Accounting, 1994, Masters,
Accounting*

*Graduated Palm Beach Community
College, 1991, AA, Business*

Professional Credentials:

Received CPA Certificate in 1995

*Member AICPA, FICPA and FGFOA
Member Nature Coast Chapter FGFOA*

*FICPA Peer Reviewer-Team Captain
Peer Review Acceptance Committee*

*2004 Competent Toastmaster (CTM)
Distinguishment*

*Member of Florida Thoroughbred Breeders
and Owners Association*

Committees

*FICPA Accounting Principles and Auditing
Standards*

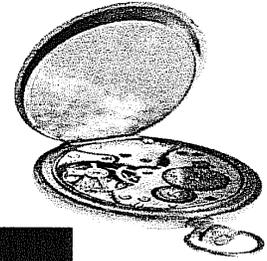
*FICPA Accounting and Auditing Sections
Steering Committee*

FICPA Peer Review Committee

Years in Accounting: 24

Years with Firm: 20

Trusted Advisors Since 1946



Speaker/Instructor

Florida School Finance Officers Association 2013 Conference
Numerous In-house CPE Classes
Florida State University 2003 Spring Accounting Conference
Fraud in the Not-For-Profit Environment
Florida Local Government Investment Trust Group
Nature Coast Chapter of the FGFOA

Author

The Audit Process, Talking Stick, April/May 2005

Experience in Serving Clients

School Board Experience

Hernando County School Board*
Citrus County School Board—Internal Accounts & Academy for Environmental
Science

Governmental Experience

Alachua County, Florida*
City of Belleview, Florida*
Bradford County, Florida*
City of Bushnell, Florida*
City of Center Hill, Florida
Citrus County, Florida*#
Citrus County Housing Authority*
City of Deltona, Florida*
City of Dunnellon, Florida*
Florida Municipal Power Agency
City of Fort Myers, Florida*
Gadsden County, Florida*
Hardee County, Florida*
City of Jacksonville Beach, Florida*
City of Leesburg, Florida*
Liberty County, Florida*
Marion County, Florida*
City of Mount Dora, Florida*
City of Ocala, Florida*
City of Palmetto, Florida
City of St. Cloud, Florida*
Villages Center Community Development Districts
North Sumter County Utility Dependent District
Wakulla County, Florida*
City of Williston, Florida*

Helen Y. Painter, CPA

Audit Partner

Member of Concurring Review Team and Member of Quality Control Team

Experience in Serving Clients, (Concluded)

Not-For-Profit Experience

Advocacy Research Center-Marion, Inc.*
Alachua Habitat for Humanity, Inc.
Arnette House, Inc.
The Centers, Inc.
Central Florida Community College Foundation, Inc.*
Central Florida Electric Cooperative, Inc.
Central Florida Health Care, Inc.
Childhood Development Services, Inc.*
Coalition for Youth, Inc.
Counseling & Resource Center for Women and Families, Inc.
Early Learning Coalition of Nature Coast
Early Learning Coalition of Marion County
Florida Agriculture Center and Horse Park Authority
Florida Autism Charter School of Excellence, Inc.
Florida Electric Cooperatives Association, Inc.
Florida Low Income Housing Associates, Inc.*
Florida Rural Electric Credit Union
Florida Sheriffs Youth Ranches, Inc.
Gainesville Golf and Country Club
Heartland Rural Health Network, Inc.
Meadowbrook Academy
Partnership for Strong Families, Inc.
Peaceful Paths, Inc.
Santa Fe Community College Endowment Corp., Inc.
Silver River Mentoring and Instruction, Inc.
Southern Legal Counsel, Inc.
Sumter Electric Cooperative, Inc.
Suwannee Valley Electric Cooperative, Inc.
United Gainesville Community Development Corporation, Inc.
United Way of Alachua County, Inc.
United Way of Marion County, Inc.
University of Central Florida Research Foundation
University of Florida Division of Housing
University of Florida Research Foundation, Inc.
University of Florida Tissue Bank, Inc.
University Villages Apartments (HUD)*
The Villages Charter School, Inc.
Villages Foundation, Inc.

Financial Institution Experience

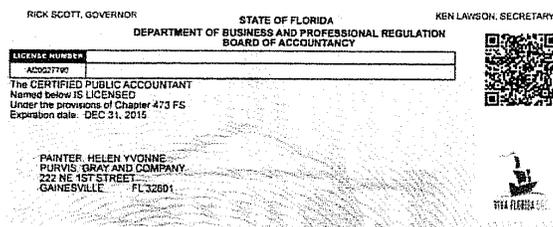
Villages Bancorporation, Inc.
Citizens First Trust Company, LLC
Citizens National Bank of Leesburg
Liberty National Bank
Newberry Bank

For-Profit Experience

Advocacy Resource Center Marion, Inc. Retirement Plan
The Villages Charter School, Inc. Employee Savings Plan
Florida Sheriffs Youth Ranches, Inc. Pension Plan and Trust
WRYP, ALF, Inc. (HUD)
Partnership for Strong Families, Inc. 401(k) Profit Sharing Plan
Stonecrest Property Owners Association
Golden Hills Golf and Turf Club, Inc.

*OMB Circular A-133 Single Audits and/or Florida Single Audits

CPA License



Educational and Professional Involvement

Ms. Painter is in full compliance with the continuing educational requirements set forth under U.S. General Accounting Office (GAO), *Government Auditing Standards*, 2011 Revision. A list of the relevant continuing professional education for the past three years follows:

City of Inverness, Florida—RFP # 14-01—Independent Auditing Services

16

Helen Y. Painter, CPA

Audit Partner

Member of Concurring Review Team and Member of Quality Control Team

Course Titles or Descriptions

2
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4

Spring 2014 Tax CPE:

- Firm Updates, UltraTax & General Procedural Update, XCM Updates
- New Research Software: RIA & BNA Implementation
- Actively Navigating Net Investment Income Tax
- Pass-Through Updates—What's New with 1120s & 1065s
- Exempt Organization Update / UBI—Ownership of Partnerships & S Corps Within a 501(c)(3) Organization—What's New with 990s
- Estate, Gift and Trust Planning Issues—What's New with 706s, 709s, and 1041s.
- Repair and Maintenance Capitalization Rules
- Individual Updates—What's New with 1040s
- State of the Department—Keeping the House in Order & Other Housekeeping
- FGFOA Nature Coast Chapter Annual Membership Meeting:
- Single Audit Update
- Audit Season Review
- Update on Best Practices for Investment Management
- Comparable Investment Approaches for Florida Local Governments
- DB vs DC—A False Choice in Retirement Plans
- GASB 67 & 78—The Devil's in the Details
- The Importance of Documentation—Even in Today's Virtual, Paperless World
- A Dynamic Leader in Today's Environment

FSFOA 2014 Summer Conference:

- DOE Update
- Cost Report
- Omni Circular & Community Eligibility Option

FSFOA 2014 Summer Conference:

- FRS—Forecasting, Actuarial Study & GASB Requirements Leadership
- Legislative Update
- FTE—Reporting Recalibration
- Economic Outlook
- Affordable Health Care
- Auditor General Update
- Summer 2014 CPE:
- Implementing GASB 67 & 68
- Single Audit—Super Circular
- Audits of Group Financial Statements, Year 2
- GASB 65 Refresher
- COSO Internal Control—Integrated Framework. Update on GASB's Green Book Revision—& Instructor Credit
- Dodd Frank Act
- Financial Reporting Framework for Small & Medium Size Entities
- Accounting & Auditing for Utilities
- Compliance Pitfalls & Corrective Measures for Qualified Retirement Plans
- The Resurgence of Defined Benefit Plans for Small Businesses
- Tax Efficient Plan Designs for Small Businesses
- Fringe Benefit Plans
- Florida Sales & Use Tax: What Every Buyer & Seller Should Know
- Squaring UBI: Unrelated Business Income—Useful Bits of Information
- The Affordable Care Act (ACA) Beyond 2014 & the CPA

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FGFOA Nature Coast Chapter CPE:

- What's the GASB Up to Now
- Economic Review, Cash Flows, Investment Strategies
- Investment Bond Mathematics
- CAFR Certificate Program Compliance
- Affordable Care Act – What's Coming in 2014. What to Do Now
- Forecasting Workloads, Process Improvements, Electronic Initiative

Spring 2013 Tax CPE:

- UltraTax & General Procedural Update
- Utilizing XCM for Tax Return Processing & Related Procedures
- To Capitalize or Expense, That is the Question – Understanding the New Temporary Regulation for Tangible Property
- Just Passing Thru – Pass-Thru Entities
- Implications of the New Medicare Taxes & Net Investment Income
- IRAs and Other Tax Deferred Accounts
- The Risk of Being Passive
- Who Watches the Watchmen?
- Cliffhanger: A Review of 2012 & 2013 Tax Items

Accounting & Auditing Update

- FICPA New Ethics
- Overview of the Peer Review Standards

PGC Summer 2013 CPE:

- Quality Control
- GASB Update "Drilling in to GASB Statements Nos. 62, 63 & 65"—& Instructor Credit
- Understanding Audits of Group Audits and Revisiting GASB No. 61
- Use of a Specialist
- 2011 Yellow Book & Independence—& Instructor Credit
- Preparing for Pension Standard Changes
- Auditors' Reports & Required Communications
- Auditing IT & Using IT in an Audit
- FGFOA 2013 Conference Courses
- AICPA Advanced Course: Overview of the Peer Review Program Standards
- Fall 2013 CPE:
- GASB Update
- How Recent Changes in Auditing Standards May Affect Your Audit
- An Auditee's Perspective of the Single Audit
- Effect of Current Economic Environment on Financial Reporting
- Economic and Market Update
- Measuring Performance Risk & Reward
- The Investment Portfolio Games: Putting Your Strategies to the Test

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- Procedural Update
- Debt Forgiveness in Real Life
- Pass-thrus: The Ins & Outs
- Foreign Compliance Update & Review FBAR & New Form 8938
- Retirement Plan Refresher Types, Limits for 2011, Etc.
- Current Banking Environment in Florida
- Auditor General Update
- Being Right is Not Always Right
- Fraud, Internal Controls & Segregation of Duties
- Statewide Chart of Accounts Project
- How to Invest with Fewer Dollars
- Auditing Small Governments
- GASB Statement No. 54 & GASB Statement No. 63
- GFOA Update

- Accounting & Audit Hot Topics
- Accounting & Audit Update 2012
- All Things Audit, Part I & II—& Instructor Credit
- GASB Update
- Information Technology & Internal Controls in a Governmental Environment
- Accounting & Auditing for Electric Co-ops
- Single Audit Workshop, Parts I, II & III
- Highlighting the Governmental Disclosure Checklist
- Fall 2012 Accounting and Auditing:
- A&A Update – Potpourri of Current A&A Issues
- Pension Reform – Hot Topics in Pensions
- New Pension Accounting Standard
- Fraud and IC in a School District—& Instructor Credit
- Hot Topics in Pensions
- New Pension Accounting Standard: A Game Changer!

Timothy M. Westgate, CPA

Audit Partner

Chair of Quality Control Team

Member of Concurring Review Team



Office Location:

Ocala, Florida

(352)732-3872

www.purvisgray.com

Profile

Education:

*Graduated St. Leo University, 2000, BA,
Business Administration, Summa Cum Laude*

*Graduated University of South Florida,
2002, Masters of Accountancy*

Professional Credentials:

Received CPA Certificate in 2003

Member AICPA, FICPA and FGFOA

Recognition:

*State of Florida Top 10 Score, May 2003
CPA Exam*

Civic Involvement:

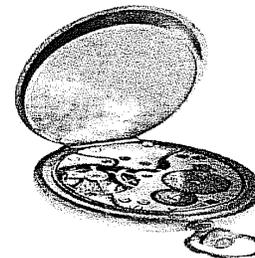
*Past President of the Blessed Trinity
Catholic Church Parish Council, Ocala,
Florida*

Member of the Knights of Columbus

Years in Accounting: 15

Years with Firm: 10

Trusted Advisors Since 1946



Speaker/Instructor

Numerous In-house CPE Classes
Governmental Audit Update for Financial Managers, FGFOA 2007
Fall Institute/2007 FACC Conference
Grant Budgeting, Marion County Grant Writers' Network 2010
Fraud and Internal Control in a School District, FSFOA 2012

Experience in Serving Clients

School Board Experience

Alachua County District School Board*
Lake County District School Board*
Marion County District School Board*
Hernando County District School Board*
Clay County District School Board*

Governmental Experience

Citrus County Hospital Board
City of Deltona, Florida*
City of Leesburg, Florida*
Marion County EMS Alliance
Marion County, Florida*
Marion County Law Library*
City of Mt. Dora, Florida*
City of Ocala, Florida*
City of St. Cloud, Florida*

Not-For-Profit Experience

Arnette House, Inc. *
The Centers, Inc. *
Citrus Memorial Health Foundation, Inc.
Cornerstone School, Inc.
Education Foundation of Marion County, Inc.
The Foundation for The Centers, Inc.
Grace School of Ocala, Florida, Inc.
Hospice of Marion County, Inc.
Kids Central, Inc. *
The Refuge, Inc.
Partnership for Strong Families, Inc.*
Diocese of St. Augustine
Our Lady Star of the Sea Parish and School
St. Joseph Parish and School

*OMB Circular A-133 Single Audits and/or Florida Single Audits

Timothy M. Westgate, CPA

Audit Partner

Member of Concurring Review Team

Course Titles or Descriptions

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Spring 2014 Tax CPE:

Firm Updates, UltraTax & General Procedural Update, XCM Updates
New Research Software: RIA & BNA Implementation
Actively Navigating Net Investment Income Tax
Pass-Through Updates—What's New with 1120Ss & 1065s
Exempt Organization Update/UBI—Ownership of Partnerships and S Corps
Estate, Gift, & Trust Planning Issues—What's New with 706s, 709s & 1041s
Repair and Maintenance Capitalization Rules
Individual Updates—What's New with 1040s
State of the Department—Keeping the House in Order & Other Housekeeping
FGFOA Nature Coast Chapter Annual Membership Meeting:
Single Audit Update
Audit Season Review
Update on Best Practices for Investment Management
Comparable Investment Approaches for Florida Local Governments
DB vs DC—A False Choice in Retirement Plans
GASB 67 & 68—The Devil's in the Details
The Importance of Documentation—Even in Today's Virtual, Paperless World
A Dynamic Leader in Today's Environment
FSFOA 2014 Summer Conference:
DOE Update
Cost Report
Omni Circular & Community Eligibility Option
FRS—Forecasting, Actuarial Study & GASB Requirements

FSFOA 2014 Summer Conference: (Concluded)

Leadership
Legislative Update
FTE—Reporting Recalibration
Economic Outlook
Affordable Health Care
Auditor General Update
Summer CPE Session:
Implementing GASB 67 & 68
Single Audit—Super Circular
Audits of Group Financial Statements, Year 2 & Instructor Credit
GASB 65 Refresher
COSO Internal Control—Integrated Framework, Update on GASB's
Green Book Revision
Dodd Frank Act
Financial Reporting Framework for Small & Medium Size Entities
Accounting & Auditing for Utilities
Compliance Pitfalls & Corrective Measures for Qualified Retirement Plans
The Resurgence of Defined Benefit Plans for Small Businesses
Tax Efficient Plan Designs for Small Businesses
Fringe Benefit Plans
Florida Sales & Use Tax: What Every Buyer & Seller Should Know
Squaring UBI: Unrelated Business Income—Useful Bits of Information
The Affordable Care Act (ACA) Beyond 2014 & the CPA

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Spring 2013 Tax CPE:

UltraTax & General Procedural Update
Utilizing XCM for Tax Return Processing & Related Procedures
To Capitalize or Expense, That is the Question: Understanding the New
Temporary Regulation for Tangible Property
Just Passing Thru—Pass-Thru Entities
Implications of the New Medicare Taxes & Net Investment Income
IRAs & Other Tax Deferred Accounts
The Risk of Being Passive
Who Watches the Watchmen? (Circular 230)
Cliffhanger: A Review of 2012 & 2013 Tax Items
FGFOA Nature Coast Chapter CPE:
What's the GASB Up to Now
Economic Review, Cash Flows, Investment Strategies
Investment Bond Mathematics
CAFR Certificate Program Compliance
Affordable Care Act—What's Coming in 2014, What to Do Now
The Promised Land of Motivated Employees
Forecasting Workloads, Process Improvements, Electronic Initiative
Summer 2013 CPE:
Quality Control
GASB Update: "Drilling in to GASB Statement Nos. 62 & 65"
Understanding Audits of Group Audits & Revisiting GASB No. 61
2011 Yellow Book & Independence
Preparing for Pension Standard Changes
Auditors' Reports & Required Communications
Auditing IT & Using IT in an Audit
Accounting and Auditing Update

FICPA New Ethics

FSFOA 2013 Summer Conference:
Patient Protection & Affordable Healthcare Act
DOE Update
IDEA Maintenance of Effort
Cash Flow Projections & Investments
School Safety Issues & Funding
Legislative Update
Capital Outlay Issues (Charter Schools, PECO, etc.)
IRS Audits of 403(b) Compliance Plans
Revenue Trends & Economic Update
FGFOA 2013 Summer Conference:
Opening General Session
Pension Reform Ideas & New Plan Designs
Going "GAGAS" for the GAO Yellow Book
Process Improvement Techniques
Local Government Accountability Update
Legislative Update
IT Risks & New Technology
Jumpstart: Federal Tax Research
Fall 2013 CPE:
GASB Update
How Recent Changes in Auditing Standards May Affect Your Audit
An Auditor's Perspective of the Single Audit
Effect of Current Economic Environment on Financial Reporting
Economic & Market Update
Measuring Performance Risk & Reward
The Investment Portfolio Games: Putting Your Strategies to the Test

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What's New for 2011 & 2012? Including a Review of Recently Enacted Laws
& a Review of Depreciation Rules
Forms Review & Update with UltraTax Tie-in 1040, 1041, 1065, 1120s & 1120
Debt Forgiveness in Real Life
Foreign Compliance Update & Review FBAR & New Form 8938
Keeping Out the Riff Raff—IRS Circular 230
Auditor General Update
Being Right is Not Always Right
FGFOA 2012 Annual Conference Opening General Session
The New Pension Accounting Standard: A Game Changer!
Auditing Small Governments
GFOA Update
Accounting & Audit Update 2012
All Things Audit, Part I and Part II
FSFOA 2012 Summer Conference Motivational Speaker
DOE Update

Indirect Cost Including Food Service & Green Book
FSFOA 2012 Summer Conference Keynote Speaker
Finance Council Meeting Update
Legislative Update
Internal Accounts
Digital Textbooks
Revenue Trends & Economic Update
Public Records Requests
FSFOA 2012 Summer Conference Second Motivational Speaker
FSFOA 2012 Summer Conference Auditor General Update
Ethics in Tax Practice: Florida
Fall 2012 Accounting & Auditing
Fraud and IC in a School District
Hot Topics in Pensions
New Pension Accounting Standard: A Game Changer!

Mark A. White, CPA
Audit Partner
Member of Concurring Review Team



Office Location:
Ocala, Florida
(352)732-3872
www.purvisgray.com

Profile

Education:
Graduated University of South Florida,
1977, BA, Major in Accounting

Member of USF School of Accounting
Advisory Committee

Professional Credentials:
Received CPA Certificate in 1979
Member AICPA, FICPA, GFOA, and
FGFOA
Member of Nature Coast Chapter FGFOA
Former CPE Director of Local FICPA
Chapter

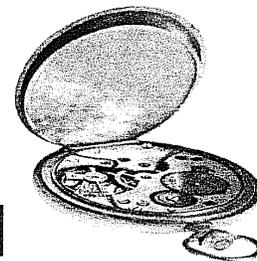
Current Committees:
FGFOA Technical Resources
And Program Committees,
USF School of Accounting Advisory
Council

GFOA SRC Reviewer:
GFOA Special Review Committee for
Certificate of Achievement for Excellence
in Financial Reporting

Recent Committees:
FICPA Committee on State and Local
Governments
CF Public Policy Institute
CF Accounting Advisory Committee

Years in Accounting: 37
Years with Firm: 37

Trusted Advisors Since 1946



Speaker/Instructor

Local Option and State-shared Revenues, FGFOA 1996 and 1997 Conferences; Miami, Florida

Audits of Nonprofit Organizations, 1989 FICPA Annual Accounting Conference, Miami, Florida

Numerous In-house CPE Classes

Fixed Assets and GASB Statement No. 34-FACC-1999; *Internal Controls for Managers*- FACC- 2000

GASB Statement No. 34- *Florida Association of Counties*- 2001

Governmental and Nonprofit Update, *USF Accounting Circle*- 2003

GASB Statement No. 34, FGFOA 2004 Conference

GASB Statement No. 45, OPEB-FACC/FGFOA 2005/2006, *Governmental Audit Update for Financial Managers*, FGFOA 2007 Fall Institute

GASB Statement No. 53, *Derivative Financial Instruments*, FGFOA 2010 Conference

New Pension Accounting Standards - A Game Changer, FGFOA 2012 Conference and other FGFOA Chapter Meetings and related organizations

Author

GASB Statement No. 23, *Major Changes in Accounting for Debt Refundings*, FGFOA Newsletter, October 1994

Dealing With Landfill Closure/Postclosure Costs, FGFOA Newsletter, March/April 1995

What's New in the 1995 Auditor General Rules, FGFOA Newsletter, November/December 1995

Florida's Unclaimed Property Law, *CPA Today Magazine*, October 1995

Do All Nonprofits Have to Implement FASB 116 and 117, *CPA Today Magazine*, December 1995

Governmental Nonprofits and FASB Statement No. 116 and No. 117, FGFOA Newsletter, November/December 1995

Following the Rules of GASB 31, *CPA Today Magazine*, May 1998

Member Alert - Current Accounting and Auditing Financial Reporting Issues, FGFOA Newsletter, November/December 1998

What to Expect From Your Auditors, FGFOA Newsletter, November/December 2000

GASB Exposure Draft, FGFOA Newsletter, March/April 2001

GASB Update, FGFOA Newsletter, April 2002

Other Postemployment Benefits, FGFOA Newsletter, February 2004

Managing the Audit Process – Practical Considerations For A Good Audit, FGFOA Newsletter, April 2011

Three Big Things Coming Our Way: The Pension ED's, The Financial Projections PV and Proposed Single Audit Changes, FGFOA Newsletter, April 2012

Mark A. White, CPA
Audit Partner
Member of Concurring Review Team

Experience in Serving Clients, (Concluded)

School Board Experience

Alachua County District School Board *
 Charlotte County District School Board *
 Hernando County District School Board *

Lake County District School Board *
 Marion County District School Board *

Governmental Experience

Alachua County, Florida*
 Alachua County Housing Authority*
 City of Belleview, Florida*
 City of Bushnell, Florida*
 Citrus County, Florida*
 City of Deltona, Florida*
 City of Dunnellon, Florida*
 City of Fort Myers, Florida*
 Gilchrist County, Florida*
 City of Jacksonville Beach, Florida*
 City of Leesburg, Florida*

Marion County EMS Alliance
 Marion County, Florida *
 City of Mount Dora, Florida *
 City of Ocala, Florida *
 Osceola County, Florida *
 City of St. Cloud, Florida *
 Sumter Landing CDD and Affiliates, Numbers 5-8
 Villages Center CDD and Affiliates, Numbers 1-4
 North Sumter County Utility Dependent District
 Withlacoochee Regional Water Supply Authority

Not-For-Profit Experience

Appleton Cultural Center, Inc.
 ARC - Marion, Inc. *
 ARC - New Hope Foundation, Inc.
 Arnette House, Inc. *
 The Centers, Inc. *
 Central Florida Community College Foundation, Inc. *
 Childhood Development Services, Inc.*
 Cornerstone School, Inc.
 Daytop of Florida Foundation, Inc.
 Daytop Villages of Florida, Inc.*
 Discovery Science Center, Inc.
 Early Learning Coalition of Hernando County, Inc.*
 Early Learning Coalition of Leon and
 Gadsden County, Inc.*

Early Learning Coalition of Marion County, Inc.*
 Early Learning Coalition Nature Coast, Inc.*
 Florida Low Income Housing Associates, Inc.*
 Florida Association of Court Clerks, Inc.
 Golden Hills Golf and Country Club, Inc.
 Hospice of Marion County Inc. and Affiliates
 Kids Central, Inc.*
 M.A.D. D.A.D.S. of Greater Ocala, Inc. *
 Meridian Behavioral Healthcare, Inc. *
 Munroe Regional Development Foundation, Inc.
 Pediatric Primary Care Foundation, Inc. *
 The Villages Charter School, Inc.
 United Way of Alachua County, Inc.
 United Way of Marion County, Inc.

*OMB Circular A-133 Single Audits and/or Florida Single Audits

Utility Experience

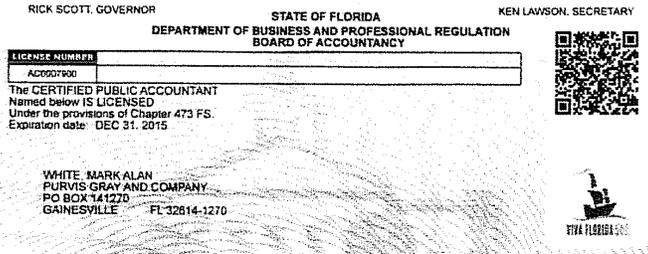
City of Bushnell, Florida (W, S)
 Central Florida Electric Cooperative, Inc. (E)
 Florida Municipal Power Agency (E, G)
 City of Fort Myers, Florida (W, S)
 City of Gainesville, Florida (E, G, W, S)
 Gulf Coast Electric Cooperative, Inc.
 City of Jacksonville Beach, Florida (E, W, S)
 Kissimmee Utility Authority (E)
 City of Leesburg, Florida (E, G, W, S)
 City of Mount Dora, Florida (E, W, S)
 Lee County Electric Cooperative, Inc. (E)

City of Ocala, Florida (E, W, S)
 Peace River Electric Cooperative, Inc. (E)
 City of St Cloud, Florida (E, W, S)
 Sumter Electric Cooperative, Inc. (E)
 Suwannee Valley Electric Cooperative, Inc. (E)
 Tri-County Electric Cooperative, Inc. (E)
 Villages Center CDD (W, S)
 North Sumter County Utility Dependent District (W, S)
 Withlacoochee Regional Water Supply
 Authority, Inc. (W)
 Withlacoochee River Electric Cooperative, Inc. (E)

(E) - Electric (G) - Natural Gas (W) - Water (S) - Sewer

Mark A. White, CPA
Audit Partner
Member of Concurring Review Team

CPA License



Educational and Professional Involvement

Mr. White is in full compliance with the continuing educational requirements set forth under U.S. General Accounting Office (GAO), *Government Auditing Standards*, 2011 Revision. A list of the relevant continuing professional education for the past three years follows:

Mark A. White, CPA
Audit Partner
Member of Concurring Review Team

Course Titles or Descriptions

2014

Spring 2014 Tax CPE:
 New Research Software: RIA and BNA Implementation
 Actively Navigating Net Investment Income Tax
 Pass-Through Updates—What's New with 1120s & 1065s
 Exempt Organization Update/UBI—Ownership of Partnerships & S Corps
 Within a 501(c)(3) Organization—What's New with 990s
 Estate, Gift & Trust Planning Issues—What's New with 706s, 709s, & 1041s.
 Repair & Maintenance Capitalization Rules
 Individual Updates—What's New with 1040s
 State of the Department—Keeping the House in Order & Other Housekeeping

FGFOA Nature Coast Chapter Annual Membership Meeting:
 Single Audit Update
 Audit Season Review
 Update on Best Practices for Investment Management
 Comparable Investment Approaches for Florida Local Governments
 DB vs DC—A False Choice in Retirement Plans
 GASB 67 & 68—The Devil's in the Details
 The Importance of Documentation—Even in Today's Virtual, Paperless World
 A Dynamic Leader in Today's Environment

FGFOA 2014 Annual Conference:
 Accounting Complexities Facing Local Governments
 COSO Framework
 Accounting & Financial Reporting for Pensions, GASB 67 & 68

FGFOA 2014 Annual Conference: (Concluded)
 GASB Hot Topics
 Local Government Accountability Update

Summer CPE Session:
 Implementing GASB 67 & 68—& Instructor Credit
 Single Audit—Super Circular
 Audits of Group Financial Statements, Year 2
 GASB 65 Refresher
 COSO Internal Control—Integrated Framework, Update on GASB's Green Book Revision
 Dodd Frank Act
 Financial Reporting Framework for Small & Medium Size Entities
 Accounting & Auditing for Utilities
 Compliance Pitfalls & Corrective Measures for Qualified Retirement Plans
 The Resurgence of Defined Benefit Plans for Small Businesses
 Tax Efficient Plan Designs for Small Businesses
 Fringe Benefit Plans
 Florida Sales & Use Tax: What Every Buyer & Seller Should Know
 Squaring UBI: Unrelated Business Income—Useful Bits of Information
 The Affordable Care Act (ACA) Beyond 2014 & the CPA

FGFOA NCF Chapter:
 The New GASB Pension Statements
 The New Single Audit

2013

Spring 2013 Tax CPE
 FGFOA Nature Coast Chapter CPE:
 What's the GASB Up to Now
 Economic Review, Cash Flows, Investment Strategies
 Investment Bond Mathematics
 CAFR Certificate Program Compliance
 Affordable Care Act—What's Coming in 2014, What to Do Now
 The Promised Land of Motivated Employees
 Forecasting Workloads, Process Improvements, Electronic Initiative

Legislative & GASB Updates
 Accounting Complexities for Local Governments
 Local Government Accountability Update—FL AG
 GFOA CAFR Award Program
 Are You Audit Ready?

Statewide Chart of Accounts Project
 The New Pension Standards: A Game Changer
 GASB No. 54 & 63
 Legislative & GASB Updates—Instructor Credit
 Ethics in Tax Practice—Florida
 Milestone Governmental CPE Day
 Fall 2013 CPE:
 GASB Update
 How Recent Changes in Auditing Standards May Affect Your Audit
 An Auditee's Perspective of the Single Audit
 Effect of Current Economic Environment on Financial Reporting
 Economic & Market Update
 Measuring Performance Risk & Reward
 The Investment Portfolio Games: Putting Your Strategies to the Test

2012

UltraTax 1040 Systems Update
 Procedural Update
 What's New for 2011 & 2012? Including a Review of Recently Enacted Laws & a Review of Depreciation Rules
 Forms Review and Update with UltraTax Tie-in 1040, 1041, 1065, 1120s & 1120
 The Portal
 Debt Forgiveness in Real Life
 Pass-thrus: The Ins & Outs
 Foreign Compliance Update & Review FBAR & New Form 8938
 Investments 101
 Current Banking Environment in Florida
 Best Practices: Designing & Implementing Sustainable
 Accounting Complexities for Local Governments
 GASB Statement No. 54 & GASB Statement No. 63
 Local Government Accountability Update

GFOA Update
 GFOA CAFR Award Program
 Statewide Chart of Accounts Project
 Are You Audit-Ready?
 Accounting and Audit Update 2012
 All Things Audit, Part I
 All Things Audit, Part II—& Instructor Credit
 Investment Approaches for Small to Medium Governments
 Problem Solving & Time Management
 A Potpourri of Current Accounting and Auditing Issues—Some Urgent and Some Not So Much
 Hot Topics in Pensions
 New Pension Accounting Standard: A Game Changer!—& Instructor Credit
 Governmental CPE Day
 Fall 2012 Accounting & Auditing

Philip A. Gesner, CPA, CITP, CISA
Manager and IT Auditor/Consultant



Office Location:
Ocala, Florida
(352)732-3872
www.purvisgray.com

Profile

Education:
Graduated Florida State University, 2003,
BS, Majors in Accounting and Management
Information Systems, Minor in Computer
Science

Graduated Auburn University, 2006, MAcc,
Masters in Accounting

Professional Credentials:
Received CPA Certificate in 2009

Received Certified Information Technology
Professional (CITP) Credential in 2009

Received Certified Information Systems
Auditor (CISA) Credential in 2011

Member AICPA, FICPA, Information
Systems Audit and Control Association
(ISACA), Association of Certified Fraud
Examiners, and FGFOA

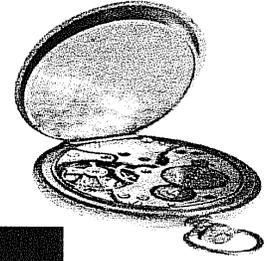
Member FICPA Business Technology
Section Steering Committee (2013)

Previous Experience:
Ernst and Young, LLP, Technology and
Security Risk Services (TSRS) Staff IT
Auditor, July 2006 to December 2007

Computer Assisted Audit Tools (CAAT)
Experience:
IDEA, ACL, ActiveData, Microsoft Access,
Microsoft Excel

Years in Accounting: 10
Years with Firm: 8

Trusted Advisors Since 1946



Speaker/Instructor

IT Risks and New Technology (FGFOA, 2013)
Auditing IT and Using IT in an Audit (2013)
All Things Audit, Part I (2012)
Introduction to School Boards and School Board Audits (2011)
Understanding the IT Environment and Controls and Its Impact on the
Financial Statements (Nature Coast Chapter of the FGFOA, 2010)
Understanding the IT Environment and Controls and Its Impact When
Planning an Audit (2010)

Experience in Serving Clients

School Board Experience

Hernando County District School Board*
Lake County District School Board*
Marion County District School Board*
Charlotte County District School Board*
Clay County District School Board*

Governmental Experience

Citrus County, Florida*
City of Deltona, Florida*
DeSoto County, Florida*
Marion County, Florida*
City of Eustis, Florida*
City of Fort Meade, Florida*
City of Fort Myers, Florida*
Fort Myers Community Redevelopment Agency
City of Green Cove Springs, Florida*
Hillsborough County, Florida*
City of Lake Wales, Florida*
Liberty County, Florida*
City of Mount Dora, Florida*
City of North Port, Florida*
City of Ocala, Florida*
Pinellas County, Florida*
City of Sarasota, Florida*
City of St. Cloud, Florida*
The Villages Community Development Districts
The Villages Charter School, Inc.

*OMB Circular A-133 Single Audits and/or Florida Single Audits

Philip A. Gesner, CPA.CITP, CISA
Manager and IT Auditor/Consultant

Experience in Serving Clients, (Concluded)

Not-For-Profit Experience

| | |
|--------------------------------------|--------------------------------------|
| American Orchid Society, Inc. | Hospice of Marion County, Inc. |
| Childhood Development Services, Inc. | Kids Central, Inc. |
| The Centers, Inc. | Meridian Behavioral Healthcare, Inc. |
| Citrus Memorial Hospital | Sarasota Opera Association, Inc. |

Employee Benefit Plan Experience

403(b) Thrift Plan of Marion Senior Services, Inc. 401(k) Plan of the Villages Charter School, Inc.

Utility Experience

| | |
|--|--|
| Bonita Springs Utilities, Inc. (W, S) | Peace River Electric Cooperative, Inc. (E) |
| Florida Municipal Power Agency (E, G) | Sumter Electric Cooperative, Inc. (E) |
| Gainesville Regional Utilities (E, G, W, S, T) | Talquin Electric Cooperative, Inc. (E, W, S) |
| Kissimmee Utility Authority (E) | Withlacoochee River Electric Cooperative, Inc. (E) |
| Ocala Utility Services (E, W, S, T) | |

(E) - Electric (G) - Natural Gas (W) - Water (S) - Sewer (T) - Telecommunications

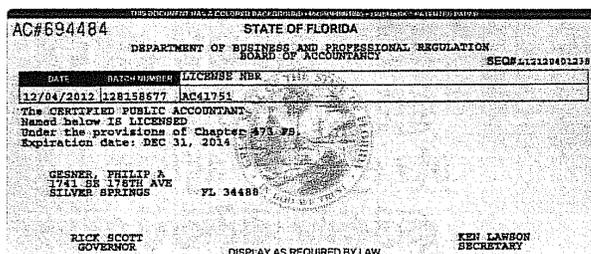
For-Profit Experience

Steven Counts, Inc. Villages Bancorporation, Inc.
Various Public Companies

Information Systems Experience

| | |
|--|---|
| Experience in CAAT and Data Analysis, Including IDEA, ACL, ActiveData, Microsoft Access, and Microsoft Excel | Systems, Including: ERP Systems (Oracle, Peoplesoft, JD Edwards, SAP); AS400 Based Systems (HTE, Naviline, TERMS); Munis; Eden' Microsoft Dynamics (Great Plains/Solomon); ADP; Quickbooks; and Various Other Information Systems |
| Experience in Understanding, Documenting, and Assessing Business Processes and Internal Controls, Information Technology Environment and General Computer Controls, and Application and IT Dependent Manual Controls for Various Information | Served as IT Liaison for an Oracle-based System Implementation |

CPA License



Educational and Professional Involvement

Mr. Gesner is in full compliance with the continuing educational requirements set forth under U.S. General Accounting Office (GAO), *Government Auditing Standards*, 2011 Revision. A list of the relevant continuing professional education for the past three years follows:

Philip A. Gesner, CPA.CITP, CISA
Manager and IT

Course Titles or Descriptions

**2
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4**

FGFOA Nature Coast Chapter Annual Membership Meeting:
 Single Audit Update
 Audit Season Review
 Update on Best Practices for Investment Management
 Comparable Investment Approaches for Florida Local Governments
 DB vs DC—A False Choice in Retirement Plans
 GASB 67 & 68—The Devil’s in the Details
 The Importance of Documentation—Even in Today’s Virtual,
 Paperless World
 A Dynamic Leader in Today’s Environment
 Determining Revenue Requirements for Your Utility
 Development of Cash Reserve Policies
 Checkpoint: Jumpstart—PPC A&A & Financial Reporting
 Accounting Standards and Reporting Framework Update
 Summer 2014 CPE:
 Implementing GASB 67 & 68
 Single Audit—Super Circular
 Audits of Group Financial Statements, Year 2
 GASB 65 Refresher

COSO Internal Control—Integrated Framework, Update on GASB’s Green
 Book Revision
 Dodd Frank Act
 Financial Reporting Framework for Small & Medium Size
 Entities
 Accounting and Auditing for Utilities
 Accounting and Auditing for Utilities – Instructor Credit
 Compliance Pitfalls & Corrective Measures for Qualified
 Retirement Plans
 The Resurgence of Defined Benefit Plans for Small Businesses
 Tax Efficient Plan Designs for Small Businesses
 Fringe Benefit Plans
 Florida Sales and Use Tax: What Every Buyer and Seller Should Know
 Squaring UBI: Unrelated Business Income—Useful Bits of Information
 The Affordable Care Act (ACA) Beyond 2014 & the CPA
 Electric Rate Designs—Rate Structures that Reflect Utility’s Costs
 Electric Rate Designs—Rate Structures to Promote Financial Stability or Energy
 Conservation

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3**

FGFOA Nature Coast Chapter CPE:
 What’s the GASB Up to Now
 Economic Review, Cash Flows, Investment Strategies
 Investment Bond Mathematics
 CAFR Certificate Program Compliance
 Affordable Care Act – What’s Coming in 2014, What to Do Now
 The Promised Land of Motivated Employees
 Forecasting Workloads, Process Improvements, Electronic Initiative
 A CPA’s Guide to Risk Assessments in Business Environments
 Cyber Security Landscape & Lessons Learned
 Key Techniques to Prevent & Detect IT Fraud
 Cyber Security Framework Risk Assessment
 Mobile Computing
 The Auditor General Update
 A Practitioner’s Guide to IT General Controls: Reducing Audit Risk
 Cyber Security & Information Security Awareness
 Working Papers 2013
 IT Audits & What to Pay Attention To
 Cloud Security Consideration: What Small-Medium Businesses
 Need to Know
 PGC Summer 2013 CPE:
 Quality Control
 GASB Update: Drilling in to GASB Nos. 62 & 65
 Understanding Audits of Group Audits and Revisiting GASB No. 61

PGC Summer 2013 CPE: (Concluded)
 Use of a Specialist
 2011 Yellow Book & Independence
 Preparing for Pension Standard Changes
 Auditors’ Reports & Required Communication
 Auditing IT & Using IT in an Audit
 Summer 2013 CPE, Part I—Instructor Credit
 Accounting and Auditing Update
 FICPA New Ethics
 EFT Fraud and Cyber Security
 Cyber Security & Social Engineering
 Cyber Security—You’ve Been Breached, Now What?
 FGFOA Nature Coast Chapter CPE:
 GASB Statements No. 62 & 65—Time to Implement!
 IT and the Updated COSO Framework
 New Pension Accounting Standard, A Game Changer!
 Fall 2013 CPE:
 GASB Update
 How Recent Changes in Auditing Standards May Affect Your Audit
 An Auditee’s Perspective of the Single Audit
 Effect of Current Economic Environment on Financial Reporting
 Economic & Market Update
 Measuring Performance Risk & Reward
 The Investment Portfolio Games: Putting Your Strategies to the Test

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Acquiring & Importing Data
 Analyzing & Interrogating Data Level 1
 Analyzing & Interrogating Data Level 2
 Current Banking Environment in Florida
 Auditor General Update
 Being Right is Not Always Right
 Accounting & Auditing Update 2012
 3rd North American IDEA User Conference Fraud Auditing—Payroll

All Things Audit, Part I & Part II
 All Things Audit, Part I—Instructor Credit
 PGC Training Camp, Part II
 PGC Training Camp, Part II—Instructor Credit
 SmartSync: Overview and New Feature Tour
 Hot Topics in Pensions
 New Pension Accounting Standard: A Game Changer!

Alison L. Stone, CPA
Manager

Office Location:
Ocala, Florida
(352)732-3872

www.purvisgray.com

Profile

Education:
Graduated University of South
Florida, 2005, BS, Major in
Accounting

Graduated Stetson University, 1999,
BS, Major in Marketing

Professional Credentials:
Received CPA Certificate in 2008

Previous Experience:
Grant Thornton, LLP, Staff Auditor

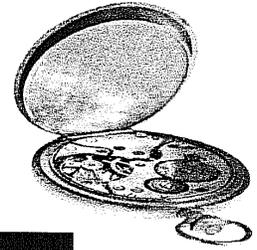
Foelgner, Ronz, and Straw CPA Firm,
Staff Accountant

Target Stores, Executive Team Leader

Years in Accounting: 9

Years with Firm: 7

Trusted Advisors Since 1946



Experience in Serving Clients

School Board Experience

Lake County District School Board*
Marion County District School Board*

Governmental Experience

City of Belleview, Florida*
City of Bushnell, Florida*
Citrus County, Florida, Constitutional Officers*
City of Eustis, Florida*
Marion County, Florida*
City of Ocala, Florida*
City of Mount Dora, Florida *
City of St. Cloud, Florida*
City of Williston, Florida*

Not-For-Profit Experience

The Centers, Inc.
Citrus Memorial Health Foundation, Inc.
Childhood Development Services, Inc.
Early Learning Coalition of Nature Coast, Inc.*
Hospice of Marion County, Inc.
Kids Central, Inc.*
Marion Senior Services, Inc.
Partnership for Strong Families, Inc.
Silver River Mentoring and Instruction, Inc.
University of Central Florida Research Foundation
University of Florida Research Foundation, Inc.

*OMB Circular A-133 Single Audits and/or Florida Single Audits

Utility Experience

City of Eustis, Florida (W, S)
Marion County, Florida (W, S)
City of Ocala, Florida (E, W, S)
City of Mount Dora, Florida (E, W, S)
City of St. Cloud, Florida (W, S)

(E) - Electric (W) - Water (S) - Sewer

Financial Institution Experience

Villages Bancorporation, Inc.

Alison L. Stone, CPA
Manager

Experience in Serving Clients, (Concluded)

For-Profit Experience

Cutrate Juice, Inc.
Digital Lightwave, Inc.
Health Plan Services
Various General Business Compilations/Reviews

CPA License

THIS DOCUMENT HAS A COLORED BACKGROUND MICROFILMED ON UNCOLORED PAPER

AC#694583 STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY SEQ#112120401337

| DATE | BATCH NUMBER | LICENSE NBR | TYPE |
|------------|--------------|-------------|------|
| 12/04/2012 | 128158610 | AC40301 | |

The CERTIFIED PUBLIC ACCOUNTANT
Named below is LICENSED
Under the provisions of Chapter 473, F.S.
Expiration date: DEC 31, 2014

STONE ALISON L
PO BOX 141270
GAINESVILLE FL 32614

RICK SCOTT GOVERNOR KEN LAWSON SECRETARY

DISPLAY AS REQUIRED BY LAW

Educational and Professional Involvement

Ms. Stone is in full compliance with the continuing educational requirements set forth under U.S. General Accounting Office (GAO), *Government Auditing Standards*, 2011 Revision. A list of the relevant continuing professional education for the past three years follows:

Alison L. Stone, CPA
Manager

Course Titles or Descriptions

2014

FGFOA Nature Coast Chapter 2014 Annual Membership Meeting:
 Single Audit Update
 Audit Season Review
 Update on Best Practices for Investment Management
 Comparable Investment Approaches for Florida Local Governments
 DB vs DC – A False Choice in Retirement Plans
 GASB 67 and 68 – The Devil’s in the Details
 The Importance of Documentation – Even in Today’s Virtual,
 Paperless World
 A Dynamic Leader in Today’s Environment
 FGFOA 2014 Annual Conference:
 GASB Hot Topics
 Opening General Session
 GASB Update

FGFOA 2014 Annual Conference: (Concluded)
 Accounting and Financial Reporting for Pensions—GASB 67 & 68
 Local Government Accountability Update
 Federal Single Audit Act Update
 Cost Allocation
 Accounting Complexities Facing Local Governments
 COSO Framework
 Internal Audit Forum
 Ethics for Governmental CPAs in Florida
 Variable Annuity Plans Allocation of Risks in Hybrid Pension Plans
 Yellow Book and Single Audit Reporting

2013

Nature Coast Chapter FGFOA Seminar:
 What’s the GASB Up to Now
 Economic Review, Cash Flows, Investment Strategies
 Investment Bond Mathematics
 CAFR Certificate Program Compliance
 Affordable Care Act—What’s Coming in 2014, What to do Now
 The Promised Land of Motivated Employees
 Forecasting Workloads, Process Improvements, Electronic
 Initiative
 PGC Summer 2013 CPE:
 Quality Control
 Understanding Audits of Group Audits & Revisiting GASB No. 61
 Use of a Specialist
 2011 Yellow Book and Independence
 Preparing for Pension Standard Changes
 Auditors Reports & Required Communication

PGC Summer CPE: (Concluded)
 Auditing IT and Using IT in an Audit
 Accounting and Auditing Update
 FICPA New Ethics
 FGFOA Nature Coast Chapter CPE:
 GASB Statements No. 62 and 65—Time to Implement!
 IT and the Updated COSO Framework
 New Pension Accounting Standard, A Game Changer!
 GASB Update
 How Recent Changes in Auditing Standards May Affect Your Audit
 An Auditee’s Perspective of the Single Audit
 Effect of Current Economic Environment on Financial Reporting
 Economic & Market Update
 Measuring Performance Risk & Reward
 The Investment Portfolio Games: Putting Your Strategies to the Test

2012

Spring 2012 Tax CPE:
 UltraTax 1040 Systems Update
 Procedural Update
 What’s New for 2011 and 2012? Including a Review of
 Recently Enacted Laws & a Review of Depreciation Rules
 Forms Review and Update with UltraTax Tie-in 1040, 1041, 1065, 1120s
 & 1120
 Debt Forgiveness in Real Life
 Pass-thrus: The Ins & Outs
 Foreign Compliance Update & Review FBAR & New Form 8938
 Retirement Plan Refresher Types, Limits for 2011, Etc.
 Keeping Out the Riff Raff—IRS Circular 230
 Caveat Preparer: Miscellanea for Further Consideration
 FGFOA Nature Coast Chapter CPE:
 Investments 101
 Current Banking Environment in Florida
 Auditor General Update
 FGFOA 2012 Annual Conference:
 Opening General Session
 Economic Update
 Debt Affordability & Policies
 GASB Update
 Accounting Complexities for Local Governments
 Fraud, Internal Controls & Segregation of Duties
 Breaking the Triangle: Keys to Limiting Fraud Opportunities
 The New Pension Accounting Standard: A Game Changer!

GFOA Update
 GASB Statement No. 54 & GASB Statement No. 63
 Accounting & Audit Hot Topics
 Statewide Chart of Accounts Project
 How to Invest with Fewer Dollars
 Auditing Small Governments
 Are You Prepared?
 Accounting & Audit Update 2012
 All Things Audit, Part I and Part II
 All Things Audit, Part I – Instructor Credit
 FSFOA 2012 Summer Conference
 DOE Update
 Chart of Accounts Update
 Indirect Cost Including Food Service and Green Book
 FSFOA 2012 Summer Conference
 Keynote Speaker
 Finance Council Meeting Update
 Legislative Update
 Internal Accounts
 Digital Textbooks
 Revenue Trends & Economic Update
 Public Records Requests
 Motivational Speaker
 Auditor General Update
 PGC Training Camp, Part I & Instructor Credit
 PGC Training Camp, Part II and Instructor Credit

Kathryn L. Eno, CPA
Senior Auditor

Office Location:
Ocala, Florida
(352) 732-3872

www.purvisgray.com

Profile

Education:
Graduated Millsaps College, 2005,
Bachelors, Business Administration

Graduated Millsaps College, 2007,
Masters, Accounting

Professional Credentials:

Member FGFOA, Nature Coast
Chapter

Years in Accounting: 7

Years with Firm: 7

Trusted Advisors Since 1946



Experience in Serving Clients

School Board Experience

Hernando County School Board*
Lake County School Board*
Marion County School Board*

Governmental Experience

City of Belleview, Florida*
City of Bushnell, Florida*
Citrus County, Florida*
Citrus County Housing Authority
City of Dunnellon, Florida*
City of Leesburg, Florida*
Marion County, Florida*
City of Ocala, Florida*
City of St. Cloud, Florida*
The Villages Districts, Florida
City of Williston, Florida*

Not-For-Profit Experience

Appleton Cultural Center, Inc.
The Centers, Inc.
Church at the Springs
Citrus Memorial Hospital
Coalition for Youth
Early Learning Coalition Marion County
Early Learning Coalition Nature Coast, Inc.
Hospice of Marion County
Kids Central, Inc.
Silver River Mentoring and Instruction
University of Florida Research Foundation, Inc.

*OMB Circular A-133 Single Audits and/or Florida Single Audits

Utility Experience

Florida Municipal Power Agency (E, G)
Kissimmee Utility Authority (E)

(E) - Electric (G) - Natural Gas

For-Profit Experience

Villages Bank

401(k) Plans

Kids Central 401(k) Retirement Plan

Kathryn L. Eno, CPA
Senior Auditor

Course Titles or Descriptions

2014

FGFOA Nature Coast Chapter Annual Membership Meeting:
 Single Audit Update
 Audit Season Review
 Update on Best Practices for Investment Management
 Comparable Investment Approaches for Florida Local Governments
 DB vs DC—A False Choice in Retirement Plans
 GASB 67 & 68—The Devil’s in the Details
 The Importance of Documentation—Even in Today’s Virtual, Paperless World
 A Dynamic Leader in Today’s Environment
 FGFOA 2014 Conference:
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 GASB Hot Topics
 Accounting & Financial Reporting for Pensions, GASB 67 & 68
 Local Government Accountability Update
 Cost Allocation
 Accounting Complexities Facing Local Governments
 Internal Audit Forum
 Municipal Utility Operations—Internal Controls & Best Practices
 Opening General Session

Information Technology Governance
 Legislative Update
 Summer 2014 CPE:
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 Financial Reporting Framework for Small and Medium Size Entities
 Accounting & Auditing for Utilities
 Compliance Pitfalls & Corrective Measures for Qualified Retirement Plans
 The Resurgence of Defined Benefit Plans for Small Businesses
 Tax Efficient Plan Designs for Small Businesses
 Fringe Benefit Plans
 Florida Sales & Use Tax: What Every Buyer & Seller Should Know
 Squaring UBI: Unrelated Business Income—Useful Bits of Information
 The Affordable Care Act (ACA) Beyond 2014 & the CPA

2013

What’s the GASB Up to Now
 Economic Review, Cash Flows, Investment Strategies
 Investment Bond Mathematics
 CAFR Certificate Program Compliance
 Affordable Care Act—What’s Coming in 2014
 The Promised Land of Motivated Employees
 Forecasting Workloads, Process Improvements, Elec Initiative
 CPA’s Guide to Risk Assessments in Business Environments
 Key Techniques to Prevent & Detect IT Fraud
 PGC Summer 2013 CPE:
 Quality Control
 GASB Update: Drilling in to GASB Statements 62 & 65
 Understanding Audits of Group Audits and Revisiting GASB Use of a Specialist
 2011 Yellow Book & Independence

PGC Summer 2013 CPE: (Concluded)
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 The Investment Portfolio Games: Putting Your Strategies to the Test

2012

Auditor General Update
 Being Right is Not Always Right
 Investments 101
 Current Banking Environment in Florida
 Accounting and Audit Update 2012
 All Things Audit, Part I & Part II
 All Things Audit, Part II—Instructor Credit
 Fall 2012 Accounting and Auditing
 A Potpourri of Current Accounting and Auditing Issues—Some Urgent & Some Not So Much

Housing Authority Annual Financial Reporting:
 Housing Choice Voucher Program
 Introduction
 The Reporting Entity
 HCV & HCV-related Programs
 NRA Balances & Other Reporting
 Understanding the Unaudited & Audited Submissions
 Case Study
 Conclusion
 Hot Topics in Pension
 New Pension Accounting Standard: A Game Changer!

Technical Proposal

Prior Engagements with the City of Inverness

Purvis, Gray and Company has no past engagements with the City of Inverness.

Similar Engagements with Other Government Entities

References

| | |
|--|---|
| Client Name: THE VILLAGE CENTER COMMUNITY DEVELOPMENT DISTRICT AND AFFILIATES, AKA "THE VILLAGES" MADE UP OF 11 CDD's | |
| Scope of Work | Audit of all District operations including water and sewer utilities. |
| Date | September 30, 2004 to Present |
| Total Hours | 1,100 |
| Engagement Partners | Helen Y. Painter, C.P.A., and Mark A. White, C.P.A. |
| Engagement Senior | Kathryn L. Brown, C.P.A. |
| Contact Information | Mr. David Miles, Finance Director (352) 753-0421 3201 Wedgewood Lane David.Miles@districtgov.org The Villages, Florida 32162 |

| | |
|--|--|
| Client Name: CITY OF OCALA, FLORIDA | |
| Scope of Work | Audit of all City operations, including Single Audit of federal and state grant programs. |
| Date | September 30, 2000 to Present |
| Total Hours | 800 |
| Engagement Partners | Mark A. White, C.P.A., and Timothy M. Westgate, C.P.A. |
| Engagement Manager | Philip A. Gesner, CPA.CITP, CISA |
| Contact Information | Mr. Matt Brower, City Manager (352) 401-3976 110 S.E. Watula Avenue, 3 rd Floor mbrower@ocalafl.org Ocala, Florida 34471 |

| | |
|---|---|
| Client Name: CITY OF BUSHNELL, FLORIDA | |
| Scope of Work | Audit of all City operations, including Single Audit of federal grant programs. Participates in the GFOA Certificate Program. |
| Date | September 30, 1995 to Present |
| Total Hours | 425 |
| Engagement Partners | Helen Y. Painter, C.P.A. |
| Engagement Senior | Kathryn L. Brown, CPA |
| Contact Information | Mr. Bruce Hickle, City Manager (352) 793-2591 117 East Joe P. Strickland, Jr. Ave. Bhickle@cityofbushnellfl.com Bushnell, Florida 33513 |

Technical Proposal

Similar Engagements with Other Government Entities (Continued)

References (Concluded)

| | |
|--|---|
| Client Name: CITY OF BELLEVIEW, FLORIDA | |
| Scope of Work | Audit of all City operations, including Single Audit of federal and state grant programs. Participates in the GFOA Certificate Program. |
| Date | September 30, 2007 to Present |
| Total Hours | 400 |
| Engagement Partner | Helen Y. Painter, C.P.A. |
| Engagement Manager | Alison L. Stone, C.P.A. |
| Contact Information | Sandi McKamey, City Clerk (352) 233-2116 4343 SE Abshier Blvd. smckamey@bellevuefl.org Bellevue, Florida 34420 |

| | |
|---|---|
| Client Name: CITY OF MOUNT DORA, FLORIDA | |
| Scope of Work | Audit of all City operations, including Single Audit of federal and state grant programs. Participates in the GFOA Certificate Program. |
| Date | September 30, 2010 to Present |
| Total Hours | 500 |
| Engagement Partners | Timothy M. Westgate, C.P.A., and Mark A. White, C.P.A. |
| Engagement Manager | Alison L. Stone, C.P.A. |
| Contact Information | Mr. Mike Sheppard, Finance Director (352) 735-7120 510 N. Baker Street mshppard@cityofmounddora.com Mount Dora, Florida 32757 |

Technical Proposal

Similar Engagements with Other Government Entities (Continued)

Engagements with Other Governmental Entities

Our governmental experience includes the following audits during the past five years and indicates the primary office from which each governmental audit is staffed.



Municipalities

- City of Alachua (Gainesville)
- City of Atlantic Beach (Gainesville)
- City of Bartow (Sarasota)
- City of Belleview (Ocala)
- City of Bushnell (Ocala)
- Town of Bronson (Gainesville)
- City of Cedar Key (Gainesville)
- City of Dade City (Ocala)
- City of Deltona (Ocala)
- City of Eustis (Ocala)
- City of Fernandina Beach (Tallahassee)
- City of Fort Meade (Sarasota)
- City of Green Cove Springs (Gainesville)
- City of Jacksonville Beach (Tallahassee)
- City of Lake City (Gainesville)
- City of Live Oak (Tallahassee)
- City of Mount Dora (Ocala)
- City of Newberry (Gainesville)
- City of Neptune Beach (Gainesville)
- City of Ocala (Ocala)
- City of Sarasota (Sarasota)
- City of St. Cloud (Ocala)
- City of St. Augustine Beach (Gainesville)
- City of Williston (Ocala)

Counties

- Bradford County (Gainesville)
- DeSoto County (Sarasota)
- Gadsden County (Tallahassee)
- Hernando County (Sarasota)
- Marion County (Ocala)
- Nassau County (Gainesville)



Education Related

- Alachua County District School Board (Gainesville)
- Charlotte County School Board (Sarasota)
- Clay County School Board (Gainesville)
- Citrus County District School Board (Ocala)
- Hernando County School Board (Ocala)
- Lake County District School Board (Ocala)
- Marion County School Board (Ocala)
- The Villages Charter School, Inc. (Ocala)

Technical Proposal

Similar Engagements with Other Government Entities (Continued)

Engagements with Other Governmental Entities (Continued)

Purvis, Gray and Company is the premier firm for audits of electric utilities in the state of Florida. Electric utilities have complex accounting and regulatory requirements, and the understanding of these requirements is beneficial to audits of water, sewer, and other utilities. Below is a list of our electric utility audits during the past five years.



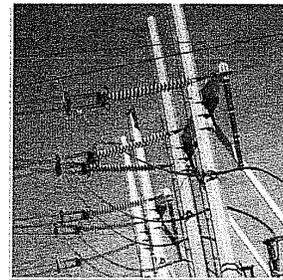
Electric Utilities

Municipalities and Special Districts

- City of Alachua
- City of Bartow
- City of Bushnell
- Florida Municipal Power Association, Orlando
- City of Fort Meade
- Gainesville Regional Utilities
- City of Green Cove Springs
- City of Jacksonville Beach
- Kissimmee Utility Authority, Kissimmee
- City of Mount Dora
- City of Newberry
- City of Ocala
- City of St. Cloud (OUC Electric Operating Agreement)
- City of Williston

Rural Electric Cooperatives

- Central Florida Electric Cooperative, Inc., Chiefland
- Choctawhatchee Electric Cooperative, Inc., DeFuniak Springs
- Lee County Electric Cooperative, Inc., North Ft. Myers
- Peace River Electric Cooperative, Inc., Wauchula
- Sumter Electric Cooperative, Inc., Sumterville
- Talquin Electric Cooperative, Inc., Quincy
- Withlacoochee River Electric Cooperative, Inc., Dade City



Technical Proposal

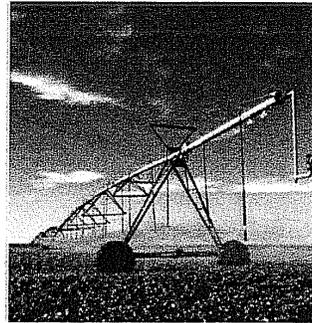
Similar Engagements with Other Government Entities (Continued)

Engagements with Other Governmental Entities (Concluded)

Below is a list of our Special District audits during the past five years, and our audits of water, sewer and gas utilities.

Special Districts

- Bartow Municipal Airport Development Authority
- Dog Island Conservation District
- East County Water Control District
- Florida Gas Utility (FGU)
- Florida Municipal Power Agency (FMPA)
- Gainesville-Alachua County Regional Airport Authority
- Kissimmee Utility Authority (KUA)
- Lake Wales Airport Authority
- North Sumter Count Utility Dependent District
- Peace River Manasota Regional Water Supply Authority
- The Villages Community Development Districts
- Withlacoochee Regional Water Supply Authority



Water, Sewer and Gas Utilities

- City of Alachua
- City of Atlantic Beach
- City of Belleview
- City of Bushnell
- City of Cape Coral
- City of Deltona
- DeSoto County
- City of Eustis
- City of Fernandina Beach
- Florida Gas Utility (FGU)
- City of Fort Meade
- City of Green Cove Springs
- Hernando County
- City of Jacksonville Beach
- City of Lake City
- City of Lake Wales
- City of Live Oak
- City of Mount Dora
- City of Neptune Beach
- City of Newberry
- City of Ocala
- City of Sarasota
- Talquin Electric Cooperative, Inc., Quincy
- City of Williston

Technical Proposal

Similar Engagements with Other Government Entities (Concluded)

Local Governmental Entities/Number of Funds

Current Ocala office local governmental entities, with fiscal year ending September 30, 2014, (based on September 30, 2013 revenues).

| Client | NUMBER OF FUNDS | APPROX. TOTAL REVENUES |
|--|-----------------|------------------------|
| City of Belleview, Florida | 4 | \$5,518,449 |
| City of Bushnell, Florida | 8 | \$8,177,331 |
| City of Deltona, Florida | 27 | \$67,655,658 |
| City of Eustis, Florida | 25 | \$24,730,770 |
| Florida Municipal Power Agency | 7 | \$623,719,000 |
| Kissimmee Utility Authority | 20 | \$171,128,692 |
| Marion County, Florida | 125 | \$306,797,336 |
| City of Mount Dora, Florida | 16 | \$42,254,984 |
| City of Ocala, Florida | 44 | \$325,464,378 |
| City of St. Cloud, Florida | 23 | \$142,495,517 |
| City of Williston, Florida | 6 | \$13,378,840 |
| Villages Community Development Districts | 42 | \$165,831,666 |

Specific Audit Approach

Work Plan

We have read and adhere to all instructions in your RFP on preparing and submitting our proposal. This section describes the work plan for the year ending September 30, 2014, for the City. Upon being engaged as your auditors, we would immediately meet with City's management personnel to discuss and establish a schedule within the established timetable to complete the initial audit no later than March 31, 2015. It is our understanding that the timeline for fieldwork will be discussed with the Finance Director and modified as needed during the first year due to the current timeframe. Our work plan will be developed in coordination with your staff and will be modified where the audit objectives can be achieved in a manner less intrusive to your operations. One of Purvis, Gray and Company's goals is to perform as much audit work as possible during interim fieldwork. This allows us to better schedule our annual workload, but also minimizes the pressure on your staff to maintain timetables and meet deadlines after year-end. In addition, it permits the earliest possible identification and resolution of contentious or controversial accounting and auditing issues. Our preliminary plan will include the following:

Prior to September 30th

- Prepare an engagement letter to be reviewed and signed by authorized City representatives.
- Conduct an entrance conference with the City's Finance Management personnel and various Administrative Services Department personnel, as needed, to discuss the City's status on prior audit items, operations, audit assistance, and other pertinent items. We will discuss the effect of any new accounting or auditing standards on the current audit. Additional discussions will be held, as needed, to discuss the progress of the audit and work through any issues that may arise. The Partner in Charge and Manager will attend these conferences.
- Perform certain initial audit and audit preparation procedures from our office (such as creating and organizing the audit engagement file; assessing and ensuring our independence and ability to serve as the City's auditor; downloading and reviewing City minutes, ordinances, resolutions, policies and procedures, and budgets; creating, updating, and reviewing permanent file documentation; developing or updating our understanding of the City and its environment; developing a preliminary audit strategy, including establishing areas in which test of controls will be performed; preparing time budgets; importing the September 30, 2013, trial balances; mapping funds and accounts to the 2013 financial statements; determine preliminary materiality limits, etc.)

Technical Proposal

Specific Audit Approach *(Continued)*

Work Plan *(Continued)*

Prior to September 30th *(Concluded)*

- Obtain and review available City policies and procedures, flowcharts, and other documentation to develop and update business process and internal control narratives and checklists for significant classes of transactions. We will meet with key Financial and Administrative Services Department personnel and department directors or staff of key offices and programs to confirm: (1) our understanding of the business process; (2) that our identification of the key internal controls over financial reporting is consistent with management's identification of such controls; and (3) that the key internal controls over financial reporting have been properly designed and implemented. We will perform tests of controls in areas where such tests may reduce risks and provide for a more efficient audit of the area.
- Review the internal controls and compliance over the City's federal awards and state financial assistance. We will identify major programs/projects and related compliance requirements, and perform tests required by the Federal and State *Single Audit Acts*.
- Perform a review of the City's information technology (IT) environment and IT general controls over the significant financial applications identified. Our IT Department personnel will assist our Audit Department personnel with developing and performing these procedures.
- Perform preliminary analytical procedures and risk assessment procedures, and prepare preliminary audit programs.
- Conduct an interim exit conference with the Finance Director, and key Financial and Administrative Services Department personnel, to summarize results of interim procedures, discuss preliminary areas of concern to confirm our understanding or to receive additional information from management, and discuss year-end work to be performed. The Partner in Charge and Manager will attend this conference. Subsequent meeting with City Manager as requested.

On or Around September 30th and During October

- Work with key Financial and Administrative Services Department personnel to identify, obtain, and mail confirmation requests to financial institutions, federal and state agencies, and attorneys.
- Schedule and perform any required inventory observations.

December to March

- Conduct a year-end entrance conference with the City's Chief Financial Officer and a separate year-end entrance conference(s) with key Financial and Administrative Services Department personnel and department directors of key offices and programs to receive updates on significant City activities from interim and any new significant City activities since interim, accounting issues, and the status of the financial statements. The Partner in Charge and Manager will attend these conferences.
- Import the September 30, 2014, trial balance and 2014 final budget into audit software. Map new funds and accounts and compare to draft financial statements. Resolve differences. Discuss presentation issues, if any, and make suggestions for management consideration.

Technical Proposal

Specific Audit Approach (Continued)

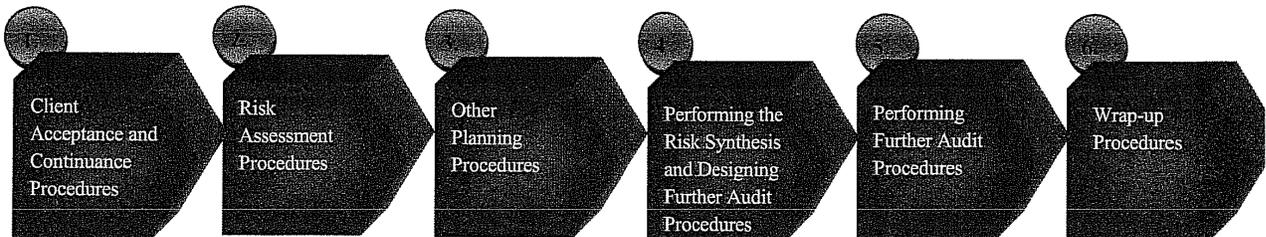
Work Plan (Concluded)

December to March (Concluded)

- Prepare the City's draft financial statements, including entity-wide conversion, fund level statements, statements of cash flows, notes, and budgetary statements. Provide suggestions and recommendations to City management for consideration and discussion.
- Perform year-end fieldwork, including analytical review, tests of details, and compliance tests.
- Prepare and deliver preliminary draft auditors' reports and comments prior to March 31, 2015. Receive and resolve comments from management.
- Conduct a year-end exit conference with the City's Finance Director and key Financial and Administrative Services Department personnel to summarize results of year-end procedures, discuss preliminary areas of concern to confirm our understanding or to receive additional information from management, and discuss wrap-up procedures. The Partners in Charge and Manager will attend this conference.
- Perform Purvis, Gray and Company in-house review and other wrap-up audit procedures, including financial condition benchmarking assessment, and independent (in-house) review.
- Deliver final copies of independent auditors' reports on internal control and compliance by March 1, 2015, after final exit conference held with City staff.
- Present the final financial statements and related reports to the City Council on March 31, 2015.
- Prepare and certify the Data Collection Form for federal grants with the federal audit clearinghouse.

Audit Methodology

Our audit methodology is a risk-based approach, which begins with an overall assessment of the City's internal controls, and follows with a detailed assessment of the areas which are most susceptible to errors, misappropriations, or misstatements. The audit program is then designed on the basis of that risk assessment. Areas considered high-risk are tested with more exhaustive procedures, including tests of controls and substantive tests of details. Areas with less risk are tested by gaining an understanding of the related accounts and/or transaction cycles, and by using analytical procedures.



Technical Proposal

Specific Audit Approach (Continued)

Audit Methodology (Continued)

(1) Client Acceptance and Continuance Procedures

- Determine that the Firm's Resources are Adequate to Provide the Desired Service
- Make a Determination that we are Independent
- Obtain Sufficient Knowledge about the Financial Reporting System
- Conclude with the Drafting and Signing of an Engagement Letter by Both Parties

(2) Risk Assessment Procedures

The risk assessment procedures can usually be done prior to year-end fieldwork. This portion of the audit is usually broken down into the following steps, as described below:

- Gaining an Understanding of the Entity and its Environment
- Gaining an Understanding of the Design and Implementation of Internal Controls
- Considering the Effects of Other Risks and Financial Pressures on the Organization
- Performing Other Risk Assessment Procedures

- **Gaining an Understanding of the Entity and its Environment**

Our understanding of the City and its environment will cover the following areas:

- ▶ Regulatory and Other External Factors
- ▶ Nature of the Entity
- ▶ Objectives, Strategies, and Related Operating Risks
- ▶ Measurement and Review of the City's Financial Performance
- ▶ Internal Control

- **Gaining an Understanding of the Design and Implementation of Internal Controls**

As part of understanding the financial reporting system (information system), we will identify all of the following:

- ▶ Significant Transaction Classes (purchasing, billing, etc.)
- ▶ Material Account Balances (capital assets, long-term debt, etc.)
- ▶ Significant Disclosures (investments, long-term debt, etc.)
- ▶ Other Areas with Significant Risks or Fraud Risks (unusual transactions, large estimates, etc.)

- **Considering the Effects of Other Risks and Financial Pressures on the Organization**

We will consider the effect of the following conditions and pressures (among others) before determining the risk of material misstatement and the modifications needed to the audit programs:

- ▶ Financial Pressures
- ▶ Political, Economic, and Social Pressures
- ▶ Industry Pressures, Regulatory Conditions
- ▶ Competition; Pressure on Rates and Costs
- ▶ The Organization's Ability to Obtain Financing When Needed
- ▶ Its Investment Policies and Objectives
- ▶ Risks in its Information Technology Operations
- ▶ The Effect of Growth, New Processes, Reorganizations
- ▶ Pressures from the Cost or Availability of Materials or Labor
- ▶ The Underlying Assumptions in Significant Estimates
- ▶ The Organization's Financial Reporting Biases, if any

Risk will be assessed at the *assertion* level for each significant transaction class, account balance, or disclosure. We will generally use practice aids developed by PPC to assist with this process.

Technical Proposal

Specific Audit Approach (Continued)

Audit Methodology (Continued)

(2) Risk Assessment Procedures (Concluded)

• Performing Other Risk Assessment Procedures

Other risk assessment procedures can augment the understanding obtained above and assist in the evaluation of the risk of material misstatement. These include the following:

- ▶ Inquiries of Management and Others within the Organization
- ▶ Additional Fraud-related Inquiries
- ▶ Preliminary Analytical Procedures
- ▶ Review of Budgets
- ▶ Review of Other Documents Including Council Minutes, Prior Year and Interim Financial Reports, Master Plans, Strategic Plans, Organizational Charts, Job Descriptions, Engineer's Reports, Bond Ordinance and Official Statements, Capital Improvement Plans, Internal and External Audit Reports, Union Contracts, Employment Agreements, etc.
- ▶ Discussion Among the Engagement Team

(3) Other Planning Procedures

Other planning procedures are done at this stage of the audit primarily for engagement administration. These include the following:

- Establish Materiality Levels
- Construct a Time Budget
- Map Out a Time Schedule for Performance and Delivery
- Arrange for the Preparation of Audit Correspondence

(4) Performing the Risk Synthesis and Designing Further Audit Procedures

Following are examples of risk factors that might be identified when performing the preceding procedures and evaluated in the risk synthesis process:

Types of Risk Factors:

- Internal Control Weaknesses
- Lack of Formalized Procedures or Controls
- Actual or Alleged Fraud
- Negative or Declining Financial Performance
- Loss of Key Personnel
- Business Reorganizations
- Weak Governing Board, Audit Committee, or Management Oversight
- Significant Estimates
- Journal Entries Outside the Normal Transaction Processing System
- Unusual Business Transactions
- The Inherent Ability of Management to be Able to Override Controls
- The Inherent Risk in Revenue "Completeness"
- Complex Transactions and Complex Calculations
- New Accounting Pronouncements
- Unusual Accounting Treatments
- Other Non-standard Business Practices
- High-growth Environment
- An Environment Significantly Dependent on Innovation or Technology
- Significant Debt or Contract Compliance Covenants

Further audit procedures are usually performed after year-end, once the client has substantially completed the year-end accounting, and preferably, after draft financial statements have been produced. Certain procedures can be performed off-site prior to the visit to the client's administrative headquarters. These include:

Technical Proposal

Specific Audit Approach (Continued)

Audit Methodology (Continued)

(5) Performing Further Audit Procedures

- Importing Year-end Balances into our Paperless Audit Software
- Assigning Mapping Codes and Lead Schedules; Duplicating the Client's Financial Statement Rollup Process
- Receiving, Reviewing, and Filing Audit Correspondence from Independent Third Parties

On-site procedures include primarily traditional substantive audit tests. These substantive tests may include analytical review or tests of details (while tests of controls can be performed as further audit procedures, they are generally not efficient at this stage except on audits of very large national or international organizations).

For audit areas that are not significant, we generally rely on preliminary and final overall analytical procedures to detect any misstatements. Unexpected results identified during these reviews will be investigated.

For significant audit areas, targeted analytical procedures are the primary audit procedure for the areas that are not high-risk. These analytical procedures are designed and tailored to the specific audit area based on the extensive understanding obtained during the risk assessment process. Again, material deviations from original expectations which are identified during these detailed reviews will be investigated.

The key to effective analytical procedures in a risk-based audit approach is a thorough understanding of the client and the industry in which it operates. Communication with the client and throughout the engagement team is essential in designing appropriate expectations, and analyzing actual variances from those expectations. Benchmarking studies like the annual Auditor General's Financial Condition Assessment are utilized to identify unusual relationships. Our extensive audit experience with local governments and utilities, our participation in the industry organizations, and our commitment to an experienced audit team will allow the risk-based audit approach to be successful in this area.

High-risk areas generally require substantive tests of details in addition to targeted analytical procedures. The nature, timing, and extent of these tests of details will be based on the extensive understanding gained in the risk assessment process, and the procedures will be targeted to respond to those risks. The further audit procedures section of the engagement concludes with an exit conference on-site with your management team to go over the results of the audit and preliminary findings.

(6) Wrap-up Procedures

Wrap-up procedures include:

- Preparation and Review of Draft Financial Statements
- Provide Draft Auditors' Reports to Client for Review and Acceptance
- Preparation of a Disclosure Checklist to Ensure all Required Disclosures are Present
- Final Analytical Procedures
- Evaluate the Aggregate Effect of "Passed" Adjustments
- Review for Subsequent Events that may Require Financial Statement Disclosure
- Obtain Management Representations
- Final Conference with Management and Audit Committee, if Applicable
- Summarize Audit Time

Technical Proposal

Specific Audit Approach *(Continued)*

Audit Methodology *(Concluded)*

(6) Wrap-up Procedures *(Concluded)*

The conclusion of the audit comes with the delivery of the audit reports, including the report on internal control and compliance, management letter, and the presentation to the City Council. Draft reports are provided before final reports to give management the opportunity to make corrections or dispute initial findings, if any. The final presentation to the City Council is made by the partner in charge.

The conclusion of the audit comes with the delivery of the audit reports, including the report on internal control and compliance, management letter, and the presentation to the City Council. Draft reports are provided before final reports to give management the opportunity to make corrections or dispute initial findings, if any. The final presentation to the City Council is made by the partner in charge.

Proposed Segmentation of the Engagement

The City audit will be segmented along fund lines and by cross fund areas that are common to all funds. Cross fund areas will include: cash and investments, accounts payable, payroll/benefits, budgets, capital assets, debt, Single Audit, pensions, and utility billing. The Single Audit will be conducted across all department grant programs/projects, and all grant revenues, receivables, and unearned revenues and expenses will be a part of the Single Audit segment.

Proper planning and communication is essential to an effective and efficient audit. Issues are identified, discussed, and resolved as early as possible. All members of the audit team and the firm are available to the City's management at all times throughout the process. Our audit approach utilizes substantive tests, compliance tests, tests of controls, and analytical procedures. The audit can be broken down into three distinct phases:

- Interim Work and Planning (usually prior to the City's year-end)
- Year-end Fieldwork (subsequent to year-end)
- Wrap-up (subsequent to year-end fieldwork)

The first two phases will primarily be conducted on-site. The third phase will be conducted primarily in the Purvis, Gray and Company offices.

Approach to be Taken in Using Statistical Sampling in the Engagement

Statistical sampling will be used on this engagement and will be coordinated with other audit procedures to achieve audit objectives in the most efficient manner possible. Statistical sampling will be used in relation to audit procedures for:

- | | |
|--|---|
| ■ Tests of Controls | ■ Tests of Compliance with Laws and Regulations |
| ■ Substantive Tests of Transactions & Account Balances | ■ Attribute Sampling |

All sampling will be performed in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Chapter 10.550, *Rules of the Auditor General*; and State Department of Financial Services, *State Projects Compliance Supplement*.

Technical Proposal

Specific Audit Approach (Continued)

Extent of Computer Software to be Used in the Engagement

Auditors will use laptops with Microsoft's Windows 7 operating system and Microsoft's Office 2013 Suite (Word, Excel, Outlook) and second monitors throughout the engagement. We will request access to the internet from the City's IT department and work with them to determine whether wired or wireless is more suitable. Specialized audit software utilized in your engagement will be in following areas:



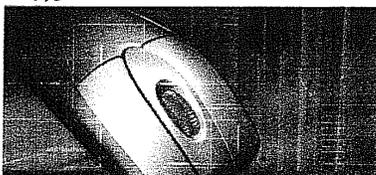
■ *Paperless Audit Engagement Software System - CaseWare Working Papers and SmartSync*

- *WorkingPapers*—Allows audit engagements to store and maintain all audit workpapers securely in a repository on our in-house servers and allows audit team to monitor the progress of the audit to ensure an efficient and effective audit.
 - All audit workpapers (including those provided to us by the City) will be completed and stored in the audit engagement file in Excel, Word, or Adobe PDF formats.
 - We will electronically import all of the City's trial balances and map them according to the Comptroller's Chart of Accounts for the ability to generate financial statements and various audit workpapers from our system.
- *SmartSync*—Allows auditors to access the audit engagement file securely maintained on our in-house server via internet from City Hall or remotely so that they may respond to City requests and work with City personnel timely to ensure the efficiency of the audit process.



■ *Computer-Assisted Audit Techniques (CAAT) Software - CaseWare's IDEA with SmartAnalyzer and Excel*

- Auditors may use IDEA or Excel on data files provided by the City for:
 - Fraud Testing
 - Analytical Review
 - Revenue and Expenditure Testing and Analysis
 - Sampling



CHECKPOINT TOOLS

■ *Research and Audit Checklists, Worksheets, Programs, Letters - Thomson Reuters PPC Checkpoint Tools*

- Auditors will use the following libraries throughout the audit for documentation and research purposes:
 - Audits of Local Governments
 - Auditors Reports
 - Preparing Governmental Financial Statements
 - Disclosure Library for Local Governments
 - Single Audits
 - Internal Control and Fraud Prevention

Technical Proposal

Specific Audit Approach (Continued)

Type and Extent of Analytical Procedures that will be Utilized in the Engagement

Analytical procedures will be used extensively on this engagement. Initial applications will be used in general planning to improve the firm's understanding of the City's operations and to identify areas for increased attention. Analytical procedures will also be used to facilitate the development of the audit program.

During the audit fieldwork, analytical procedures will be used as substantive tests to significantly reduce or eliminate certain tests of details. Analytical procedures will be used in the following, and additional audit areas, to improve the efficiency of various audit tests:

- Governmental Fund Revenues
- Payroll
- Debt and Debt Service Expenditures
- Inventories
- Proprietary Fund Revenues

Finally, analytical procedures will be used in the overall review stage to assist in assessing the propriety of conclusions reached in the evaluation of the overall financial statement presentation.

Approach to be Taken to Gain and Document an Understanding of the City's Internal Control Structure

Our approach to be taken to gain and document our understanding of the City's internal control system has been described in the next Section - *Approach to Auditing Internal Control Systems* and will include narratives, flowcharts, checklists, and control matrixes that will summarize the results of the audit procedures performed and provide us an understanding of the City's internal control systems. *

Approach to Auditing Internal Control Structure

Auditing Standards requires auditors to obtain an understanding of internal control sufficient to assess the risk of material misstatement of the financial statements due to error or fraud, and to design the nature, timing, and extent of further audit procedures.

We will perform audit procedures to obtain an understanding of the design and implementation of the City's key controls in each significant audit area. Understanding the key controls will include an extensive review and documentation of the City's control environment, risk assessment activities, information and communication systems, monitoring activities, and control activities.

As part of understanding the control activities, we will identify the following:

- Significant Classes of Transaction and Cycles - Some Examples of Common Areas for Cities Include:
 - Purchasing, Accounts Payable, and Cash Disbursements
 - Human Resources and Payroll
 - Utility Billing, Accounts Receivable, and Cash Receipts
 - Grants Expenditures, Billing, Accounts Receivable, and Cash Receipts
- Material Account Balances - Based on the City's Available Financial Statements, these Might Include:
 - Cash and Investments
 - Accounts Receivable and Due from Other Governments
 - Capital Assets
 - Accounts Payable and Accrued Liabilities
 - Long-term Debt
 - Taxes, Charges for Services, and Intergovernmental Revenue
 - Payroll and Capital Outlay Expenditures
 - Other Account Balances as Identified During our Analytical Review Procedures

Technical Proposal

Specific Audit Approach *(Continued)*

Approach to Auditing Internal Control Structure *(Continued)*

- Significant Disclosures - Based on the City's Available Financial Statements, these Might Include:
 - Investments
 - Capital Asset and Lease Arrangements
 - Long-term Debt
 - Retirement and Other Postemployment Benefits

- Other Areas with Significant Risks or Fraud Risks - For Example:
 - Unusual Transactions
 - Significant Estimates
 - Subsequent Events
 - Information Technology Risks

For significant classes of transactions and cycles, we will gain an understanding of the procedures over initiating, authorizing, recording, processing, reporting, and reconciling and will:

- Request, obtain, and review available City policies and procedures, flowcharts, and other documentation.
- Review City-provided documentation against practice aids developed by PPC and in-house.
- Develop and update our business process and internal control narratives, flowcharts, checklists, and other documentation based on our review of City-provided documentation against our practice aids.
- Meet with and interview key Financial and Administrative Services Department personnel and department directors or staff of key offices and programs to further develop and update our understanding of the processes and controls to include:
 - Identify the Key Manual and Automated Controls
 - Confirm with Management that the Key Controls have been Properly Identified
 - Evaluate Whether the Key Controls are Properly Designed and Implemented by Performing Audit Procedures, Including Observation, Inspection, Reperformance, and Confirmation to Obtain Audit Evidence that the Controls are Properly Designed and Implemented
 - Identify any Weaknesses in the Design or Implementation
 - Discuss any Weaknesses in Internal Control with Management to Confirm our Understanding or to Receive Additional Information or Identify Compensating Controls, if any
 - Consider Performing Tests of Controls (to Test the Operating Effectiveness of the Control Over the City's Fiscal Year) if Controls have been Properly Designed and Implemented

For material account balances that are generated through the transaction processing systems, we will identify the subsidiary records and understand and evaluate the reconciliation process. For material account balances generated through journal entries, we will obtain an understanding of and evaluate the journal entry process, including a review of the documentation supporting and evaluation of the underlying business purpose of significant and/or unusual journal entries.

For significant disclosures, we will understand and evaluate the note preparation process. Additionally, we will gain an understanding of the financial reporting process, including the year-end close out process over how the City's financial statements and related disclosures are prepared, how misstatements may occur in that process, and how they may be prevented or detected by the City's controls.

For significant risks and fraud risks, we will identify the key controls, evaluate whether they have been properly designed and implemented, and design further audit procedures (tests of details) to specifically address those risks.

Technical Proposal

Specific Audit Approach (Concluded)

Approach to Auditing Internal Control Structure (Concluded)

For information technology risks, we will obtain an understanding of the extent to which information technology is used in the significant audit areas noted above and will identify the significant financial applications used. For the City's significant financial applications, we will obtain an understanding of the IT environment (including the significant financial applications' supporting technologies - operating systems, databases, network, etc.) and the IT General Control over these technologies, and evaluate the risks. Our procedures will be similar in nature to the procedures listed above "*for significant classes of transactions*", except that they will focus on risks related to the IT control environment, change management, user access, and backup and recovery, instead of the initiating, authorizing, recording, processing, reporting, and reconciling of transactions.

Approach to be Taken in Determining Laws and Regulations that will be Subject to Audit Test Work

For audits conducted in accordance with *Government Auditing Standards*, the auditor is required to test compliance with laws and regulations that would have a material effect on the City's financial statements. As such, we design our audit programs to ensure compliance with key laws and regulations such as:

- Budgetary Appropriation Limits
- Significant Debt Covenants
- Relevant Compliance Requirements of Major Programs Under the Single Audits
- Key Federal, State, or Local Laws
- Significant Contract Provisions
- Use of Restricted Revenue Sources

Approach to be Taken in Drawing Audit Samples for Purposes of Test of Compliance

Statistical and nonstatistical sampling techniques may be used in the engagement, generally in high-risk audit areas. Sampling will be coordinated with other audit procedures to achieve audit objectives in the most efficient manner possible. Statistical sampling will be used in relation to other audit procedures for:

- Tests of Controls
- Substantive Tests of Transactions and Account Balances
- Tests of Compliance with Laws and Regulations
- Attribute Sampling

All sampling will be performed in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; Chapter 10.550, *Rules of the Auditor General*; and State Department of Financial Services, *State Projects Compliance Supplement*.

Identification of Anticipated Potential Audit Problems

We do not anticipate any significant potential audit problems. We assume that every audit engagement will encounter some amount of unanticipated audit problems, it is simply the nature of audit engagements; *we do not, however, use each of these problems as an opportunity to create additional billing opportunities for our firm*. If a disagreement arises between the audit engagement partner and the City in regards to application of generally accepted accounting principles or similar items, it would first be discussed with an in-firm specialist and then with outside experts such as the Government Finance Officers Association technical services center.

Technical Proposal

Identification of Anticipated Potential Audit Problems (Concluded)

Normally, extensive initial year procedures and understanding are required in a new client transition. These procedures include meetings, inquiries, and reading various information about the City such as minutes, prior financial statements, budgets, master plans, capital plans, bond issues, loan agreements, grant agreements, prior ordinances and resolutions, policies and procedures manuals, and significant construction or vendor contracts.

We understand the additional time requirement that is necessary during this first year of transition and have incorporated this as a necessary part of doing business.

Since our firm specializes in governmental auditing, we remain knowledgeable about current and proposed standards and will discuss new standards with the City personnel well in advance of implementation to avoid surprises and the sudden disruption they may cause.

The State of Florida and others may enact financial reporting or auditing standards which may affect our scope of services during the proposed engagement period. Again, we will notify the City well in advance of any significant developments.

Report Format

Approach to be Taken in Preparing Management Letters

We ensure our audit reports and letters are in compliance with the latest auditing standards with the use of PPC's practice aids. In addition, we utilize templates provided by the Auditor General of the State of Florida for the development of our management letters. We will draw upon our 60 years of experience with other local governments and utilities to look for ways that the City can be more efficient, cost effective, and improve internal controls. We will offer independent business advice and make ourselves available to staff and the City Council to discuss any or all of our comments and recommendations. Our utility industry concentration has helped set our firm apart from others by providing meaningful management recommendations.

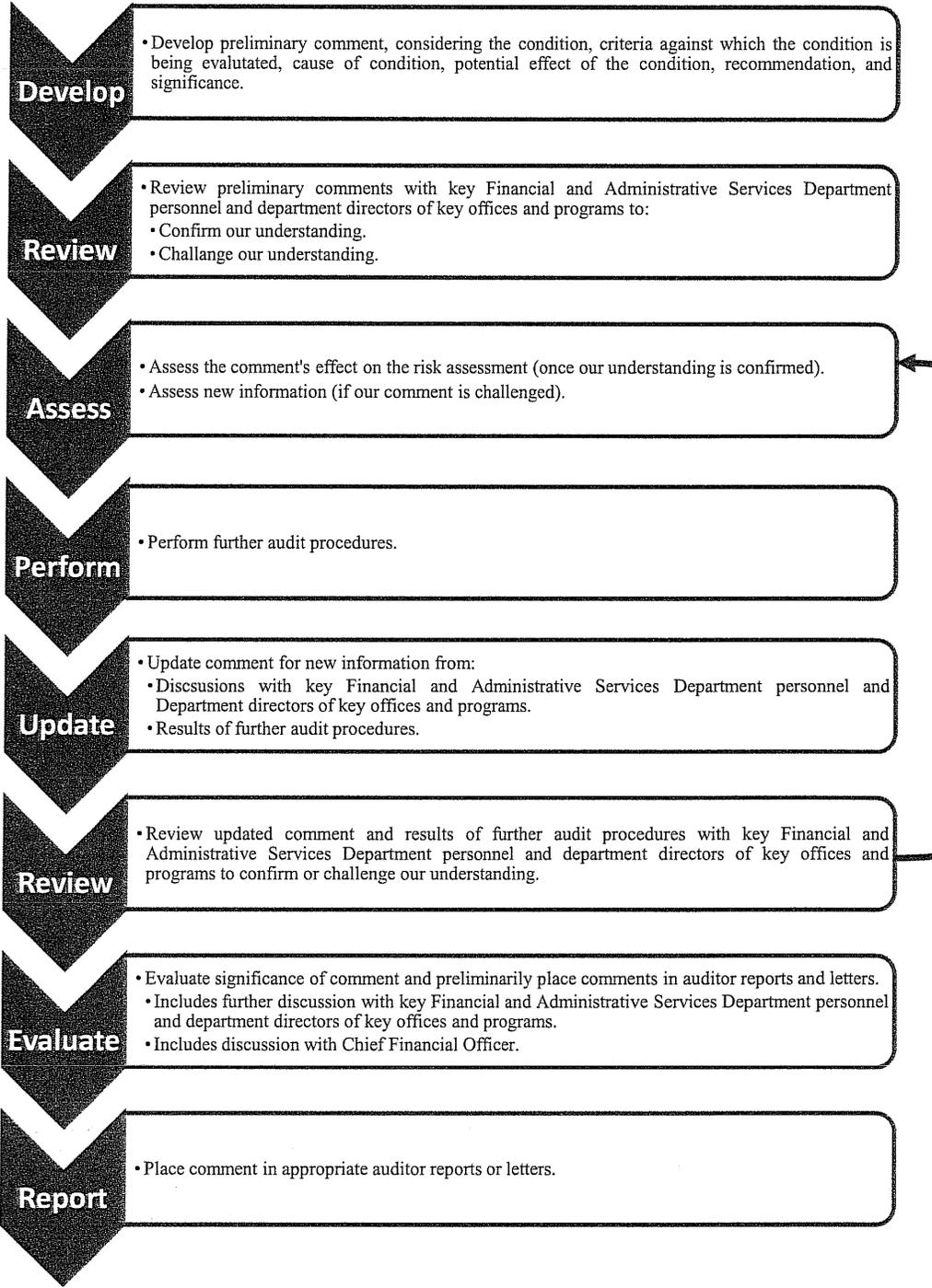
Our approach to audit findings is simple: we try to identify and communicate significant matters as early in the process as possible. We do not like surprises and we know our clients don't like them either. That is why we hold weekly progress meetings with our clients in order to discuss and resolve internal control issues or accounting matters as quickly as possible.

Technical Proposal

Report Format (Concluded)

Approach to be Taken in Preparing Management Letters (Concluded)

The diagram below represents a summary of our approach to Management Letter Recommendations:



Firm Qualifications and Experience (Continued)

Proposed Audit Team

- Kelly D. Leary, C.P.A., engagement partner, will be responsible for all services that are provided to the City. Kelly has a good understanding of municipalities and grant compliance testing, and will be in the field for one day of interim testing and one day of the audit fieldwork. Kelly will be the City's primary contact person, and will oversee all aspects of the audit.
- Elden G. McDirmit, C.P.A., review partner, will be responsible for technical guidance and second partner review.
- Tammy Campbell, C.P.A., audit manager, will be in the field to supervise fieldwork and preparation of CAFR.
- Matt Lee, C.P.A., audit senior, will be responsible for compliance testing, including Federal and State Single Audits and preparation of the CAFR.
- Robert Hernandez, IT Specialist, will be responsible for technology related testing.

The proposed audit team specializes in governmental audits and work together on the majority of the firm's governmental audits. The two "key" members of the audit team are Kelly Leary and Tammy Campbell. In addition to the supervisory staff listed above, the firm may also use one to two staff members to assist in testing, and will be directly supervised by the proposed audit team.

Quality Control

McDirmit Davis & Company has written procedures that outline our quality control system with regard to the following six elements of quality control:

- Leadership Responsibilities for Quality
- Relevant Ethical Requirements
- Acceptance and Continuance of Clients and Engagements
- Human Resources
- Engagement Performance
- Monitoring

The above procedures provide our Firm with assurance that its personnel comply with the applicable professional standards and the Firm's standards of quality. Our Firm policy is that all compilation, review, and audit engagements be properly planned, performed, supervised, reviewed, and documented in accordance with the requirements of professional standards, including AICPA auditing standards, and both FASB and GASB standards.

Firm Qualifications and Experience (Continued)

External Quality Control Review

Our Firm understands the importance of developing a formal quality control program, and therefore have been a member of the Private Companies Practice Section of the American Institute of Certified Public Accountants since 1985. We are also members of the Governmental Audit Quality Center of the American Institute of Certified Public Accountants. Member firms are required to adhere to quality control standards established by the AICPA Quality Control Standards Committee and to submit to peer reviews of the firm's accounting and audit practice. Peer reviews are intensive reviews of a firm's quality control system by an independent CPA firm. Our firm has had eight peer reviews performed by the American Institute of Certified Public Accountants. Each peer review has included a review of a local governmental entity. We received an unqualified opinion on each review, which represents the best opinion that a firm can receive. In addition, we received no letter of comments.

On our most recent peer review which was performed in September, 2011, we received a peer review rating of "pass", which is the highest rating that a firm can receive under the revised peer review standards. We have never been subject to any litigation or disciplinary actions by a client, the State or any professional organization for substandard field work. A copy of our firm's two most recent peer review reports are in Appendix B. Both peer reviews included a review of two governmental engagements, and it should be noted that there were no findings as a result of these reviews. We have never withdrawn from an engagement prior to the agreed expiration date.

Other Services Provided

Our experience in governmental auditing has led to the development of efficient procedures that provide various client benefits. Our services provide our clients with a wide range of knowledge, confidence, and helpful management advice. Below is a listing of the type of other services that we have provided to governmental clients.

1. Assistance in preparation of Comprehensive Annual Financial Reports for recognition by the Government Finance Officers Certificate of Achievement Program.
2. Internal audit services.
3. Issuance of Comfort Letters and Consent Letters in conjunction with the issuance of tax-exempt bonds.
4. Assistance on early implementation of new GASB Statements.
5. Assisting in compiling historical financial data for first-time submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting.
6. Detailed internal control studies and evaluations of accounting systems

State and Other Affiliations

McDirmitt Davis & Company is a member of the Florida Institute of Certified Public Accountant (FICPA), the FICPA State and Local Government Section, and Florida Government Finance Officers Association (FGFOA). Kelly Leary has served on the FICPA State and Local Government Committee and Elden McDirmitt has served on the FICPA Peer Review Committee.

Firm Qualifications and Experience (Continued)

Information Technology

Our firm has one dedicated Information Technology specialist who has several years of experience in setting up and administering computer systems and networks of all sizes. In addition, all 10 governmental audit personnel are experienced with various governmental software programs. We utilize automated, paperless auditing software which stores all trial balances and audit workpapers electronically. We also use IDEA Data Analysis Software, which enables us to obtain 100% of selected data and test "through your computer system."

One of the services we provide our clients is CLIENT PORTAL. This is a convenient online storage space in which files can be effortlessly uploaded, downloaded, stored and shared in a safe and secure environment. We understand that every business has different requirements when it comes to IT systems. To help you find the best IT system to suit your needs, our IT Specialist is available to evaluate your network and provide a comprehensive solution.

Partner, Supervisory and Staff Qualifications and Experience

All professional staff at McDirmit Davis and Company are required to take 40 hours per year of continuing professional education, even if they have not yet passed the CPA exam. All of our governmental audit employees meet the education and independence requirements of *Government Auditing Standards* and have received adequate continuing professional education within the preceding three years.

We believe in the continuity of the audit team over the term of this engagement, and the firm makes every effort to keep the same supervisory personnel on the audit each year. Kelly Leary will serve as the primary audit partner throughout the term of this engagement, and Tammy Campbell will serve as audit manager throughout the term of this engagement. If anyone on the audit team listed is promoted or leaves the firm, we understand that the City of Inverness has the right to approve or reject replacements. Resumes of the audit team are on pages 7 through 11.

Prior Engagements with the City of Inverness

McDirmit Davis and Company has not performed any engagements for the City of Inverness within the last five years.

Similar Engagements with Other Governmental Agencies

We have provided a list of the most significant engagements performed in the last five years that are similar to the City of Inverness. We are engaged to audit all of the cities and the district on this list for fiscal year ended September 30, 2014. The following cities or town are smaller than the City of Inverness: Umatilla, Mascotte, Belle Isle and Windermere. The other 8 cities that we audit are all larger than the City of Inverness. This list starts on the page following the resumes, which is page 12.



Resume - Kelly D. Leary, CPA
Engagement Partner

Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Hawaii
- CPA, Certified Public Accountant - Florida, 1983
- CPA, Certified Public Accountant - California, 1980

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)
- FICPA State and Local Government Committee
- Board of Directors of Fairwinds Credit Union

Continuing Professional Education

Kelly has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards (the "Yellow Book")*. CPE includes classes on Single Audits, the Yellow Book, and changes in governmental accounting principles. Kelly also recently attended a class on GASBS 67 and 68 on changes to accounting and reporting for pension plans. Kelly assisted all 12 cities that McDirmit Davis and Company audited in 2013 with early implementation of GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities".

Experience

- Kelly has 28 years of governmental accounting and auditing experience and has been with McDirmit Davis and Company since 1991. She has significant experience in the audits of governmental and not-for-profit entities, including those subject to Federal and Florida Single Audit requirements. She has also been the partner in charge of the Sanford Airport Authority audit for over 10 years.
- She has written articles for the magazine Florida CPA Today relating to governmental pension plans and single audits.
- For many years she has been on a subcommittee that has revised Compliance Auditing in Florida, an FICPA Practice Aid.
- She has assisted municipalities with the issuance of comfort letter and consent letters in conjunction with the issuance of tax-exempt bonds.

Governmental Audit Experience (Past 5 years)

- | | |
|---|-----------------------------|
| • City of Winter Springs | • Sanford Airport Authority |
| • City of Oviedo | • City of Tavares |
| • City of Umatilla | • City of Belle Isle |
| • City of Ocoee | • City of Clermont |
| • City of Longwood | • City of Mascotte |
| • City of Maitland | • Town of Windermere |
| • City of Lake Mary | • Homosassa Water District |
| • Various Community Development Districts | |



Resume - Elden G. McDirmit, CPA
Review Partner

Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Central Florida
- CPA, Certified Public Accountant - Florida, 1978
- CEA, Certified of Education Achievement from AICPA in Governmental accounting and auditing

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)
- FICPA Peer Review Committee
- Reviewer for GFOA's "Certificate of Achievement for Excellence in Financial Reporting" program
- Chairman of the Orange County Housing Finance Authority, which has authority to issue revenue bonds to address the needs of Orange, Seminole, Lake and Osceola Counties.

Continuing Professional Education

Elden has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards (the "Yellow Book")*. CPE includes classes on Single Audits, the *Yellow Book*, and changes in governmental accounting principles.

Experience

- Elden started the firm McDirmit Davis & Company in 1984 and began audit of the City of Ocoee in 1985 and City of Tavares in 1988. The firm still performs audits of both cities.
- He has assisted municipalities with the issuance of comfort letter and consent letters in conjunction with the issuance of tax-exempt bonds.

Governmental Audit Experience (Past 5 years)

- | | |
|---|----------------------------|
| • City of Winter Springs | • City of Lake Mary |
| • City of Oviedo | • City of Tavares |
| • City of Umatilla | • City of Belle Isle |
| • City of Ocoee | • City of Clermont |
| • City of Longwood | • City of Mascotte |
| • City of Maitland | • Town of Windermere |
| • Sanford Airport Authority | • Homosassa Water District |
| • Various Community Development Districts | |

Resume - Tammy Campbell, CPA

Audit Manager

Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Central Florida
- Masters in Taxation, University of Central Florida
- CPA, Certified Public Accountant – Florida, 2007

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Continuing Professional Education

Tammy has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards (the "Yellow Book")*. CPE included classes on Single Audits, the *Yellow Book*, and changes in governmental accounting principles, such as GASBS 67 and 68 on pension plans. Tammy assisted all 12 cities that McDirmit Davis and Company audited in 2013 with early implementation of GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities".

Experience

- Tammy has ten (10) years of governmental accounting and auditing experience, including municipalities and airport authorities.
- Her experience has included planning, fieldwork, and preparation of comprehensive annual financial reports for several governmental audit engagements.
- Tammy has worked with all 12 municipalities in the CAFR preparation process, including assisting one city in obtaining the GFOA Certificate of Achievement for the first time.

Governmental Audit Experience (Past 5 years)

- City of Umatilla
- City of Clermont
- City of Oviedo
- City of Lake Mary
- City of Ocoee
- City of Tavares
- Sanford Airport Authority
- Town of Windermere
- City of Longwood
- City of Belle Isle
- City of Winter Springs
- City of Maitland
- City of Mascotte
- Homosassa Water District

Resume - Matthew Lee, CPA

Audit Senior

Education, Certifications, and Licenses

- Master of Science in Accounting, University of Central Florida
- Master of Public Administration, University of Central Florida
- B.S. in Public Administration, University of Central Florida
- CPA, Certified Public Accountant - Florida

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Continuing Professional Education

Matthew has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards*.

Experience

- Matthew has 4 years of governmental accounting and auditing experience.
- He has significant experience in the audits of governmental and not-for-profit entities, including those subject to Federal and Florida Single Audit requirements.

Governmental Audit Experience (Past 3 years)

- | | |
|------------------------------------|-----------------------------|
| • City of Ocoee | • Town of Windermere |
| • City of Clermont | • City of Longwood |
| • City of Oviedo | • Sanford Airport Authority |
| • City of Winter Springs | • City of Tavares |
| • Sun 'N Lake Improvement District | • City of Umatilla |

Resume - Robert Hernandez

Information Technology Specialist

Education, Certifications, and Licenses

- A.S. Computer Technology, Florida Technical College
- MCSE Certification
- MCPS Certification

Experience

- Robert is an IT Professional with notable success, directing a broad range of corporate IT security initiatives while participating in planning, analyzing, and implementing solutions in support of business objectives. He has provided comprehensive secure network design, system analysis, and full lifecycle project management. Robert has hands-on experience leading all stages of system development, including design, architecture, testing and support. His outstanding project and program leadership allows him to be able to coordinate and direct all phases of projects.
- Robert has worked with different types of financial institutions in the technology field that have required installing, configuring, testing and protecting networks. He led projects for companies ranging from 10 to 1,000 employees. He has experience designing, implementing, supporting and testing networks and security environments. Robert can provide leadership and support to the project development team, staff and/or technical staff.

Key Skills

- Network & System Security
- Risk Management
- Vulnerability Assessments
- Authentication & Access Control
- System Monitoring
- System Integration Planning
- Multitier Network Architectures

Technology Summary

Security Technologies: Network Security Scanner; SSH; SSL; Digital Certificates; Anti-Virus Tools; Disaster Recovery, Network Administration

Systems: Windows (all), Mac, Linux

Networking: LANs, WANs, VPNs, Routers, Firewalls, TCP/IP

Customer Listing - Governmental Audits:

| <u>Principal Client Contact</u> | <u>Scope of Work</u> | <u>Total Revenues</u> | <u>Total Hours & Funds</u> | <u>Years</u> |
|---|--|-----------------------|--------------------------------|-----------------|
| Ms. Regina Frazier, Asst. Fin. Dir. City of Clermont, Florida 685 W. Montrose Street Clermont, FL 34711 (352) 241-7369 rfrazier@clermontfl.org | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" | \$39,487,601 | 300 18 | 1998 to Present |
| Ms. Dianne Holloway, Fin. Dir. City of Lake Mary, Florida 100 N. Country Club Road Lake Mary, FL 32749 (407) 585-1409 dholloway@lakemaryfl.com | <ul style="list-style-type: none"> Annual Financial & Compliance Audit Received GFOA's "Certificate of Achievement" | \$22,528,231 | 200 19 | 1997 to Present |
| Mr. Shawn Boyle, Fin. Dir. City of Winter Springs, Florida 1126 E. State Road 434 Winter Springs, FL 32708 (407) 327-5960 sboyle@winterspringsfl.org | <ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of CAFR Received GFOA's "Certificate of Achievement" | \$32,376,436 | 400 29 | 2000 to Present |
| Mr. Jerry Boop, Fin. Dir. City of Oviedo, Florida 400 Alexandria Blvd. Oviedo, FL 32765 (407) 971-5544 jboop@cityofoviedo.net | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" | \$46,996,038 | 350 31 | 2006 to Present |
| Ms. Wanda Horton, Fin. Dir. City of Ocoee, Florida 150 Lakeshore Drive Ocoee, FL 34761 (407) 905-3100 wandah@ci.ocoee.fl.us | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" | \$47,993,982 | 350 33 | 1985 to Present |

Note: Kelly Leary is the engagement partner on all governmental audits.

Customer Listing - Governmental Audits - Continued:

| <u>Principal Client Contact</u> | <u>Scope of Work</u> | <u>Total Revenues</u> | <u>Total Hours & Funds</u> | <u>Years</u> |
|---|--|-----------------------|--------------------------------|----------------------------------|
| Ms. Lori Houghton, Fin. Dir. City of Tavares, Florida P.O. Box 1068 Tavares, FL 32778-1068 (352) 742-6212 lhoughton@tavares.org | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" Utility and Franchise Tax Audits | \$22,354,817 | 250 20 | 1988 to Present |
| Ms. Carol Rogers, Fin. Dir. City of Umatilla, Florida 1 South Central Avenue Umatilla, FL 32784 (352) 669-8313 crogers@umatillafl.org | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR | \$4,475,749 | 250 10 | 2010 to Present |
| Ms. Sharon Anselmo, Asst. City Mgr. City of Maitland, Florida 1776 Independence Lane Maitland, FL 32751 sanselmo@itsmymaitland.com | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) Received GFOA's "Certificate of Achievement" | \$30,200,000 | 250 16 | 2009 to Present |
| Ms. Pamela Barclay, Finance Director City of Longwood, Florida 175 W. Warren Avenue Longwood, FL 32750 (407) 260-3475 pbarclay@longwoodfl.org | <ul style="list-style-type: none"> Annual Financial & Compliance Audit (Single Audit) and preparation of CAFR Received GFOA's "Certificate of Achievement" | \$17,938,827 | 250 11 | 1991 to 1993 and 1997 to Present |

Customer Listing - Governmental Audits - Continued:

| <u>Principal Client Contact</u> | <u>Scope of Work</u> | <u>Total Revenues</u> | <u>Total Hours & Funds</u> | <u>Years</u> |
|---|---|-----------------------|--------------------------------|-----------------|
| Ms. Tracey Richardson, Finance Manager. City of Belle Isle, Florida 1600 Nela Avenue Belle Isle, FL 32809 (407) 851-7730 trichardson@cobifl.com | <ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of CAFR Received GFOA's Certificate of Achievement | \$13,363,481 | 200 7 | 1999 to Present |
| Teresa Olds, Office Mgr. Homosassa Special Water District P.O. Box 195 Homosassa, Florida 34487 (352) 628-3740 hswd@tampabay.rr.com | <ul style="list-style-type: none"> Annual Financial & Compliance Audit and Preparation of Financials | \$1,303,776 | 100 2 | 1999 to Present |
| Mr. Robert Smith, Town Mgr. Town of Windermere 614 Main Street Windermere, FL 34786 (407)876-2563 rsmith@town.windermere.fl.us | <ul style="list-style-type: none"> Annual Financial & Compliance Audit and Preparation of Financials | \$4,115,337 | 150 3 | 2000 to Present |
| Ms. Dolly Miller, Fin. Dir. City of Mascotte 100 East Myers Blvd. Mascotte, FL 34753 (352)429-3341 dolly.miller@cityofmascotte.com | <ul style="list-style-type: none"> Annual Financial & Compliance Audit and Preparation of Financials | \$4,717,829 | 150 13 | 2000 to Present |

Specific Audit Approach

McDermitt Davis & Company understands that the scope of work for this audit is detailed in Section 5.1 of the RFP. This audit shall comply with the standards detailed in Section 5.2 of the RFP, including Generally Accepted Auditing Standards, standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*, provisions of the Single Audit Act, the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State of Florida, *Rules of the Auditor General*.

We also understand the City's goal is to receive the GFOA Certificate of Achievement for its CAFR beginning with the fiscal year 2015 report, as described in Section 5.4. We will make sure that the CAFR we prepare for the City will meet the requirements of the Certificate of Achievement program. We also understand the desire for a meaningful management letter to provide suggestions for improvements to the various processes of the city from an internal control perspective. We will issue all reports listed in Section 5.3 of the RFP.

Tentative Schedule for Performing Audit

We understand how important it is for timeliness in conducting the audit in order to submit audited financial statements to the GFOA by March 31. The proposed work plan below includes performing the audit of the financial statements, as well as preparation of the AFR for FYE 2014 and the CAFR for FYE 2015 and 2016. It does not include hours for a Single Audit, which are detailed in the Schedule of Proposal Prices.

| Audit Phase | Completion Dates | Estimated Hours |
|-------------------------------------|-------------------------|------------------------|
| Planning and interim audit work: | September 15 | |
| Partner | | 8 |
| Manager | | 16 |
| Senior | | 16 |
| Staff | | 16 |
| Information technology | | 8 |
| Year End Fieldwork: | January 31 | |
| Partner | | 16 |
| Manager | | 24 |
| Senior | | 56 |
| Staff | | 48 |
| Report Preparation and CAFR Review: | March 1 | |
| Partner | | 8 |
| Manager | | 8 |
| Senior | | 32 |

Specific Audit Approach

As indicated above, the engagement partner, Kelly Leary, will be in the field with audit staff for a minimum of one day for interim testing and one day for substantive testing. In our firm, partners are always very involved in the day to day audit procedures. We have the reputation of maintaining both Kelly and the audit manager, Tammy Campbell, on City audits every year which means they are available to answer audit staff and city finance department questions during fieldwork. Kelly and Tammy will be the designated two key members of the audit team.

Our audit approach is to document the flow of information through the information systems and accounting records of the City by interviewing City employees and then testing to determine that our understanding is correct. Most of our testing will be based upon random sampling with some stratification of the various populations to provide focus for our testing.

We have summarized below our audit approach related to the various segments of the audit. Our goal is to perform the audit with as little interference with your daily operations as possible.

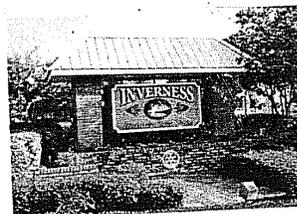
Our audit will be segmented into the following phases:

- Phase 1: Audit Planning
- Phase 2: Evaluation and Testing of Internal Controls and Compliance
- Phase 3: Substantive Testing
- Phase 4: Reporting

Phase 1: Audit Planning

Preliminary planning includes deciding on an overall strategy for the audit, obtaining an understanding of the entity and its environment, including its internal control, making an initial assessment of audit risk and materiality, and deciding on the overall timing of the engagement. We will meet with the City's Finance Director and staff to identify documents that we need to assemble our "permanent file," which consists of copies of organizational charts, City manuals, bond documents, budgets, and information related to financial and other management systems.

We also obtain additional background information such as laws, regulations and other factors affecting our audit. We will meet with staff in various departments of the City to obtain an understanding of the flow of transactions through your accounting system. This includes understanding your computer environment in order to comply with the requirements of SAS 94 *The Effect of Information Technology on the Auditor's Consideration of Internal Control in a Financial Statement Audit*. Our IT Specialist will be involved in this part of the audit planning.



We will then design our preliminary audit plan and discuss what schedules we will need from the City in order to test internal controls and compliance with laws and regulations. Our audit will be conducted 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 audit will also be conducted in accordance with the Rules of the Florida Auditor General, Chapter 10.550, *Local Government Entity Audits*, and if a Federal or Florida Single Audit is required, the audit will be done in accordance with OMB Circular A-133 and Section 215.97, Florida Statutes.

Phase 2: Evaluation and Testing of Internal Controls and Compliance



During Phase 2, we will evaluate your internal control policies and procedures to determine if they are functioning properly in significant transaction classes. To gain an understanding of the procedures in place, and current internal control structure, we typically conduct interviews with staff and management involved in the specific transaction class to be tested. We then perform tests of these controls to determine with reasonable assurance that control procedures are functioning as planned and whether further testing will be needed. As part of our tests of controls, we will include tests of compliance with applicable ordinances, and state and federal laws and regulations. In order to determine which ordinances, laws and regulations to test for compliance, we start by reviewing the FICPA Practice Aid *Compliance Auditing in Florida*. We then evaluate which ordinances, laws and regulations have a direct and material effect on the determination of financial statement amounts.

Sample sizes are determined based upon our assessment of control risk and may be judgmental, random, or stratified, depending on the attributes of the population being tested. We will select samples from the significant transaction classes and trace from original documents through the computer system to the general ledger through the use of IDEA Data Analysis Software.

If the City meets the requirement for either a federal or state single audit, we will evaluate internal controls over Federal Awards Programs and State Financial Assistance. Then we will determine major programs and perform required tests of compliance and internal controls over compliance. Sample sizes will be determined based upon our assessment of control risk.

Our control testing includes obtaining an understanding of the computer software used by the City, and tracing sample selections through the system to determine that the desired outcomes are being achieved. Our testing of Information Technology includes inquiries of appropriate personnel regarding data backups and access to City files. We will request schedules and other information in electronic form, either in a spreadsheet or direct download from the City's computer system. We expect to use the City's technology to the maximum extent possible. We are completely paperless and store all audit workpapers electronically within our audit software.

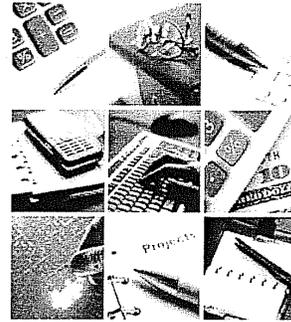
We also have an electronic library at our fingertips with all AICPA and GASB pronouncements, various audit guides, and other research material needed to do Single Audits. We also have other electronic audit tools such as Florida Statutes, Florida Auditor General Rules, and IDEA Data Analysis Software.

In addition to performing tests of internal controls and compliance, we also use analytical procedures as part of planning to help us determine what audit procedures are required. Our expectations of the results of this analytical review are compared to actual results, as required by generally accepted auditing standards. After controls have been documented, evaluated and tested, and analytical procedures performed, we will finalize the City's audit plan. Audit programs will be tailored to fit the specifics of the City's risks, material account balances and internal controls.

Our testing of internal controls will be done by September 15 to help determine the extent of year end audit procedures required. If internal control deficiencies are identified during interim fieldwork, they are brought to management's attention either verbally or in the form of a preliminary management letter, depending on the nature of the issue discovered. This allows management to address the issue, often prior to the end of the fiscal year. We will work with Finance to develop a detailed audit plan by September 15 each year.

Phase 3: Substantive Testing

Our year-end fieldwork will focus on verifying balances in accounts. For example, we will confirm cash balances, as well as debt balances with financial institutions. In addition to obtaining audit confirmations, representation letters and attorney letters, we will perform tests on account balances using analytical procedures, recalculation and verification. Our firm uses ProSystem fx Engagement electronic audit software which may allow us to interface with your accounting system and reduce the time required to transfer your accounting data to a separate software package. We believe it is important to use analytical review procedures in this substantive phase of the audit. We compare analytical results to our expectation of what the results should be in order to determine if additional audit procedures are required. Typical analytical procedures include revenue and expense variances with previous years actual and current year budget amounts. In addition, we calculate other ratios for enterprise funds such as turnover and number of days in accounts receivable.



We will keep the City's management up to date on the progress of the audit and will discuss preliminary findings and potential problems or opportunities as we encounter them. Progress reports with the Finance Director and City Manager will be done verbally throughout the audit. We do not anticipate any potential audit problems but our approach to resolving problems encountered is to discuss with the Finance Director to make sure our understanding is correct. Our process to produce a meaningful "management letter" is to review results of testing of controls and year-end field work and draft recommendations for improvements.

Phase 4: Reporting

The audit work is reviewed in the field by the engagement partner or manager throughout the engagement to ensure that issues are addressed quickly and that City staff is aware of potential problems as soon as possible. Once the engagement partner review is complete, a second review of the financial statements is performed by the review partner. This second review is required as part of McDirmit Davis and Company's internal system of quality control.

Before we leave the City, we have an exit conference to discuss the results of the audit and to discuss any recommendations that we may have for improvement in the City's internal controls. We will also discuss any new GASBs that will affect new accounting treatment issues in the coming year. We will consult with the Finance Director about early implementation of new accounting standards, and provide guidance and our opinion on early implementation, however, the final decision to implement remains with the City.

In cases where the City may propose an alternative approach to the firm's policy on specific GAAP implementation, we will review the information provided by City personnel supporting their position, and seek to come to a mutually agreed upon conclusion regarding GAAP interpretation. In cases of differing opinions, the firm believes in researching the GAAP matter to determine appropriate interpretations of GAAP, and ensuring that the final selection of the accounting treatment is consistent with our understanding of the standards, and would not be considered a deviation from GAAP.

We will prepare the Draft of the CAFR for review by the Finance Department by March 1, and after the City reviews the draft reports, we will deliver final audit reports and CAFR by March 20.

Throughout the audit process, we will seek to identify areas of improvement for the City, and communicate to management in the management letter. Sample Management Letters can be found in Appendix C and sample audit reports can be found in Appendix D.



BEST PRACTICE

Audit Procurement (1996 and 2002)

Background. The Government Finance Officers Association (GFOA) has long recommended that state and local governmental entities obtain independent audits of their financial statements performed in accordance with the appropriate professional auditing standards. Properly performed audits play a vital role in the public sector by helping to preserve the integrity of the public finance functions and by maintaining citizens' confidence in their elected leaders.

Recommendation. GFOA makes the following recommendations regarding the selection of auditing services:

- The scope of the independent audit should encompass not only the fair presentation of the basic financial statements, but also the fair presentation of the financial statements of individual funds and component units. The cost of extending full audit coverage to the financial statements of individual funds and component units can be justified by the additional degree of assurance provided. Nevertheless, the selection of the appropriate scope of the independent audit ultimately remains a matter of professional judgment. Accordingly, those responsible for securing independent audits should make their decision concerning the appropriate scope of the audit engagement based upon their particular government's specific needs and circumstances, consistent with applicable legal requirements.
- Governmental entities should require in their audit contracts that the auditors of their financial statements conform to the independence standard promulgated in the General Accounting Office's *Government Auditing Standards* even for audit engagements that are not otherwise subject to generally accepted government auditing standards.
- Governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such multiyear agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain "startup" costs over several years, rather than over a single year.
- Governmental entities should undertake a full-scale competitive process for the selection of independent auditors at the end of the term of each audit contract, consistent with applicable legal requirements. Ideally, auditor independence would be enhanced by a policy requiring that the independent auditor be replaced at the end of the audit contract, as is often the case in the private sector. Unfortunately, the frequent lack of competition among audit firms fully qualified to perform public-sector audits could make a policy of mandatory auditor rotation counterproductive. In such cases, it is recommended that a governmental entity actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory. Except in cases where a multiyear agreement has taken the form of a series of single-year contracts, a contractual provision for the automatic renewal of the audit contract (e.g., an automatic second term for the auditor upon satisfactory performance) is inconsistent with this recommendation.

- Professional standards allow independent auditors to perform certain types of nonaudit services for their audit clients. Any significant nonaudit services should always be approved in advance by a governmental entity's audit committee. Furthermore, governmental entities should routinely explore the possibility of alternative service providers before making a decision to engage their independent auditors to perform significant nonaudit services.
- The audit procurement process should be structured so that the principal factor in the selection of an independent auditor is the auditor's ability to perform a quality audit. In no case should price be allowed to serve as the sole criterion for the selection of an independent auditor.

References

- *CPA Audit Quality: A Framework for Procuring Audit Services*, General Accounting Office, August 1987.
- *Audit Management Handbook*, Stephen J. Gauthier, GFOA, 1989.
- *An Elected Official's Guide to Auditing*, Stephen J. Gauthier, GFOA, 1992.
- *Governmental Accounting, Auditing and Financial Reporting (GAAFR)*, Stephen J. Gauthier, GFOA.
- Model Audit RFP Diskette, GFOA.

Approved by the GFOA's Executive Board, October 25, 2002

Agenda Memorandum – *City of Inverness*

October 3, 2014

TO: Elected Officials
FROM: City Manager (Prepared by Eric Williams)
SUBJECT: Parking Ordinance – (First Reading)
CC: City Clerk
Enclosure: Parking Ordinance 2014-707

(This is mostly a reprint from September 16, 2014)

The proposed Ordinance has been modified and resubmitted for consideration. It is structured to replace and modernize the outdated current Ordinance, and improve parking regulation and management, while addressing “behaviors” that require added attention.

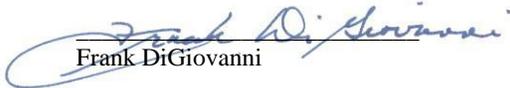
This is not about tickets or over regulation; it is about the qualities of the business core, and ability to modify existing regulations to better address the high amount of activity that downtown Inverness enjoys. The City has more parking than most and a “free” space is easily found. Comments that conclude there is “not enough parking” is more about convenience than availability of space. A high level of business activity and well received events makes Inverness attractive to visitors from all areas of Citrus County and beyond. Growth is welcomed and parking is intended to remain free, but the City Code must be modified to maintain a desirable environment for sustained growth and redevelopment.

We look forward to questions and comments. This will be the first reading of an Ordinance, with a Public Hearing and second reading scheduled for the ensuing meeting of Council.

Recommended Action -

1. Motion, second and vote read the Ordinance by title
 - a. City Clerk reads Ordinance title
2. City Council deliberates the subject
3. To proceed, motion and second to adopt the Ordinance on the first reading by roll-call

If you wish to discuss this further, please contact me at your convenience.


Frank DiGiovanni

ORDINANCE NO. 2014 – 707

AN ORDINANCE OF THE CITY OF INVERNESS AMENDING THE CODE OF ORDINANCES BY REPEALING ARTICLE III., SECTIONS 21-11 THROUGH 21-36, CHAPTER 21 OF THE CODE OF ORDINANCES, ADOPTING A NEW ARTICLE III OF CHAPTER 21 OF THE CODE OF ORDINANCES; PROVIDING FOR SHORT TITLE; PROVIDING FOR DEFINITIONS; PROVIDING FOR DUTIES GENERALLY; PROVIDING FOR MANNER OF PARKING; PROVIDING FOR PARKING OF VEHICLES WITHOUT AFFIXED CURRENT AND VALID REGISTRATION LICENSE PLATE AND VALIDATION STICKER; REMOVING, IMPOUNDING OF VEHICLES WITHOUT AFFIXED CURRENT AND VALID REGISTRATION LICENSE PLATE AND VALIDATION STICKER; PROVIDING FOR STOPPING, STANDING OR PARKING PROHIBITED IN SPECIFIED PLACES; PROVIDING FOR STOPPING, STANDING OR PARKING SO AS NOT TO OBSTRUCT TRAFFIC; PROVIDING FOR OVERTIME PARKING IN PARKING ZONES; PROVIDING FOR PARKING FOR CERTAIN PURPOSES PROHIBITED; PROVIDING FOR ADVERTISING; PROVIDING PARKING ON PARKWAYS; PROVIDING FOR REMOVAL AND IMPOUNDMENT OF ILLEGALLY PARKED, ABANDONED OR DISABLED VEHICLES; PROVIDING FOR STORAGE COSTS AND REMOVAL OF IMPOUNDED VEHICLES; PROVIDING FOR STOPPING, STANDING OR PARKING IN MORE THAN ONE SPACE; PROVIDING FOR MARKING OF SPACES; VEHICLES TO BE PARKED WITHIN MARKED LINES; PROVIDING FOR USE RESTRICTED TO CERTAIN TYPE OF VEHICLES; PROVIDING FOR USE RESTRICTED TO PARKING AND INCIDENTS THEREOF; PROVIDING FOR MOVEMENT OF VEHICLES IN PARKING AREAS; PROVIDING FOR MANNER OF PARKING; PROVIDING FOR BACKING; PROVIDING FOR SPEED; PROVIDING FOR APPLICABILITY OF GENERAL TRAFFIC ORDINANCES AND STATE STATUTES; PROVIDING FOR PERMIT PARKING; PROVIDING FOR LIABILITY FOR PAYMENT OF PARKING TICKET VIOLATIONS; PROVIDING FOR PERMIT PARKING AREAS, PERMITS AND CARDS; PROVIDING FOR THE REPEAL OF INCONSISTENT ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; AND, PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council wishes to repeal the current Article III of Chapter 21 of the Code of Ordinances dealing with stopping, standing and parking and replacing said section with a new Article III, which is consistent with current development and economic conditions.

NOW THEREFORE, be it Ordained by the City Council of the City of Inverness this _____ day of _____, 2014 as follows:

SECTION 1. Article III, entitled “Stopping, Standing and Parking”, Sections 21-11 through 21-36 of Chapter 21 of the Code of Ordinances is hereby repealed in its entirety and replaced with a new Article III, which shall read as follows:

ARTICLE III. STOPPING, STANDING AND PARKING

- Sec. 21-11. Short Title.**
- Sec. 21-12. Definitions.**
- Sec. 21-13. Duties Generally.**
- Sec. 21-14. Manner of Parking.**
- Sec. 21-15. Parking of Vehicles Without Affixed Current and Valid Registration License Plate and Validation Sticker; Removing, Impounding of Vehicles Without Affixed Current and Valid Registration License Plate and Validation Sticker.**
- Sec. 21-16. Stopping, Standing or Parking Prohibited in Specified Places.**
- Sec. 21-17. Stopping, Standing or Parking so as not to Obstruct Traffic.**
- Sec. 21-18. Overtime Parking in Parking Zones.**
- Sec. 21-19. Parking for Certain Purposes Prohibited.**
- Sec. 21-20. Advertising.**
- Sec. 21-21. Parking on Parkways.**
- Sec. 21-22. Removal and Impounding of Illegally Parked, Abandoned or Disabled Vehicles.**
- Sec. 21-23. Storage, Costs and Removal of Impounded Vehicles.**
- Sec. 21-24. Stopping, Standing or Parking in More than One Space.**
- Sec. 21-25. Marking of Spaces; Vehicles to be Parked Within Marked Lines.**
- Sec. 21-26. Use Restricted to Certain Types of Vehicles.**
- Sec. 21-27. Use Restricted to Parking and Incidents Thereof.**
- Sec. 21-28. Movement of Vehicles in Parking Areas.**
- Sec. 21-29. Manner of Parking.**
- Sec. 21-30. Backing.**
- Sec. 21-31. Speed.**
- Sec. 21-32. Applicability of General Traffic Ordinances and State Statutes**
- Sec. 21-33. Permit Parking.**
- Sec. 21-34. Liability for Payment of Parking Ticket Violations.**
- Sec. 21-35. Permit Parking Areas, Permits and Cards.**
- Sec. 21-36. Reserved.**

Sec. 21-11. Short Title.

This Chapter may be known and cited as the "Inverness Parking Code" or in the alternative as Chapter 21, Article III, of the Code of the City of Inverness.

Sec. 21.12. Definitions.

The following words and phrases, when used in this Article, shall have the meanings respectively ascribed to them in this section, except where the context otherwise requires:

- (1) *Commercial Vehicle.* Any vehicle designed, equipped or used for trade meeting any of the following criteria:
 - (a) A gross vehicle weight rating (GVWR) exceeding 5,000 pounds;
 - (b) A vehicle width exceeding 80 inches;
 - (c) Designed for or possessing more than 4 wheels;
 - (d) Total signage in or on the vehicle exceeding 4 square feet in area; or
 - (e) Equipped with external modifications designed to be used in trade including, but not limited to, externally-mounted tools, machinery, equipment, tool or equipment racks.
- (2) *Crosswalks.*
 - (a) That part of a roadway at an intersection included within the connections of the lateral lines of the sidewalks on opposite sides of the highway measured from the curbs or, in the absence of curbs, from the edges of the traversable roadway.
 - (b) Any portion of a roadway at an intersection or elsewhere distinctly indicated for pedestrian crossing by lines or other markings on the surface.
- (3) *Designated Official.* Any Court Judge or civil traffic infraction hearing officer authorized by law to preside over cases alleging the violation of county or municipal parking ordinances.
- (4) *Intersection.*
 - (a) The area embraced within the prolongation or connection of the lateral curb lines; or, if none, then the lateral boundary lines of the roadways of two (2) highways which join one another at, or approximately at, right angles; or the area within which vehicles traveling upon different highways joining at any other angle may come in conflict.
 - (b) Where a highway includes two (2) roadways thirty (30) feet or more apart, then every crossing of each roadway of such divided highway by an intersecting highway shall be regarded as a separate intersection. In the event such intersecting highway also includes two (2) roadways thirty (30) feet or more apart, then every crossing of two (2) roadways of such highways shall be regarded as a separate intersection.
- (5) *Motor Vehicle.* Any self-propelled motorized vehicle to include has been approved and stipulated for public parking located in or on the streets in the City whether they be public or private located and existing at or near the curbs of the streets within the City.

- (6) *Off-Street Parking Facility.* Any City owned or controlled parking facility located at places other than in or on the streets of the City.
- (7) *On-Street Parking Facility.* Any parking facility located in or on the streets in the City, including parking meters installed, located and existing at or near the curbs of the streets within the City.
- (8) *Operator.* Any person who is in actual physical control of a motor vehicle, or who is exercising control over or steering a vehicle being towed by a motor vehicle.
- (9) *Overnight.* To include the hours between 2 a.m. and 6 a.m. the same day.
- (10) *Owner.* The person to whom a vehicle is registered.
- (11) *Park or Parking.* The halting of a vehicle otherwise than momentarily, regardless of whether vehicle is occupied or in operation, and not for the purpose of receiving or discharging passengers or materials.
- (12) *Parking Enforcement Specialist.* An employee or contractor of the City of Inverness or a contracted agent who has complied with the requirements of Chapter 316, Florida Statutes.
- (13) *Parking Facilities.* All parking lots, garages, buildings, property and other structures, entrances, exits, fencing and all other facilities, equipment and accessories necessary for which to provide the parking of vehicles.
- (14) *Parking Permit.* Any decal, card, placard, sticker, barcode, hangtag or any other means used to allow parking, loading/unloading, vehicle registration and any other uses in conjunction with vehicle parking.
- (15) *Parking Zone.* The side of a City street alongside which parking is specifically permitted or an entire parking lot wherein designated parking spaces are provided.
- (16) *Parking System.* All off-street parking facilities and all on-street parking facilities.
- (17) *Parking Violation Notice.* The written notification that is issued by an authorized individual informing the operator of a motorized vehicle that a parking violation has occurred. The notification is also referred to as a parking ticket or citation.
- (18) *Parkway.* That area from the right-of-way line to the edge of pavement or the lateral lines of a roadway including any grassy or unpaved median between two paved areas.
- (19) *Private Road or Driveway.* Any privately owned way or place used for vehicular travel by the owner and those having express or implied permission from the owner, but not by other persons.

- (20) *Recreational Vehicle.* Any vehicle designed as, or altered to be, a recreational vehicle including, but not limited to, a camper, travel trailer, motor home, mobile home or bus, meeting any of the following criteria:
 - (a) a gross vehicle weight rating (GVWR) exceeding 8,000 pounds;
 - (b) a vehicle width exceeding 80 inches; or
 - (c) an overall length exceeding 20 feet, and specifically not including a boat or boat trailer.

- (21) *Trailer.* Any non-motorized vehicle or device designed for carrying persons or property which may or may not be capable of being drawn by a motor vehicle.

- (22) *Vehicle.* Any motorized device, in, upon, or by which any person or property is or may be transported or drawn upon a street or highway to include any attached or unattached trailers or other attachments to the device.

Sec. 21.13. Duties Generally.

- (1) It shall be the general duty of the City Manager to determine the need and the operation of off-street parking facilities, and to formulate programs, enforcement, and service levels to meet current and future municipal parking needs and the improvement of parking methods and options.

- (2) The City Manager shall determine the location of on-street freight loading zones and place and maintain appropriate signs indicating the same and stating the hours during which same are in effect. The City Manager shall not designate or mark any such zone upon special request of any person unless such person makes application for a permit for such zone and for two (2) signs to indicate the ends of each such zone.

- (3) The City Manager shall determine and designate whether or not parking shall be allowed upon one or both sides of any street; shall determine and designate the type, style and manner of on-street parking, and shall erect, place and maintain signs, devices or markings giving notice thereof.

- (4) The City Manager shall determine the parking time or limitations upon any street and promulgate, adopt and amend schedules designating such limitations, and erect, place and maintain signs, devices and markings giving notice thereof.

- (5) The City Manager shall determine and grant waivers, modifications, exceptions, modifications rates and any overall parking limitations including those regarding special events, parades or other temporary or general closures or needs.

- (6) All rules, regulations, orders, schedules, permits or determinations of, or made or issued by the City Manager within this ordinance may, shall be approved by City Council, and at any time may be revoked, modified, suspended or reinstated by City Council.

Sec. 21.14. Manner of Parking.

No person shall stand or park a vehicle in a roadway other than parallel with the edge of the roadway, headed in the direction of traffic and with the curb-side wheels of the vehicle within twelve (12) inches of the edge of the roadway, except as provided in the following paragraphs:

- (1) Upon a street which has been marked or a sign erected for angle parking, a vehicle shall be parked at the angle to the curb indicated by such mark or sign with the front of the vehicle placed facing the curb.
- (2) In a place where, and at hours when, stopping for the immediate loading or unloading of merchandise or materials is permitted.

Sec. 21.15. Parking of Vehicles Without Affixed Current and Valid Registration License Plate and Validation Sticker; Removing, Impounding of Vehicles Without Affixed Current and Valid Registration License Plate and Validation Sticker.

- (1) No person shall stop, stand, or park a vehicle upon any street or in any off-street parking facility in the City of Inverness unless such vehicle has affixed to it a current and valid registration license plate and validation sticker.
- (2) Any motor vehicle without a current and valid license plate and validation sticker affixed to it found parked at any time upon any street or in any off-street parking facility in the City of Inverness may, in addition to the issuance of a parking violation notice, be towed and impounded at such cost to be fully borne by the owner of such vehicle.

Sec. 21.16. Stopping, Standing or Parking Prohibited in Specified Places.

No person shall stop, stand or park a vehicle, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic-control device, in any of the following places:

- (1) On a sidewalk or in such manner that any part of such vehicle is protruding over a sidewalk or any part of the sidewalk area;
- (2) In front of a public or private driveway;
- (3) Within an intersection;
- (4) Within six (6) feet of a fire hydrant;
- (5) On a crosswalk;
- (6) Within ten (10) feet of a crosswalk at an intersection, unless permitted to do so by appropriate signs or devices posted in such area;

- (7) Within thirty (30) feet of any flashing beacon, stop sign or other official traffic-control device located at the side of a roadway;
- (8) Within twenty (20) feet of the driveway entrance to any fire station and on the side of a street opposite such station, if prohibited by a sign;
- (9) On a roadway side of any vehicle stopping or parked at the edge or curb of a street or on the roadway end of any vehicle parked at an angle to curb or street edge, unless specifically permitted in this ordinance, except commercial vehicles engaged in loading or unloading only not to exceed 20 minutes;
- (10) Upon any bridge or other elevated structure upon a highway;
- (11) At any place where an official sign prohibits such;
- (12) At any place in such a manner as to block access to commercial refuse containers by the City of Inverness or those contracted by the City of Inverness for the use of refuse removal equipment;
- (13) At any parking space specifically designated and marked for persons with disabilities unless such vehicle displays a parking permit as required by State Law; or in such a manner as to block or obstruct a wheelchair ramp;
- (14) In a designated bus stop unless the vehicle is a bus respectively or when a bus stop is in the normal lane of traffic;
- (15) In an area designated as a fire lane;
- (16) On any property owned or controlled by the City of Inverness not designated for parking, unless otherwise approved by the City Manager;
- (17) Upon any particular street for a period longer than seventy-two (72) consecutive hours unless during the seventy-two (72) hour period the vehicle has been removed from the particular street for a period of at least twelve (12) consecutive hours;
- (18) In any City park or City recreation facility except where specifically permitted by an official sign and, if so permitted, only for the purpose of, and during the time of, visiting or using the park or recreation facility where such parking is provided;
- (19) Upon any street within thirty (30) feet of any rural-type mailbox between 8:00 a.m. and 6:00 p.m.;
- (20) On any portion of any lot or building site which does not legally exist as, or which has not been specifically constructed for vehicle parking or vehicular use area;
- (21) On any improved roadway Rights of Way or easements.

Sec. 21.17. Stopping, Standing or Parking so as not to Obstruct Traffic.

No person shall stop, stand or park any vehicle in a street in such a manner or under such conditions as to leave available less than ten (10) feet of the width of any lane of the roadway or travel way for free movement of vehicular traffic, except that a driver may stop momentarily during the immediate loading or unloading of passengers or when necessary in obedience to a traffic regulation or a traffic sign or signal or police officer.

Sec. 21.18. Overtime Parking in Parking Zones.

- (1) It shall be unlawful for any person to cause, allow, permit or suffer any vehicle to be parked overtime or beyond the period of legal parking time, and any vehicle in any parking zone longer than the time limit fixed for such zone by sign or ordinance shall be considered to be illegally parked.
- (2) It shall be unlawful to relocate a vehicle from one parking space within the same parking zone or to relocate a vehicle temporarily from the same parking space unless the vehicle has left the parking zone for an amount of time equal to or greater than the legal time limit for parking fixed for such zone.
- (3) It shall be unlawful by any means to remove or obscure or attempt to remove or obscure the markings made by parking enforcement personnel prior to removing the vehicle from the parking zone.

Sec. 21.19. Parking for Certain Purposes Prohibited.

No person shall stand or park a vehicle:

- (1) Upon a public or private street, public parking lot, any other public property or private property for the purpose and intent of displaying such vehicle thereon for sale, hire, or rental unless:
 - (a) A current commercial vehicular sale or resale license is held for the property issued by the Division of Motorist Services under Section 320.27 Florida Statutes, or
 - (b) The vehicle is titled in the same name as the owner or lessee of the property for which the vehicle is being displayed for sale;
- (2) Upon any public or private street, public parking lot or any other public property for the purpose of painting, greasing or repairing such vehicle, except repairs necessitated by an emergency;
- (3) Upon any public or private street, public parking lot or any other public property for the purpose of washing or polishing such vehicle or any part thereof unless approved by the City Manager;

- (4) Upon any public or private street, public parking lot, other public property or private property for the purpose of displaying advertising unless the vehicle is titled in the same name as the owner or lessee of the property for which the vehicle is being displaying advertising and such display does not violate any other such advertising or location ordinances;
- (5) Upon any public or private street, public parking lot, or any other public property for the purpose of selling merchandise from the motor vehicle, except when so authorized or licensed under the ordinances of the City.

Sec. 21.20. Parking on Parkways.

- (1) It shall be unlawful for any person to park any motor vehicle in or on a parkway other than motor vehicles owned or operated by or on behalf of the City of Inverness, by a public utility, or by the County, State or Federal government when such vehicles are engaged in the performance of duly authorized work on behalf of these agencies or authorized emergency vehicles engaged in emergency service.
- (2) The prohibition contained in this section shall not apply to parkway areas which have been officially designated and signed by the City Manager as permissible areas for parking when such is deemed to be in the public interest after review by the City Manager.

Sec. 21-21. Removal and Impounding of Illegally Parked, Abandoned or Disabled Vehicles.

Police officers, community service officers, and parking enforcement specialists of this City are hereby authorized to remove or have removed any vehicle from any street or other public property within the City, to a public garage or other place of safety, under the circumstances hereinafter enumerated:

- (1) When any vehicle is left unattended:
 - (a) On a sidewalk;
 - (b) In front of a public or private driveway;
 - (c) Within six (6) feet of a fire hydrant or in a fire lane;
 - (d) Within an intersection;
 - (e) On a crosswalk;
 - (g) In a space designated for emergency vehicles only;
 - (h) Within twenty (20) feet of a driveway entrance to a fire station and, if prohibited by a sign, on the side of a street opposite such station;
 - (i) Alongside or opposite any street excavation or obstruction when stopping, standing or parking would obstruct traffic and is prohibited by sign;
 - (j) At any place where official signs prohibit parking, stopping or standing and the vehicle is obstructing traffic, pedestrians or bicycle traffic or otherwise creating a safety hazard;
 - (k) In a City off-street parking facility for any period of time longer than twenty-four (24) hours or upon any particular street for a period of time longer than seventy-two (72) consecutive hours, unless during the seventy-two (72) hour

period the vehicle has been removed from the particular street for a period of at least twelve (12) consecutive hours;

- (l) Upon any bridge or elevated structure where such vehicle is obstructing traffic or otherwise creating a safety hazard;
 - (m) In any space which has been officially reserved by a sign so indicating;
 - (n) On any place or area prohibited under Chapter 316, Florida Statutes.
- (2) When a vehicle is obstructing traffic or otherwise creating a safety hazard and the person in charge of the vehicle is absent or by reason of physical injury or condition is incapacitated to such an extent as to be unable to provide for its custody or removal.
 - (3) When any vehicle is parked on any parking facility or area designated or used in connection with City Hall, police station, or other facilities of the City in violation of the posted signs and the permitted uses.
 - (4) When any motor vehicle remains stopped or parked on any property owned or controlled by the City of Inverness not designated for parking.
 - (5) When any motor vehicle remains in an on-street parking space, the use of which is prohibited or otherwise regulated by an official sign for any period longer than twenty-four (24) hours.

Sec. 21.22. Storage, Costs and Removal of Impounded Vehicles.

When a vehicle is removed pursuant to this article notice shall be provided to the vehicle owner pursuant to the provisions of Chapter, 713, Florida Statutes, and the owner of such vehicle shall be responsible for all costs associated with the removal, storage and impounding of such vehicle.

Sec. 21.23. Stopping, Standing or Parking in More Than One Space.

Any person, who stops, stands or parks a vehicle in more than one space allotted for standing or parking shall be considered to be illegally parked.

Sec. 21.24. Marking of Spaces; Vehicles to be Parked Within Marked Lines.

The City Manager shall place or cause to be placed lines or markings upon the curb, upon the street or in off street parking facilities for the purpose of designating the respective parking spaces. It shall be unlawful for any person to park a vehicle outside of, alongside of, or adjacent to any such parking space unless the parked vehicle is within the lines defined.

Sec. 21.25. Use Restricted to Certain Types of Vehicles.

The use of off-street parking facilities is hereby restricted at all times solely to the operators of passenger cars or passenger trucks being operated at the time of parking on such facilities primarily for the transportation of passengers; provided, however, that no motor vehicle not otherwise restricted from parking on such facilities shall be permitted to park thereon if the gross weight of such vehicle

shall exceed two (2) tons or the length of such vehicle shall exceed twenty (20) feet at such vehicle's longest point or the width of such vehicle shall exceed seven (7) feet at such vehicle's widest point.

Sec. 21.26. Use Restricted to Parking and Incidents Thereof.

No person shall at any time operate or park a vehicle on or travel through any City off-street parking facility for any purpose other than parking purposes and the necessary driving on such facility required of the operator of any vehicle in entering and leaving such facility in connection with the use of the facility as a parking area; provided, however, the City Manager may reserve or set aside a facility, or portion thereof, for a special event.

Sec. 21.27. Movement of Vehicles in Parking Areas.

No person shall at any time drive or otherwise move any vehicle on any City off-street parking facility in any area specifically designated for the parking of vehicles except as may be necessary for the entering or leaving of a designated parking place. In no event shall any person at any time cause any vehicle to cross, stop, stand or park on any marking placed on such facility for the purpose of designating the limits of individual parking spaces. No person shall drive or otherwise move a vehicle in a direction of travel contrary to posted signs or pavement markings.

Sec. 21.28. Manner of Parking.

- (1) No person shall at any time park any motor vehicle in any designated parking place in a City off-street parking facility in such a manner that the rear of such vehicle shall extend more than twenty (20) feet from the curb, mark or sign designating the front line of such parking space.
- (2) No person shall at any time park any motor vehicle in any designated parking place in a City off-street parking facility with the result that the front of the vehicle faces the driving lane, except under the direction of a police officer, community service officer, or parking enforcement specialist responsible for the directing of vehicles into parking spaces in or upon parking facilities of the City of Inverness.
- (3) No person shall at any time park any motor vehicle in a City off-street parking facility in such a manner as to block, obstruct, or impair the flow of traffic through the off-street parking facility.

Sec. 21.29. Backing.

The driver of a vehicle in a City parking facility shall not back such vehicle over any crosswalk or at any place against the current of traffic except to back out of an angle or perpendicular parking space or into a parallel parking space designated in such facility.

Sec. 21.30. Applicability of General Traffic Ordinances and State Statutes.

The driver of any vehicle on a City off-street parking facility shall at all times be subject to all traffic regulations and ordinances of the City and also subject to the Florida Uniform Traffic Control Law, as if such facility were a City street, and all ordinances or parts of ordinances in conflict with the provisions of this division shall be inapplicable only to the regulation of such parking facilities.

Sec. 21.31. Permit Parking.

Where appropriate signs are erected giving notice thereof, it shall be unlawful to park, stop, or stand a vehicle in a place designated for parking by permit only, unless such vehicle has a permit issued by the City Manager or his designee.

Sec. 21.32. Liability for Payment of Parking Ticket Violations.

Under authority of Chapter 316, Florida Statutes, the owner of a vehicle is responsible and liable for payment of any parking violation under this Chapter unless the owner can furnish evidence that the vehicle was, at the time of the parking violation, in the care, custody, or control of another person. In such instances, the owner of the vehicle is required, within a reasonable time after notification of the parking violation, to furnish to the City Manager or his designated assistant, the name and address of the person or company who leased, rented, or otherwise had the care, custody, or control of the vehicle. The owner of a vehicle is not responsible for parking violations if the vehicle involved was, at the time, stolen or in the care, custody, or control of some person who did not have permission of the owner to use the vehicle. Prima facie evidence that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person who did not have permission of the owner to use the vehicle, shall be in the form of a report from the appropriate law enforcement official that the said vehicle was not under the care, custody, or control of the owner of the vehicle.

Sec. 21.33. Permit Parking Areas, Permits and Cards.

- (1) The City Manager is hereby authorized to designate areas in City off-street parking facilities for parking by permit only and to issue parking permits and cards or to designate such off-street parking facilities as temporarily available only to specified vehicles which shall entitle the holder or designee thereof to park authorized motor vehicles bearing such a permit or card in such designated areas on a non-exclusive basis.
- (2) The City Manager is hereby authorized to establish rules and regulations governing such designated permit areas and the use thereof.
- (3) The City Manager is hereby authorized to establish various parking permit programs for parking at off-street parking facilities which may include, but not be limited to, monthly permits, annual permits, group permits, and such other special classes of permits as the City Manager may from time to time deem appropriate. The City Manager is also hereby authorized to issue parking permits and cards which shall entitle the holder thereof to park authorized motor vehicles bearing such permit or card in such off-street parking facilities as allowed by the particular permit program.
- (4) The City Manager is further authorized to establish rules and regulations governing the issuance of such permits and cards and the use thereof.

Sec. 21.34. Reserved

SECTION 2. Any Ordinance in conflict with this Ordinance is hereby repealed by implication.

SECTION 3. Should any provision of this Ordinance conflict with the provisions of Chapter 316, Florida Statutes, the later shall prevail.

SECTION 4. SEVERABILITY

If any section or portion of this Ordinance is found to be invalid, unlawful or unconstitutional by a Court of jurisdiction then all other sections or portions of this Ordinance shall remain valid and enforceable.

SECTION 5. INCLUSION IN THE CODE OF ORDINANCES

The provisions of this Ordinance shall be included and incorporated in the Code of Ordinances of the City of Inverness as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Code of Ordinances.

SECTION 6. EFFECTIVE DATE

The effective date of this Ordinance shall be as provided by law.

Upon motion duly made and carried on first reading, the foregoing ordinance was approved on the _____ day of _____, 2014.

Upon motion duly made and carried on second reading, the foregoing ordinance was adopted on the _____ day of _____, 2014.

CITY OF INVERNESS, FLORIDA

By: _____
KEN HINKLE, President

ROBERT PLAISTED, Mayor

ATTEST:

DEBORAH DAVIS, City Clerk

Approved as to form and content:

LARRY M. HAAG, City Attorney