



City of Palm Coast

Agenda

CITY COUNCIL

City Hall
160 Lake Avenue
Palm Coast, FL 32164
www.palmcoastgov.com

Mayor Milissa Holland
Vice Mayor Nick Klufas
Council Member Eddie Branquinho
Council Member Robert G. Cuff
Council Member Jack D. Howell, II

Tuesday, March 19, 2019

9:00 AM

CITY H ALL

City Staff

Beau Falgout, Interim City Manager
William Reischmann, City Attorney
Virginia A. Smith, City Clerk

- > Public Participation shall be in accordance with Section 286.0114 Florida Statutes.
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- > All pagers and cell phones are to remain OFF while City Council is in session.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE TO THE FLAG

C. ROLL CALL

D. PUBLIC PARTICIPATION

Public Participation shall be held in accordance with Section 286.0114 Florida Statutes. After the Mayor calls for public participation each member of the audience interested in speaking on any topic or proposition not on the agenda or which was discussed or agendaed at the previous City Council Workshop, shall come to the podium and state their name. Each speaker will have up to three (3) minutes each to speak. The Mayor will advise when the three (3) minutes are up and the speaker will be asked to take a seat and wait until all public comments are finished to hear answers to all questions. Once all members of the audience have spoken, the Mayor will close public participation and no other questions/comments shall be heard. Council and staff will then respond to questions posed by members of the audience. Should you wish to provide Council with any material, all items shall be given to the City Clerk and made part of the record. If anyone is interested in discussing an issue

further or ask additional questions, individual Council Members and staff will be available after the meeting to discuss the matter and answer questions.

E. MINUTES

- 1. MINUTES OF THE CITY COUNCIL FOR:
MARCH 5, 2019 BUSINESS MEETING
MARCH 8, 2019 SPECIAL BUSINESS MEETING-CITY MANAGER INTERVIEWS
MARCH 12, 2019 SPECIAL BUSINESS MEETING-CITY MANAGER SELECTION
MARCH 12, 2019 WORKSHOP**

F. PROCLAMATIONS AND PRESENTATIONS

- 2. PROCLAMATION RECOGNIZING APRIL AS WATER CONSERVATION MONTH**
- 3. PROCLAMATION TO RECOGNIZE APRIL 2, 2019 AS EQUAL PAY DAY IN PALM COAST**
- 4. PRESENTATION-PUBLIC SAFETY UPDATES BY SHERIFF STALY**

G. ORDINANCES SECOND READ

- 5. ORDINANCE 2019-XX FUTURE LAND USE MAP AMENDMENT FOR A 6.1 +/- ACRE PARCEL LOCATED .5 MILES NORTH OF PALM COAST PARKWAY ON THE WESTSIDE OF US-1 FROM DEVELOPMENT OF REGIONAL IMPACT- MIXED USE (DRI-MU) TO INSTITUTIONAL**
- 6. ORDINANCE 2019-XX ZONING MAP AMENDMENT FROM MASTER PLANNED DEVELOPMENT (MPD) TO PUBLIC/SEMIPUBLIC (PSP) FOR A 6+/- ACRE PARCEL LOCATED .50 MILES NORTH OF PALM COAST PARKWAY ON THE WESTSIDE OF US-1**
- 7. ORDINANCE 2019-XX ZONING MAP AMENDMENT FROM PUBLIC/SEMIPUBLIC (PSP) TO GENERAL COMMERCIAL (COM-2) FOR A 5+/- ACRE PARCEL LOCATED NORTH OF WELLFIELD GRADE AND WEST OF US-1**

H. RESOLUTIONS

- 8. RESOLUTION 2019-XX APPROVING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018, AS PRESENTED BY JAMES MOORE & CO., P.L.**
- 9. RESOLUTION 2019-XX APPROVING THE FIRST AMENDMENT TO INCREASE FUNDS FOR A FEDERALLY-FUNDED SUBGRANT AGREEMENT WITH FLORIDA DEPARTMENT OF EMERGENCY MANAGEMENT (FDEM) RELATING TO HURRICANE IRMA EXPENSES**

10. RESOLUTION 2019-XX APPROVING THE CONTRACT WITH MATTHEW MORTON, CITY MANAGER

I. CONSENT

11. RESOLUTION 2019-XX APPROVING AN INTERLOCAL AGREEMENT WITH GRAND HAVEN CDD FOR CODE ENFORCEMENT SERVICES

12. RESOLUTION 2019-XX APPROVING A RIGHT-OF-WAY ACQUISITION FOR OLD KINGS ROAD N EXTENSION WITH ROBERT W CONSER JR AND ANNA M GALLO FOR PROPERTY KNOWN AS PALM COAST PARCEL 2

13. RESOLUTION 2019-XX APPROVING MASTER PRICE AGREEMENTS WITH OSBURN ASSOCIATES, INC, VULCAN INC, DBA VULCAN SIGNS, VULCAN ALUMINUM, MANDEL METALS, DBA U.S. STANDARD SIGN AND MODULEX ORLANDO, LLC FOR SIGN SHOP MATERIALS

J. PUBLIC PARTICIPATION

Remainder of Public Comments is limited to three (3) minutes each.

K. DISCUSSION BY CITY COUNCIL OF MATTERS NOT ON THE AGENDA

L. DISCUSSION BY CITY ATTORNEY OF MATTERS NOT ON THE AGENDA

M. DISCUSSION BY CITY MANAGER OF MATTERS NOT ON THE AGENDA

N. ADJOURNMENT

14. CALENDAR/WORKSHEET

15. ATTACHMENTS TO MINUTES

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6224	Account
		#
Subject	MINUTES OF THE CITY COUNCIL FOR: MARCH 5, 2019 BUSINESS MEETING MARCH 8, 2019 SPECIAL BUSINESS MEETING-CITY MANAGER INTERVIEWS MARCH 12, 2019 SPECIAL BUSINESS MEETING-CITY MANAGER SELECTION MARCH 12, 2019 WORKSHOP	
Background :		
Recommended Action :	APPROVE MINUTES OF THE CITY COUNCIL FOR: MARCH 5, 2019 BUSINESS MEETING MARCH 8, 2019 SPECIAL BUSINESS MEETING-CITY MANAGER INTERVIEWS MARCH 12, 2019 SPECIAL BUSINESS MEETING-CITY MANAGER SELECTION MARCH 12, 2019 WORKSHOP	



City of Palm Coast Minutes CITY COUNCIL

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Mayor Milissa Holland
Vice Mayor Nick Klufas
Council Member Eddie
Branquinho
Council Member Robert G.
Cuff
Council Member Jack D.
Howell, II

Tuesday, March 5, 2019

6:00 PM

CITY H ALL

City Staff

Beau Falgout, Interim City Manager
William Reischmann, City Attorney
Virginia A. Smith, City Clerk

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A. CALL TO ORDER

Mayor Holland called the meeting to order at 6:00 p.m.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

C. ROLL CALL

Ms. Smith called the roll. All members were present.

D. PUBLIC PARTICIPATION

Public Participation shall be held in accordance with Section 286.0114 Florida Statutes. After the Mayor calls for public participation each member of the audience interested in speaking on any topic or proposition not on the agenda or which was discussed or agendaed at the previous City Council Workshop, shall come to the podium and state their name. Each speaker will have up to three (3) minutes each to speak. The Mayor will advise when the three (3) minutes are up and the speaker will be asked to take a seat and wait until all public

comments are finished to hear answers to all questions. Once all members of the audience have spoken, the Mayor will close public participation and no other questions/comments shall be heard. Council and staff will then respond to questions posed by members of the audience. Should you wish to provide Council with any material, all items shall be given to the City Clerk and made part of the record. If anyone is interested in discussing an issue further or ask additional questions, individual Council Members and staff will be available after the meeting to discuss the matter and answer questions.

Ms. Stacio felt there need to be more code enforcement in residential areas. She suggested increasing the number of officers patrolling the areas.

Carl Johnson spoke of a home in his area with several code issues. The address is 3 Powder Horn Drive. The garage is burned, they have boarded up the doors and now there are tires on the side of the house. Mr. Johnson spoke before Council before and had hoped the City might be able to take some action on this property.

Richard Atkinson lives on Laramie spoke of water trespassing onto his property from the golf course.

Tom Olsner was wondering if there has been an update regarding the cost of the public works facility.

Bill Shelly asked Council to look into increasing the impact fees. He suggested looking at Daytona and Ormond Beach. He also spoke of the homeless epidemic.

Catherine Rozanski spoke of the homeless epidemic demic and agreed with the City's Code Enforcement.

BOCC Chairman, Donald O'Brien, provided an update to the county property outside of the library located in Palm Coast.

E. MINUTES

- 1. MINUTES**
FEBRUARY 19, 2019 BUSINESS MEETING
FEBRUARY 19, 2019 SPECIAL MEETING
FEBRUARY 26, 2019 SPECIAL MEETING
FEBRUARY 26, 2019 WORKSHOP

Pass

Motion made to approve by Vice Mayor Klufas and seconded by Council Member Howell, II

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

F. PROCLAMATIONS

2. PROCLAMATION RECOGNIZING MARCH AS MULTIPLE MYELOMA AWARENESS MONTH

Council Member Cuff read the proclamation into the record.

G. ORDINANCES SECOND READ

3. ORDINANCE 2019-XX ANNEXATION OF 92+/- ACRE AREA GENERALLY LOCATED 1.3 MILES NORTH OF STATE ROAD 100 ON THE WESTSIDE AND EASTSIDE OF COLBERT LANE

O20190002

Pass

Motion made to approve by Vice Mayor Klufas and seconded by Council Member Cuff

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

Attorney Reischmann read the title of the ordinance into the record. Mr. Falgout gave a brief overview of the item.

Public Comments:

No comments were received.

H. ORDINANCES FIRST READ

4. ORDINANCE 2019-XX A FUTURE LAND USE MAP DESIGNATION FOR 89+/- ACRES FROM FLAGLER COUNTY DESIGNATIONS OF MIXED USE: HIGH INTENSITY & MIXED USE: LOW INTENSITY TO CITY OF PALM COAST DESIGNATION OF MIXED USE

Attorney Reischmann read the titles of the ordinances of Item 4 and Item 5 into the record. Attorney Reischmann reminded Council item 5 is a quasi-judicial item and called for any ex-parte communication regarding Item 5, amending the change in the zoning map. There was no ex-parte communication reported.

Jose Papa gave a presentation to Council. A question and answer period followed.

Public Comments:

Bill Shelly felt it was too many residents for that parcel. David Chaney asked how long the property will take to be developed.

Pass

Motion made to approve by Council Member Cuff and seconded by Vice Mayor Klufas

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

5. ORDINANCE 2019-XX A ZONING MAP AMENDMENT FROM PLANNED UNIT DEVELOPMENT (FLAGLER COUNTY DESIGNATION) TO MASTER PLANNED DEVELOPMENT (CITY OF PALM COAST DESIGNATION) FOR AN 89+/- ACRE PARCEL LOCATED 1.3 MILES NORTH OF STATE ROAD 100

Attorney Reischmann read the titles of the ordinances of Item 4 and Item 5 into the record. Attorney Reischmann reminded Council this is a quasi-judicial item and called for any ex-parte communication. There was no ex-parte communication reported.

Public Comments:

Jack Carrall was concerned that not everything was in place and thought voting on the item was not appropriate. George Mayo spoke of the rookery and asked that they consider the environment if at all possible to be kept in order to keep the rookery in place. Mr. Mayo spoke of the necessity of having an elevator in a building three stories and above in order for help senior citizens.

Pass

Motion made to approve by Vice Mayor Klufas and seconded by Council Member Cuff

Approved - 4 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho

Denied - 1 - Council Member Jack Howell, II

6. ORDINANCE 2019-XX FUTURE LAND USE MAP AMENDMENT FOR A 6.1 +/- ACRE PARCEL LOCATED .5 MILES NORTH OF PALM COAST PARKWAY ON THE WESTSIDE OF US-1 FROM DEVELOPMENT OF REGIONAL IMPACT- MIXED USE (DRI-MU) TO INSTITUTIONAL

Attorney Reischmann read the titles of the ordinances for Items 6, 7, 8 into the record. Attorney Reischmann reminded Council items 7 and 8 are quasi-judicial items and called for any ex-parte communication regarding Items 7 and 8, zoning map amendments. There was none. A question and answer period followed.

Public comments: No comments were received.

Pass

Motion made to approve by Council Member Cuff and seconded by Vice Mayor Klufas

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

7. ORDINANCE 2019-XX ZONING MAP AMENDMENT FROM MASTER PLANNED DEVELOPMENT (MPD) TO PUBLIC/SEMIPUBLIC (PSP) FOR A 6+/- ACRE PARCEL LOCATED .50 MILES NORTH OF PALM COAST PARKWAY ON THE WESTSIDE OF US-1

Attorney Reischmann read the titles of the ordinances for Items 6, 7, 8 into the record. Attorney Reischmann reminded Council this is a quasi-judicial item and called for any ex-parte communication (regarding Item 7, zoning map amendment). There was none. A question and answer period followed.

Public comments: No comments were received.

Pass

Motion made to approve by Council Member Cuff and seconded by Council Member Branquinho

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

8. ORDINANCE 2019-XX ZONING MAP AMENDMENT FROM PUBLIC/SEMIPUBLIC (PSP) TO GENERAL COMMERCIAL (COM-2) FOR A 5+/- ACRE PARCEL LOCATED NORTH OF WELLFIELD GRADE AND WEST OF US-1

Attorney Reischmann read the titles of the ordinances for Items 6, 7, 8 into the record. Attorney Reischmann reminded Council this is a quasi-judicial item and called for any ex-parte communication (regarding Item 8, zoning map amendment). There was none. A question and answer period followed.

Public comments: No comments were received.

Pass

Motion made to approve by Council Member Howell, II and seconded by Council Member Branquinho

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

I. RESOLUTIONS

9. **RESOLUTION 2019-XX AMENDMENT TO THE PALM COAST PARK DEVELOPMENT OF REGIONAL IMPACT DEVELOPMENT ORDER TO DELETE AN APPROXIMATE SIX (6) ACRE PARCEL FROM THE BOUNDARIES OF THE DRI**

R20190020

Item 9 was part of the presentation regarding the Items 6, 7 and 8.

Pass

Motion made to approve by Council Member Howell, II and seconded by Vice Mayor Klufas

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

10. **RESOLUTION 2019-XX APPROVING SUPPLEMENTAL AMENDMENT #1 TO THE FDOT AGREEMENT, RELATING TO ADDITIONAL FUNDS FOR ROW ACQUISITION FOR OLD KINGS ROAD EXTENSION PHASE II PROJECT**

R20190021

Mr. Falgout gave a brief overview of the item.

Public Comments: No comments were received.

Pass

Motion made to approve by Council Member Cuff and seconded by Vice Mayor Klufas

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

J. CONSENT

11. **RESOLUTION 2019-XX APPROVING MASTER SERVICES AGREEMENT WITH PRO LIME CORPORATION**

R20190022

Pass

Motion made to adopt on consent by Council Member Howell, II and seconded by Council Member Branquinho

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

12. RESOLUTION 2019-XX APPROVING A WORK ORDER WITH DRMP FOR ADDITIONAL DESIGN SERVICES FOR THE BELLE TERRE SAFETY IMPROVEMENT PROJECT

R20190023

Pass

Motion made to adopt on consent by Council Member Howell, II and seconded by Council Member Branquinho

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

K. OTHER BUSINESS

13. APPOINTMENT TO FILL A VACANCY ON THE BEAUTIFICATION AND ENVIRONMENTAL ADVISORY COMMITTEE (BEAC)

Virginia Smith reviewed the City Clerk's office procedures when seeking applicants for boards and committees.

Pass

Motion made to approve by Council Member Howell, II and seconded by Vice Mayor Klufas

Approved - 5 - Council Member Robert Cuff, Vice Mayor Nick Klufas, Mayor Milissa Holland, Council Member Eddie Branquinho, Council Member Jack Howell, II

14. PRESENTATION OF CERTIFICATES TO THE GRADUATING STUDENTS OF THE CITY OF PALM COAST'S 45TH CITIZENS ACADEMY CLASS

Cindi Lane presented Certificates of Completion to the Citizens' Academy class.

L. PUBLIC PARTICIPATION

Remainder of Public Comments is limited to three (3) minutes each.

James Zimmerman spoke of the differences between the County Citizens' Academy and the City's Citizens' Academy.

George Mayo asked if the code could be amended to include three story developments include elevators for the seniors.

Mr. Nielebeck asked that the website be updated and asked for an update on Florida Park Drive. He also hoped the speed limit will be changed on Colbert Road before the new developments are completed.

Pat Devoy thanked Cindi Lane for all of her efforts during the Citizens' Academy.

M. DISCUSSION BY CITY COUNCIL OF MATTERS NOT ON THE AGENDA

VM Klufas asked that the City consider purchasing portable speakers for speaking engagements.

CM Cuff thanked Ms. Devoy for her comments of thanks to City staff. He also reported he received comments that the sound on the streaming has not been the best.

N. DISCUSSION BY CITY ATTORNEY OF MATTERS NOT ON THE AGENDA

No report.

O. DISCUSSION BY CITY MANAGER OF MATTERS NOT ON THE AGENDA

Mr. Falgout indicated that in the future photos with Council will be taken before the meetings. He gave an update on the recruitment of a Traffic Engineer.

P. ADJOURNMENT

VM Klufas motioned to adjourn.

The meeting adjourned at 8:18 p.m.

Respectfully submitted,

*Virginia Smith, MMC, CP
City Clerk*



**City of Palm Coast
Minutes
Council Special Business
Meeting**

City Hall
160 Lake Avenue
Palm Coast, FL 32164
www.palmcoastgov.com

**Mayor Milissa Holland
Vice Mayor Nick Klufas
Council Member Eddie Branquinho
Council Member Robert G. Cuff
Council Member Jack D. Howell, II**

Friday, March 8, 2019

9:00 AM

CITY HALL

City Staff

Beau Falgout, Interim City Manager

William Reischmann, City Attorney

Virginia A. Smith, City Clerk

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A. CALL TO ORDER

Mayor Holland called the meeting to order at 9:00 a.m.

B. PLEDGE OF ALLEGIANCE TO THE FLAG

C. ROLL CALL

City Clerk Virginia Smith called the roll. All members were present.

D. INTERVIEWS OF CANDIDATES FOR CITY MANAGER

1. INTERVIEWS FOR CITY MANAGER

Doug Thomas, SGR, reviewed the guidelines of the meeting and the timing of the candidates' presentations. A question and answer period will follow. Each candidate was to make opening comments, a 90 minute presentation, a question and answer period from Council and a time for the candidate to asked questions of Council.

The candidates were interviewed in the following order: the Matthew Morton, Donald Kewley, Robin Hayes and Beau Falgout.

E. PUBLIC PARTICIPATION

Remainder of Public Comments is limited to three (3) minutes each.

Bill Shelly thanked Council for going through the process of finding a new City Manager.

F. ADJOURNMENT

VM Klufas motioned to adjourn the meeting. The meeting adjourned at 4:06 p.m.

Respectfully submitted,

*Virginia Smith, MMC, CP
City Clerk*



**City of Palm Coast
Minutes
COUNCIL WORKSHOP
IMMEDIATELY
FOLLOWING THE
SPECIAL MEETING**

City Hall
160 Lake Avenue
Palm Coast, FL 32164
www.palmcoastgov.com

**Mayor Milissa Holland
Vice Mayor Nick Klufas
Council Member Eddie Branquinho
Council Member Robert G. Cuff
Council Member Jack D. Howell, II**

Tuesday, March 12, 2019

9:00 AM

CITY HALL

City Staff

Beau Falgout, Interim City Manager

William Reischmann, City Attorney

Virginia A. Smith, City Clerk

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A CALL TO ORDER

Mayor Holland called the meeting to order 10:51 a.m.

B PLEDGE OF ALLEGIANCE TO THE FLAG

C ROLL CALL

Ms. Settle called the roll. All members were present.

D PUBLIC PARTICIPATION

Celia Pugliese was concerned about decision for City Manager. She also spoke of her concerns on Florida Park Drive and Waste Pro.

Bill Shelly suggested enclosing a packet regarding the BAC with each permit and to the realtors in the area.

E PRESENTATIONS

1 RESOLUTION 2019-XX APPROVING AN INTERLOCAL AGREEMENT WITH GRAND HAVEN CDD FOR CODE ENFORCEMENT SERVICES

Mr. Falgout gave a quick overview of the item. Mayor Holland explained Interlocal Agreements with other entities such as emergency management are also being developed by Grand Haven.. Mr. Flanagan reported that Grand Haven has to abide by the City of Palm Coast City Ordinances but also St. John's Water Management and is pleased with the communication thus far.

F WRITTEN ITEMS

2 RESOLUTION 2019-XX APPROVING A RIGHT-OF-WAY ACQUISITION FOR OLD KINGS ROAD N EXTENSION WITH ROBERT W CONSER JR AND ANNA M GALLO FOR PROPERTY KNOWN AS PALM COAST PARCEL 2

Mr. Falgout gave an overview of the item. The item will be continued at the next Business Meeting.

3 RESOLUTION 2019-XX APPROVING MASTER PRICE AGREEMENTS WITH OSBURN ASSOCIATES, INC, VULCAN INC, DBA VULCAN SIGNS, VULCAN ALUMINUM, MANDEL METALS, DBA U.S. STANDARD SIGN AND MODULEX ORLANDO, LLC FOR SIGN SHOP MATERIALS

Mr. Falgout gave an overview of the item. Sign pollution was discussed. This item will be continued at the next Business Meeting.

G PUBLIC PARTICIPATION

Lewis McCarthy reported the garbage pick ups in his area have improved. The new neighbors don't seem to know when the garbage needs to be put out. He hoped for better communication to new residents from the City.

The Engagement Portal was discussed. The Mayor asked for the cost of modules to be brought back at another meeting.

H DISCUSSION BY CITY COUNCIL OF MATTERS NOT ON THE AGENDA

CM Cuff - Seafood Festival this weekend. The Community Center hosted the Historical Society and the event attendance was over 250 participants. He suggested Historical Society information be posted on our website.

VM Klufas suggested when Waste Pro picks up yard waste, they put a sticker on it informing the resident why it was not picked up.

I DISCUSSION BY CITY ATTORNEY OF MATTERS NOT ON THE AGENDA

Mr. Reischmann reported 3 Powder Horn has new property owners. Once they obtain possession, they will be making improvements on the property. CM Cuff asked Attorney Reischmann contact the owners' attorney in order to ensure that the special pick up is scheduled by the new owners as quickly as possible, as an eviction inevitably brings a large amount of trash on the side of the road.

J DISCUSSION BY CITY MANAGER OF MATTERS NOT ON THE AGENDA

Mr. Falgout thanked Council for the opportunity to serve the City as Interim City Manager. He asked if Council would like to continue the item regarding Council Priorities for when the new City Manager starts or if they would like to move forward with the item today. Mayor Holland wanted to hear the item and not delay.

4 PRESENTATION COUNCIL PRIORITIES UPDATE

Denise Bevan reviewed the timeline for Council Priorities with Council. Topics discussed included: how many of the 56 priorities have been set by previous Councils. Mayor Holland feared that the priorities are not necessarily priorities that are no longer apply to the goals of the Council. Ms. Bevan will review during the interview process.

K ADJOURNMENT

The meeting adjourned the meeting at 11:47 a.m.

Respectfully submitted,

*Kathleen E. Settle, CMC
Deputy City Clerk*



**City of Palm Coast
Minutes
Council Special Business
Meeting**

City Hall
160 Lake Avenue
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**Mayor Milissa Holland
Vice Mayor Nick Klufas
Council Member Eddie Branquinho
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Tuesday, March 12, 2019

9:00 AM

CITY HALL

City Staff

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A CALL TO ORDER

Mayor Holland called the meeting to order at 9:00 a.m.

B PLEDGE OF ALLEGIANCE TO THE FLAG

C ROLL CALL

Ms. Smith called the roll. All members were present.

D SELECTION OF THE NEXT CITY MANAGER

1 SELECTION OF CITY MANAGER

The Council discussed the candidates for City Managers and the pros and cons of each candidate.

*The Council discussed the candidates for the City Manager position and the pros and cons of each person. **Motion by VM Klufas to appoint Mr. Donald Kewley as our next City Manager. The motion died for lack of a second.***

Motion by VM Klufas, seconded by CM Branquinho, to appoint Mr. Matthew Morton as our next City Manager. The motion carried after a roll call vote, three to two with Council Members Cuff and Howell voting no.

Mayor Holland directed the City Clerk to coordinate the schedules of Attorney Reischmann, Council Member Cuff and Doug Thomas of SGR in order to start negotiations with Mr. Morton. Mayor Holland specifically asked for them to craft the severance package in such a way that the City would not be put in a situation as it had been in the recent past.

E PUBLIC PARTICIPATION

Celia Pugliese spoke of the necessity of ensuring the next City Manager improves their quality of life, and is able to handle the City's issues.

Lewis McCarthy thought the Council should direct the next City Manager with a timeframe.

Mr. Nielebach made suggestions on what to look for in the next City Manager.

Bill Shelly thanked the Council for their efforts.

F ADJOURNMENT

The meeting adjourned at 10:31 a.m.

Respectfully submitted,

*Virginia Smith, MMC/CP
City Clerk*

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6231	Account
		#
Subject	PROCLAMATION RECOGNIZING APRIL AS WATER CONSERVATION MONTH	
Background :	The City of Palm Coast desires to proclaim April as Water Conservation Month.	
Recommended Action :	Proclaim April as Water Conservation Month.	



PROCLAMATION

WHEREAS, water is a basic and essential need of every living creature; and

WHEREAS, the State of Florida, the St. Johns River Water Management District and other Water Management Districts, and the City of Palm Coast are working together to increase awareness about the importance of water conservation; and

WHEREAS, the City of Palm Coast and the State of Florida have designed April, typically a dry month when water demands are most acute, Florida's Water Conservation Month, to educate citizens about how they can help save Florida's precious water resources; and

WHEREAS, the City of Palm Coast has always encouraged and supported water conservation through various educational programs and special events; and

WHEREAS, every business, industry, school and citizen can make a difference when it comes to conserving water; and

WHEREAS, every business, industry, school and citizen can help by saving water and thus promote a healthy economy and community; and

WHEREAS, the City of Palm Coast is participating in the annual National Mayor's Challenge for Water Conservation, and encourages all residents to take the pledge online at www.mywaterpledge.com during the month of April.

NOW, THEREFORE, BE IT PROCLAIMED, the City Council of the City of Palm Coast, Florida, does hereby declare the month of April as:

water conservation month

and calls upon citizens and businesses to help protect our precious resource by practicing water saving measures and becoming more aware of the need to save water.

Adopted March 19, 2019.

CITY OF PALM COAST, FLORIDA

Witnessed by:

Milissa Holland, Mayor

Virginia A. Smith, City Clerk

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6230	Account
		#
Subject	PROCLAMATION TO RECOGNIZE APRIL 2, 2019 AS EQUAL PAY DAY IN PALM COAST	
Background :		
Recommended Action : Proclaim April 2, 2019 as Equal Pay Day in Palm Coast		



PROCLAMATION

WHEREAS, more than 50 years after the passage of the Equal Pay Act, women, especially minority women, continue to suffer the consequences of unequal pay; and

WHEREAS, according to the U.S. Census Bureau, women working full-time, year-round typically earn 80 percent of what men earn; and research by the American Association of University Women (AAUW) shows the gender gap is evident one year after college graduation, even after controlling for factors known to affect earnings, such as occupation, hours worked and college major; and

WHEREAS, in 2009 the Lilly Ledbetter Fair Pay Act was signed into law, and now pending in legislation is the Paycheck Fairness Act, which would amend the Equal Pay Act; and

WHEREAS, according to one estimate, college-educated women working full-time earn more than a half million dollars less than their male peers do over the course of a lifetime, with a lifetime of lower pay meaning women have less income to save for retirement and less income counted in a Social Security or pension benefit formula; and

WHEREAS, nearly four in 10 mothers are primary breadwinners in their households, and nearly two-thirds are primary or significant earners, making pay equality critical to families' economic security; and

WHEREAS, fair pay equity policies can be implemented simply and without undue costs or hardship in both the public and private sectors; and

WHEREAS, fair pay strengthens the security of families today and eases future retirement costs while enhancing the American economy; and

WHEREAS, Tuesday, April 2nd, symbolizes the time in 2019 when the wages paid to American women catch up to the wages paid to men from the previous year.

NOW, THEREFORE BE IT PROCLAIMED that the City Council of the City of Palm Coast does hereby proclaim **April 2, 2019** as

“Equal Pay Day”

in the City of Palm Coast, and do hereby urge all citizens to recognize the full value of women's skills and significant contributions to the labor force and further encourages businesses to conduct an internal pay evaluation to ensure women are being paid fairly.

Dated this 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

Milissa Holland, Mayor

Virginia A. Smith, City Clerk

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6225	Account
		#
Subject	PRESENTATION-PUBLIC SAFETY UPDATES BY SHERIFF STALY	
Background :	Sheriff Staly will present on public safety.	
Recommended Action :	Presentation only.	

City of Palm Coast, Florida

Agenda Item

Agenda Date: 03/19/2019

Department	PLANNING	Amount
Item Key	6073	Account
Subject	ORDINANCE 2019-XX FUTURE LAND USE MAP AMENDMENT FOR A 6.1 +/- ACRE PARCEL LOCATED .5 MILES NORTH OF PALM COAST PARKWAY ON THE WESTSIDE OF US-1 FROM DEVELOPMENT OF REGIONAL IMPACT-MIXED USE (DRI-MU) TO INSTITUTIONAL	
Background: <u>UPDATE FROM THE MARCH 5, 2019 BUSINESS MEETING.</u> This item was heard by City Council at their March 5, 2019 Business Meeting. There were no changes suggested to this item.		
<u>ORIGINAL BACKGROUND FROM THE MARCH 5, 2019 BUSINESS MEETING</u> The proposed comprehensive plan amendment is for a 6.1+/- acre parcel located approximately .50 mile north of Palm Coast Pkwy. on the westside of US-1. The proposed amendment will change the FLUM designation of the subject parcel from Development of Regional Impact – Mixed Use (DRI-MU) to Institutional.		
In addition to the FLUM amendment, there is a companion application to change the zoning of the parcel from Master Planned Development (MPD) to Public/Semipublic.		
The subject property was acquired by the City of Palm Coast in 2018 from a land swap with an adjacent owner. The property was previously analyzed as part of the Palm Coast Park Development of Regional Impact (DRI) and identified for residential use in the DRI Master Plan.		
An analysis of the proposed amendment’s impacts on public facilities and infrastructure indicates a reduction of impacts based on the maximum net development potential between the proposed and current Future Land Use Map (FLUM) designation.		
Additionally, the proposed amendment was reviewed for consistency with goals, objectives, and policies of the City’s Comprehensive Plan. The amendment was found consistent with the following comprehensive plan policies:		
<ul style="list-style-type: none">• <i>Objective 1.1.4 - Promote compact and contiguous development, a mixture of land uses, and discourage urban sprawl</i>• <i>Policy 1.1.4.5 - Land use patterns will be required to be efficient and not disproportionately increase the cost of providing and maintaining public facilities, as well as providing housing and transportation strategies that will foster energy conservation.</i>		
Consistent with Objective 1.1.4 and Policy 1.1.4.5, the subject parcel is contiguous to the developing areas of the City and does not promote urban sprawl. Utility lines (water and sewer) are available adjacent to the site and additionally, the proposed development on the parcel will appropriately occur on a parcel with access to a major arterial (US-1).		

Neighborhood Meeting

A neighborhood meeting was held on December 17, 2018 to provide an opportunity for neighboring property owners to receive information about the project. There were no comments provided.

Planning and Land Development Regulation Board Action

The Planning and Land Development Regulation Board held a public hearing on January 16, 2019 and recommended approval of the proposed amendment. There were no comments from the public.

Recommended Action: Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve Application # 3845, an amendment to the Future Land Use Map (FLUM) for 6.1 +/- acres from Development of Regional Impact – Mixed Use (DRI-MU) to Institutional.

ORDINANCE 2019-_____
PUBLIC WORKS SITE COMPREHENSIVE PLAN AMENDMENT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, PROVIDING FOR THE AMENDMENT OF THE CITY OF PALM COAST 2035 COMPREHENSIVE PLAN, AS PREVIOUSLY AMENDED, PURSUANT TO SECTION 163.3184, FLORIDA STATUTES; AMENDING THE FUTURE LAND USE MAP (FLUM) DESIGNATION FOR A 6.0+/- ACRE PARCEL OF LAND LOCATED .50 MILES NORTH OF PALM COAST PARKWAY AND WEST OF US-1 AS MORE PARTICULARLY DESCRIBED IN EXHIBIT “A”, FROM DEVELOPMENT OF REGIONAL IMPACT – MIXED USE TO INSTITUTIONAL PROVIDING FOR CODIFICATION, SEVERABILITY, AND AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Palm Coast enacted Ordinance 2010-07, adopting the *City of Palm Coast 2035 Comprehensive Plan* which includes the City of Palm Coast Future Land Use Map (FLUM), which Plan and FLUM have been amended from time-to-time; and

WHEREAS, this future land use amendment is a small scale amendment, and Section 163.3187, *Florida Statutes*, relates to the amendment of adopted local government comprehensive plans and sets forth certain requirements relating to small scale amendments, and this Future Land Use Map Amendment meets the defined criteria of a small scale amendment as defined by Section 163.3187(1), *Florida Statutes*; and

WHEREAS, the Palm Coast Planning and Land Development Regulation Board (PLDRB) considered findings and recommendation of staff, citizens, and all interested parties submitting written and oral comments regarding amending the Future Land Use Map (FLUM) for a 6+/- acre parcel of land identified as Flagler County Tax Parcel Identification Number 10-11-30-0000-01010-0011 described in Exhibit “A” from Future Land Use Map designation Development of Regional Impact – Mixed Use (DRI-MU) to Institutional at a public hearing on January 16, 2019; and

WHEREAS, the City Council of the City of Palm Coast held a duly noticed public hearing on the proposed amendment and considered findings and advice of staff, citizens, and all interested parties submitting written and oral comments and supporting data and analysis, and after complete deliberation, hereby approves and adopts the Comprehensive Plan Amendment; and

WHEREAS, the City Council of the City of Palm Coast hereby finds that this Ordinance is in the best interests of the public health, safety, and welfare of the citizens of Palm Coast.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF PALM COAST, FLORIDA, THAT THE FUTURE LAND USE MAP IS AMENDED AS FOLLOWS:

SECTION 1. LEGISLATIVE AND ADMINISTRATIVE FINDINGS.

(a). The above recitals (whereas clauses) are hereby adopted as the legislative and administrative findings of the City Council of the City of Palm Coast.

(b). The City Council of the City of Palm Coast hereby adopts and incorporates into this Ordinance the City staff report and City Council agenda memorandum and packet relating to the application relating to the proposed amendment to the *City of Palm Coast Comprehensive Plan* relating to the subject property. The exhibits to this Ordinance are incorporated herein as if fully set forth herein verbatim.

(c). The City of Palm Coast has complied with all requirements and procedures of Florida law in processing and advertising this Ordinance.

(d). This Ordinance is internally consistent with the goals, objectives and policies of the *Comprehensive Plan of the City of Palm Coast*.

SECTION 2. FUTURE LAND USE MAP AMENDED. The 6+/- acre parcel of land, identified as Flagler County Tax Parcel Identification Number 10-11-30-0000-01010-0011, generally located .50 miles north of Palm Coast Parkway on the westside of US-1, as legally described and shown in "Exhibit A", attached hereto, is hereby amended from the Future Land Use Map designation DRI-MU to Institutional.

SECTION 3. CODIFICATION/INSTRUCTIONS TO CODE CODIFIER.

Upon the effective date of the Comprehensive Plan Amendment adopted by this Ordinance, said Amendment shall be incorporated into the City of Palm Coast Comprehensive Plan and any section or paragraph number or letter and any heading may be changed or modified as necessary to effectuate the foregoing.

SECTION 4. SEVERABILITY. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Code are severable, and if any phrase, clause, sentence, paragraph or section of this Code shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Code.

SECTION 5. EFFECTIVE DATE. This Ordinance shall become effective thirty-one (31) days after enactment by the City Council. If challenged under the controlling provisions of State law within thirty (30) days after enactment, this small scale development amendment shall not become effective until the State land planning agency (the Florida Department of Economic Opportunity) or the Administration Commission, respectively, issues a final order determining this small scale development amendment is in compliance.

APPROVED on first reading after due public notice and public hearing the 5th day of March 5, 2019.

ADOPTED on second reading after due public notice and public hearing the 19th day of March 2019.

ATTEST:

CITY OF PALM COAST, FLORIDA

Virginia A. Smith, City Clerk

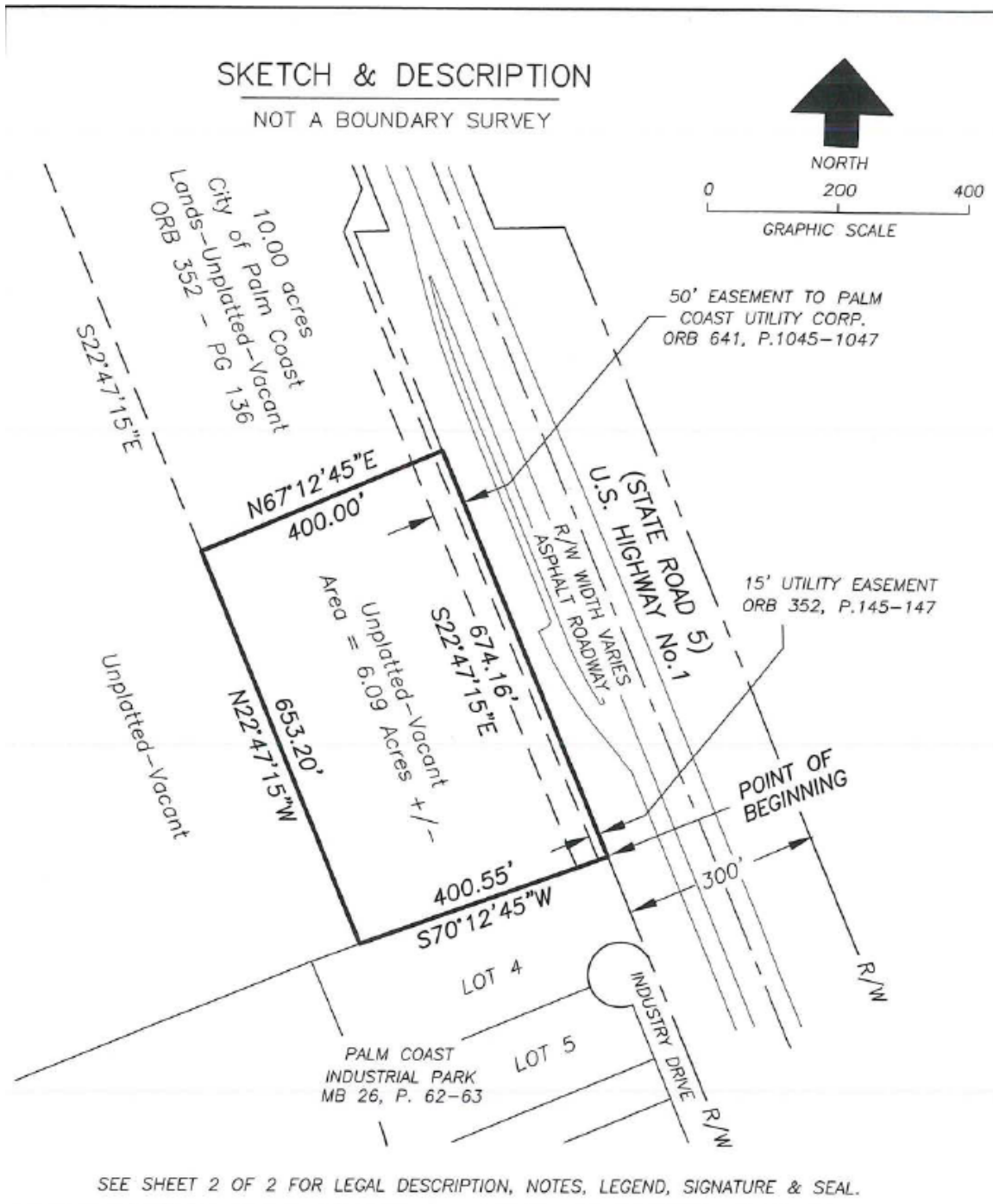
Milissa Holland, Mayor

Attachments:

Exhibit “A” – Legal Description of property subject to FLUM amendment.

Exhibit “B” – Revised FLUM.

EXHIBIT "A" LEGAL DESCRIPTION



**EXHIBIT "A" – cont'd.
LEGAL DESCRIPTION**

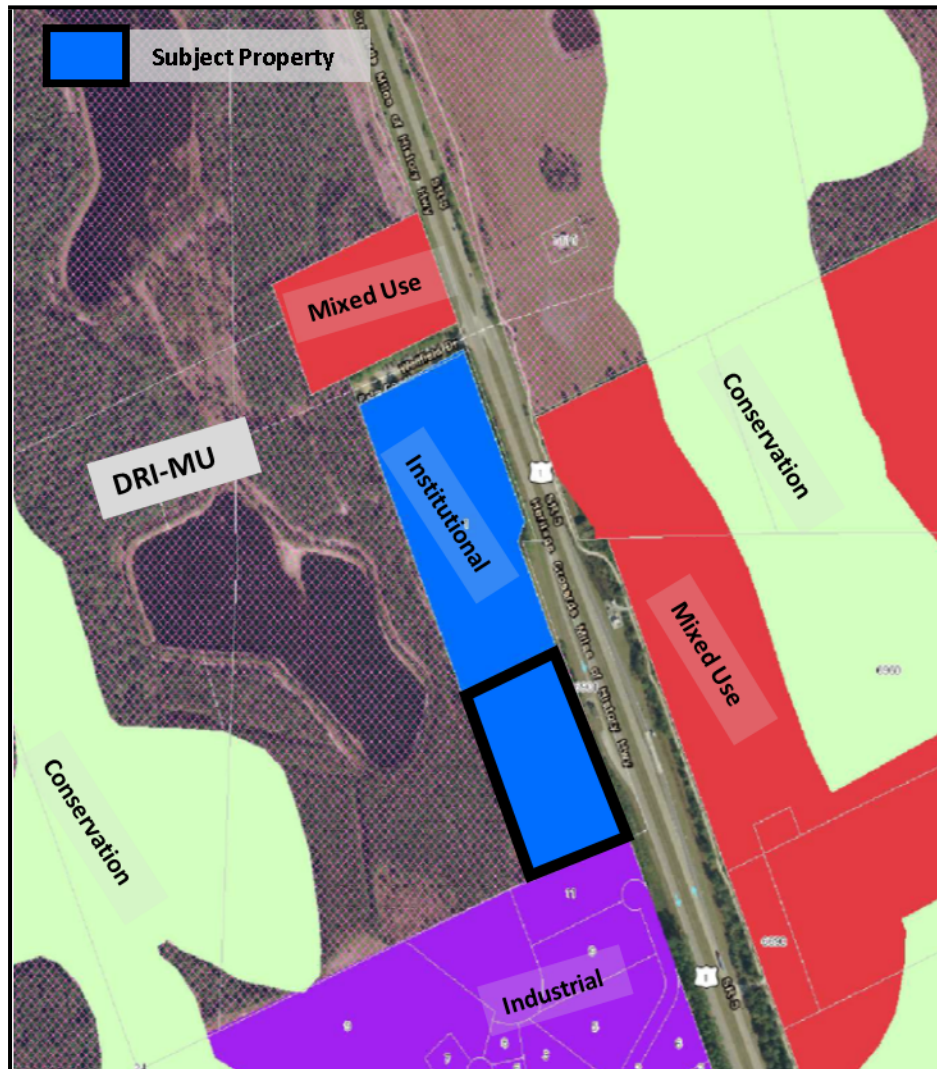
LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED WEST OF U.S. HIGHWAY NO. 1 (STATE ROAD NO. 5) A VARIABLE WIDTH RIGHT-OF-WAY, IN GOVERNMENT SECTION 10, TOWNSHIP 11 SOUTH, RANGE 30 EAST, FLAGLER COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHERLY-MOST CORNER OF PALM COAST INDUSTRIAL PARK AS RECORDED IN MAP BOOK 26, PAGES 62-63 OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA, SAID POINT BEING LOCATED ON THE WESTERLY RIGHT-OF-WAY LINE OF SAID U.S. HIGHWAY NO. 1; THENCE DEPARTING SAID RIGHT-OF-WAY LINE ALONG THE NORTHERLY LINE OF SAID PALM COAST INDUSTRIAL PARK S70°12'45"W FOR A DISTANCE OF 400.55 FEET; THENCE DEPARTING SAID NORTHERLY LINE N22°47'15"W FOR A DISTANCE OF 653.20 FEET TO THE SOUTHERLY LINE OF CITY OF PALM COAST LANDS PER OFFICIAL RECORDS BOOK 352, PAGE 136 OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA; THENCE ALONG SAID SOUTHERLY LINE N67°12'45"E FOR A DISTANCE OF 400.00 FEET TO THE AFOREMENTIONED RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 1; THENCE DEPARTING SAID SOUTHERLY LINE, ALONG SAID RIGHT-OF-WAY LINE, S22°47'15"E FOR A DISTANCE OF 674.16 FEET TO THE AFOREMENTIONED POINT OF BEGINNING OF THIS DESCRIPTION.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 6.09 ACRES, MORE OR LESS.

EXHIBIT “B”
ORDINANCE No. 2019-_____



Location Map



Palm Coast Pkwy. NW



**COMMUNITY DEVELOPMENT DEPARTMENT
CITY COUNCIL STAFF REPORT
February 6, 2019**

OVERVIEW

Application #: 3845

Applicant: City of Palm Coast

Property Description:

Property Owner:	City of Palm Coast
Location:	.50 miles north of Palm Coast Pkwy. on the westside of US-1
Real Estate ID #:	10-11-30-0000-01010-0011
Current FLUM designation:	Development of Regional Impact – Mixed Use
Current Zoning designation:	Master Planned Development
Current Use:	Vacant
Size of subject property:	Approximately 6+/- acres

Requested Action: Small-scale FLUM amendment for 6.0+/- acre parcel from Development of Regional Impact (DRI) – Mixed Use to Institutional

Recommendation: Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve Application # 3845 to amend the Future Land Use Map (FLUM) for 6.1 +/- acres from DRI-Mixed Use to Institutional

Project Planner: José Papa, AICP, Senior Planner

ANALYSIS

Background

In August 2017, the previous owner of the subject property and the City agreed to a land swap to enable a more ideal expansion of the City of Palm Coast Public Works facility. The subject property is part of the Palm Coast Park DRI and is slated for development as a residential parcel. The City (new owner) intends to use the subject parcel to expand the Public Works maintenance facility.

Neighborhood Meeting

A neighborhood meeting was held on December 17, 2018 to provide an opportunity for neighboring property owners to receive information about the project. There were no comments provided.

Planning and Land Development Regulation Board Action

The Planning and Land Development Regulation Board held a public hearing on January 16, 2019 and recommended approval of the proposed amendment. There were no comments from the public.

DENSITY/INTENSITY AND POPULATION

The proposed FLUM of Institutional permits a maximum FAR intensity of .30. The current FLUM of Development of Regional Impact – Mixed Use (DRI-MU) permits a maximum density of 15 units/acre and a maximum Floor to Area Ratio (FAR) of .55. The proposed FLUM will result in a net decrease of 66,320 sq. ft. of non-residential development or a net decrease of 91 dwelling units (See Table 1 and 1a).

TABLE 1 - FLUM DESIGNATION MAXIMUM DENSITY/INTENSITY ALLOWED (NON-RESIDENTIAL USE)			
	# of Acres	Maximum FAR	Maximum Sq. Ft. ⁽¹⁾
Proposed FLUM: Institutional	6.09	0.30	79584
Current FLUM: DRI-MU	6.09	0.55	145904
NET CHANGE		Decrease	-66320
Footnotes: ⁽¹⁾ Max Sq. Ft. = # of Acres X Max. FAR X 43560 sq.ft/acre			

TABLE 1a - FLUM DESIGNATION MAXIMUM DENSITY/INTENSITY ALLOWED (RESIDENTIAL USE)			
	# of Acres	Maximum Density	Maximum # of units ⁽¹⁾
Proposed FLUM: Institutional	6.09	0 (Residential not permitted)	0
Current FLUM: DRI-MU	6.09	15 units/acre	91
NET CHANGE		Decrease	-91
Footnotes: ⁽¹⁾ Max. # of units = # of Acres X Maximum Density			

PUBLIC FACILITIES AVAILABILITY/IMPACT ANALYSIS (MAXIMUM DEVELOPMENT POTENTIAL)

Objective 1.1.3-Evaluation of Amendments to the FLUM

Review proposed amendments to the Future Land Use Map (FLUM) based upon environmental conditions, the availability of facilities and services, school capacity, compatibility with surrounding uses, and other generally accepted land use planning principles.

Policy 1.1.3.2 - At a minimum, infrastructure availability and capacity, specified as follows, shall be considered when evaluating proposed FLUM amendments:

- A. *Existing and future capacity of roadways based on functional classifications and best available data for traffic modeling. For the purposes of evaluating capacity, roadway improvements programmed in the FDOT 5-year Work Plan or listed in either the City of the County 5-year Capital Improvement Program shall be considered.*
- B. *Large-scale, high-intensity commercial projects shall be concentrated at intersections of the following arterials...*

- C. Existing and future availability and capacity of central utility systems.
- D. Availability and capacity of receiving watercourses and drainage systems to convey design storm events.

The existing DRI-Mixed Use FLUM designation permits a maximum residential density of 15 dwelling units/acre and a maximum FAR of .55 of General Commercial Uses. In comparison, the Institutional FLUM designation allows a maximum .30 FAR of Office use.

The public facility impact analysis based on the maximum non-residential and residential development potential is provided in Table 2.

Table 2 Public Facilities Impact Analysis

Density ⁽¹⁾	# of units or square feet of development	Transportation (PHT) ⁽²⁾	Potable Water (GPD) ⁽³⁾	Sanitary Sewer (GPD) ⁽⁴⁾	Solid Waste (lbs./capita/day) ⁽⁵⁾	Recreation and Parks (8 acres/ 1000 pop.) ⁽⁶⁾	Public Education (students) ⁽⁷⁾	Stormwater Drainage ⁽⁸⁾
Proposed FLUM designation								
Institutional (6.09 ac.) .30 FAR Business Park	79,584	103	13,529	7,958	--	--	--	N/A
Total		103	13529	7958	--	--	--	N/A
Current FLUM designation								
DRI-Mixed Use (6.09 ac) .55 FAR	145,904	578	24,804	14,590	--	--	--	N/A
DRI-Mixed Use (6.09 ac) Residential Use - 15du/acre	91				1,888	2	30	
(minus) 34% pass-by trips for shopping center		196						
Total		381	24804	14590	1888	2	30	
Net Change		-279	-11,274	-6,632	-1,888	-2	-30	N/A

Footnotes:

⁽¹⁾ Calculation of Density: Lot Size (acre)*# of units/acre

⁽¹⁾ Calculation of Intensity: Lot Size (acre)*43560*FAR

⁽²⁾ Transportation: Residential PM Peak Hour Trips (PHT), Residential Development: = # of units*1.0 PM-PHT (Average Rate), ITE Trip Generation Manual, 9th Edition

⁽²⁾ Transportation: Non-residential PM Peak Hour Trips (PHT), DRI-Mixed Use = ITE Code 820: Shopping Center = 3.96/1000 sq. ft. based on equation in ITE Manual, 9th Edition

⁽²⁾ Transportation: Non-residential PM Peak Hour Trips (PHT), Institutional Use = ITE Code 770: Business Park = 1.29/1000 sq. ft. based on average rate in ITETrip

⁽³⁾ Potable Water: Residential = # of units*2.4*125 gallons/capita/day

⁽³⁾ Potable Water: Commercial = 17 gpd/100 sq. ft.

⁽⁴⁾ Wastewater: Residential = # of units*2.4*82 gallons/capita/day

⁽⁴⁾ Wastewater: Commercial = 10 gpd/100 sq. ft.

⁽⁵⁾ Solid Waste: Residential Demand = # of units*2.40*8.61 lbs/capita/day

⁽⁵⁾ Solid Waste: No Level of Service Requirement for Non-residential

⁽⁶⁾ Recreation and Parks: Residential Demand = # of units * 2.40 *8 acres/1000 persons

⁽⁶⁾ Recreation and Parks = No LOS Requirement for Non-residential

⁽⁷⁾ Public Education Residential: = Based on multiplier provided by Flagler County School District. See Table 3.

⁽⁷⁾ Public Education Non-Residential = No LOS Requirement for Non-residential

⁽⁸⁾ Stormwater/Drainage: Stormwater Treatment will be reviewed for consistency with adopted LOS, during site plan approval process.

Public Facilities Impact Analysis

Transportation

The proposed FLUM amendment will have a maximum potential net decrease of 279 peak hour trips.

Potable Water

The proposed FLUM amendment will have a maximum potential net decrease in demand for potable water of .011 MGD.

Wastewater

The proposed FLUM amendment will have a maximum potential net decrease in demand for sanitary sewer treatment of .006 MGD.

Solid Waste

The proposed FLUM amendment will have a maximum potential net decrease of 1,888 lbs. of solid waste/day. This is due to residential uses not being allowed under the proposed FLUM designation.

Public Recreation and Open Space

The proposed FLUM amendment will have a maximum potential net decrease in demand of 1.8 acres of park facilities.

Public Schools

The proposed FLUM amendment will have a potential net increase in demand for 30 student stations.

Stormwater

Stormwater systems are reviewed for consistency with LOS during site plan review.

ENVIRONMENTAL/CULTURAL RESOURCES ANALYSIS**Objective 1.1.3-Evaluation of Amendments to the FLUM**

Review proposed amendments to the Future Land Use Map (FLUM) based upon environmental conditions, the availability of facilities and services, school capacity, compatibility with surrounding uses, and other generally accepted land use planning principles.

Policy 1.1.3.1- At a minimum, the following environmental factors shall be evaluated each time FLUM amendments are proposed:

- A. Topography and soil conditions including the presence of hydric soils.*
- B. Location and extent of floodplains and the Coastal Planning Area, including areas subject to seasonal or periodic flooding.*
- C. Location and extent of wetlands, certain vegetative communities, and protected wildlife species.*
- D. Location and extent of other environmentally sensitive features.*
- E. Proximity to wellfields and aquifer recharge areas.*
- F. Impacts to potable water supply.*

The environmental factors listed above were previously analyzed during the approval process for the Development of Regional Impact (DRI)-Development Order. The analysis identified the appropriate areas for development.

Wetlands: See attached preliminary assessment.

A. TOPOGRAPHY AND SOIL CONDITIONS

The site was previously analyzed as part of the Palm Coast Park Development of Regional Impact (DRI). There are no changes in conditions on site and there are no special soil conditions that would affect development of the site.

B. FLOODPLAIN

Flood designation: "A" zone, a Special Flood Hazard Area (SFHA), measuring approximately 2.4 acres is located onsite. The remaining acreage is outside the SFHA and consists of a "X" zone.

C. VEGETATIVE COMMUNITIES

The existing FLUM for the subject parcel is DRI-MU. The proposed City FLUM change to Mixed Use (MU) will not significantly elevate the current level of development potential; any proposed improvements to the parcel area will require a technical site plan review to determine final compliance with the Unified Land Development Code.

D. PROTECTED SPECIES DISTRIBUTION/ WILDLIFE UTILIZATION

Listed species: The site was inspected on October 24, 2018. The site has limited potential of supporting listed species.

E. ENVIRONMENTAL SENSITIVE FEATURES

The site includes two pockets of medium quality wetlands.

F. GROUNDWATER RESOURCE PROTECTION

Impacts to groundwater resource protection were previously analyzed as part of the Development of Regional Impact (DRI) analysis. Impacts resulting from proposed uses on site will be further analyzed at the time of site plan review.

G. HISTORICAL RESOURCES

Cultural/Historical analysis was completed as part of DRI. There are no identified historical or cultural resources on site.

LAND USE COMPATIBILITY ANALYSIS

Policy 1.1.3.3 – At a minimum, compatibility with proximate uses and development patterns shall be considered when evaluating proposed FLUM amendments.

- A. This policy shall not be construed to mean that different categories of uses are inherently incompatible; rather, it is intended to promote the use of transitional areas where densities and intensities can be appropriately scaled.*
- B. Buffers are encouraged as an effective means of transition between areas where there is a greater degree of disparity in terms of densities and intensities.*
- C. Impacts to the health, safety, and welfare of surrounding residents shall be considered.*

Surrounding Future Land Use Map Designation:

North: Institutional
South: Industrial
East: DRI-Mixed Use
West: DRI-Mixed Use

Surrounding Zoning Designation:

North: Public/Semi-Public
South: Industrial - Light and Warehousing (IND-1)
East: (US-1) Master Planned Development
West: Master Planned Development

Surrounding Property Existing Uses:

North: City of Palm Coast Public Works Facility
South: Industrial building
East: Vacant
West: Vacant

The proposal to designate the subject property as Institutional is consistent with and compatible with the FLUM designation of the surrounding properties.

CONSISTENCY WITH COMPREHENSIVE PLAN

The proposed amendment was evaluated for consistency with the following relevant goals, objectives, and policies from the City's Comprehensive Plan.

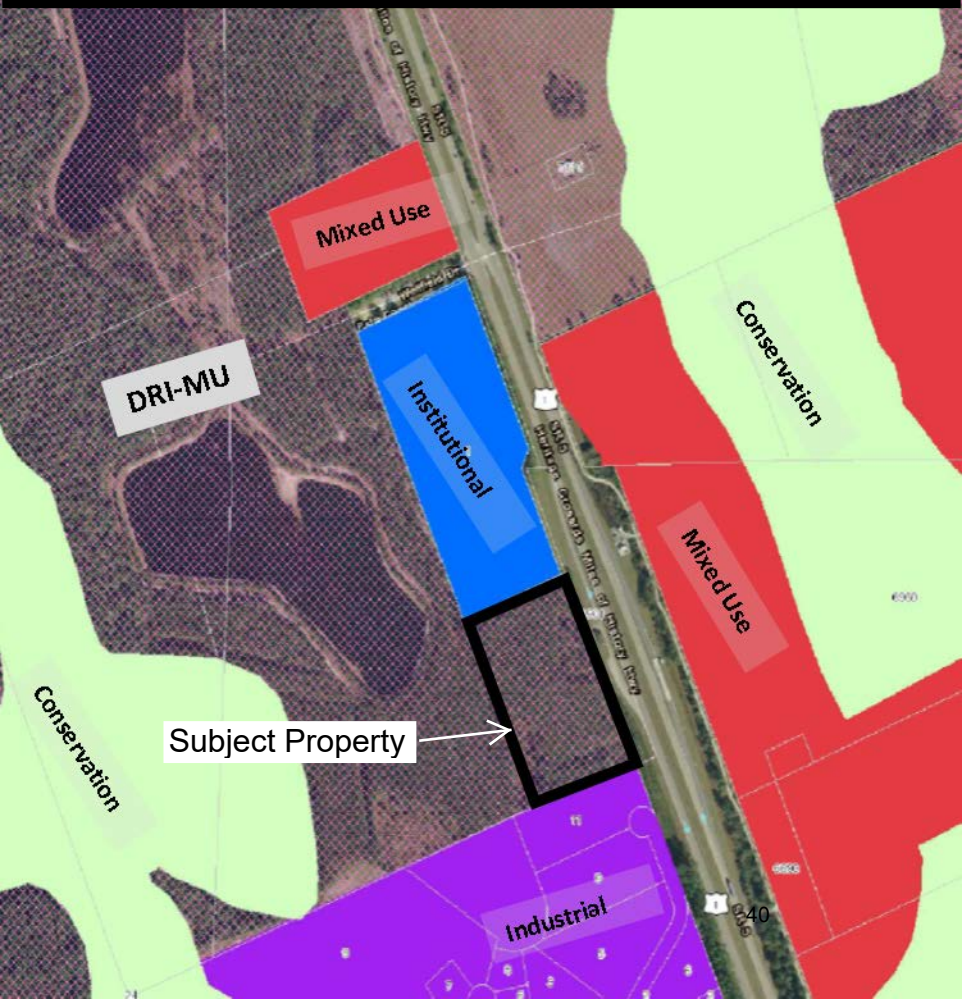
- *Objective 1.1.4 - Promote compact and contiguous development, a mixture of land uses, and discourage urban sprawl*
- *Policy 1.1.4.5 - Land use patterns will be required to be efficient and not disproportionately increase the cost of providing and maintaining public facilities, as well as providing housing and transportation strategies that will foster energy conservation.*

Consistent with Objective 1.1.4 and Policy 1.1.4.5, the subject parcel is contiguous to the developing areas of the City and does not promote urban sprawl. Utility lines (water and sewer) are available adjacent to the site and additionally, the proposed development on the parcel will appropriately occur on a parcel with access to a major arterial (US-1).

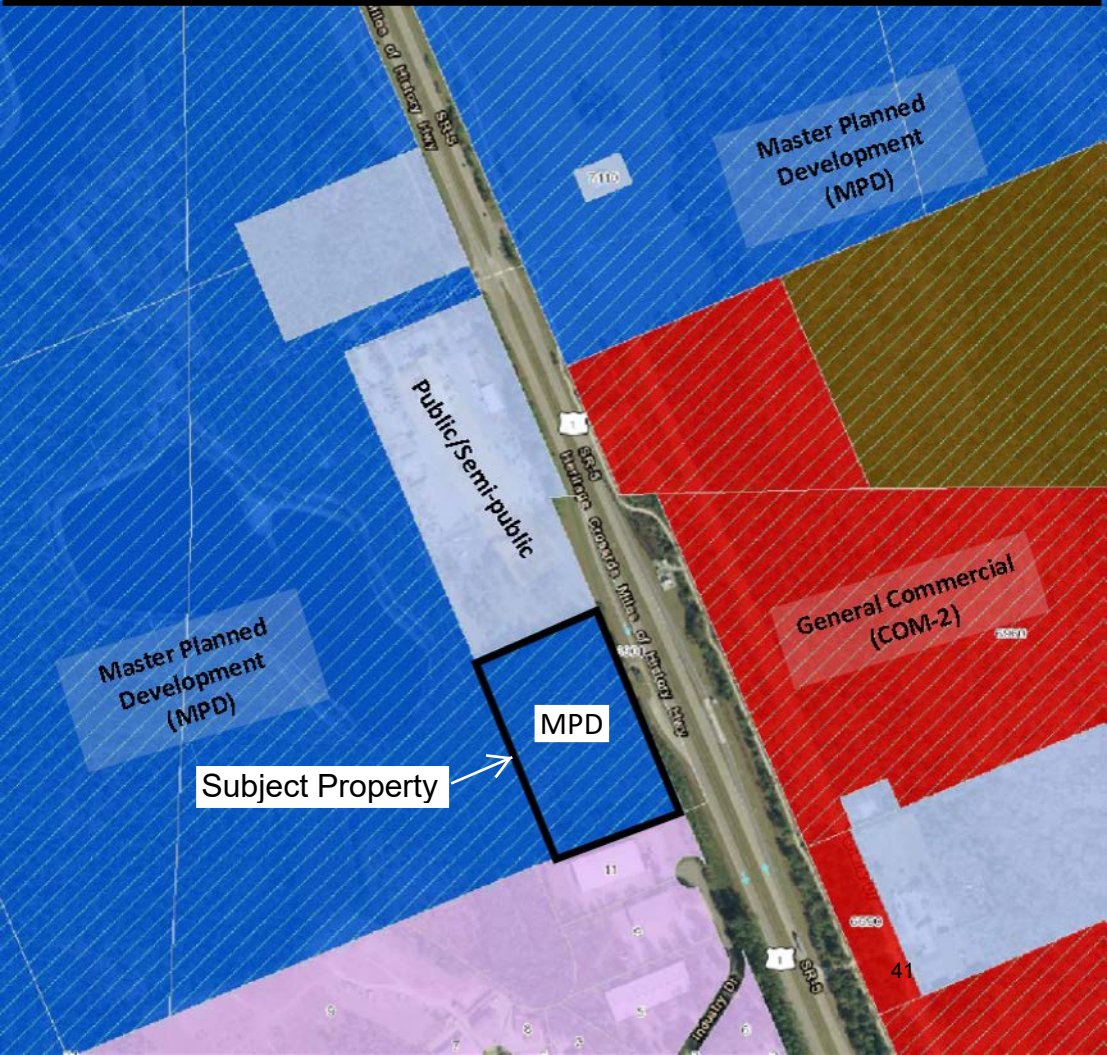
RECOMMENDATION

Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve Application # 3845 to amend the Future Land Use Map (FLUM) for 6.1 +/- acres from DRI-Mixed Use to Institutional

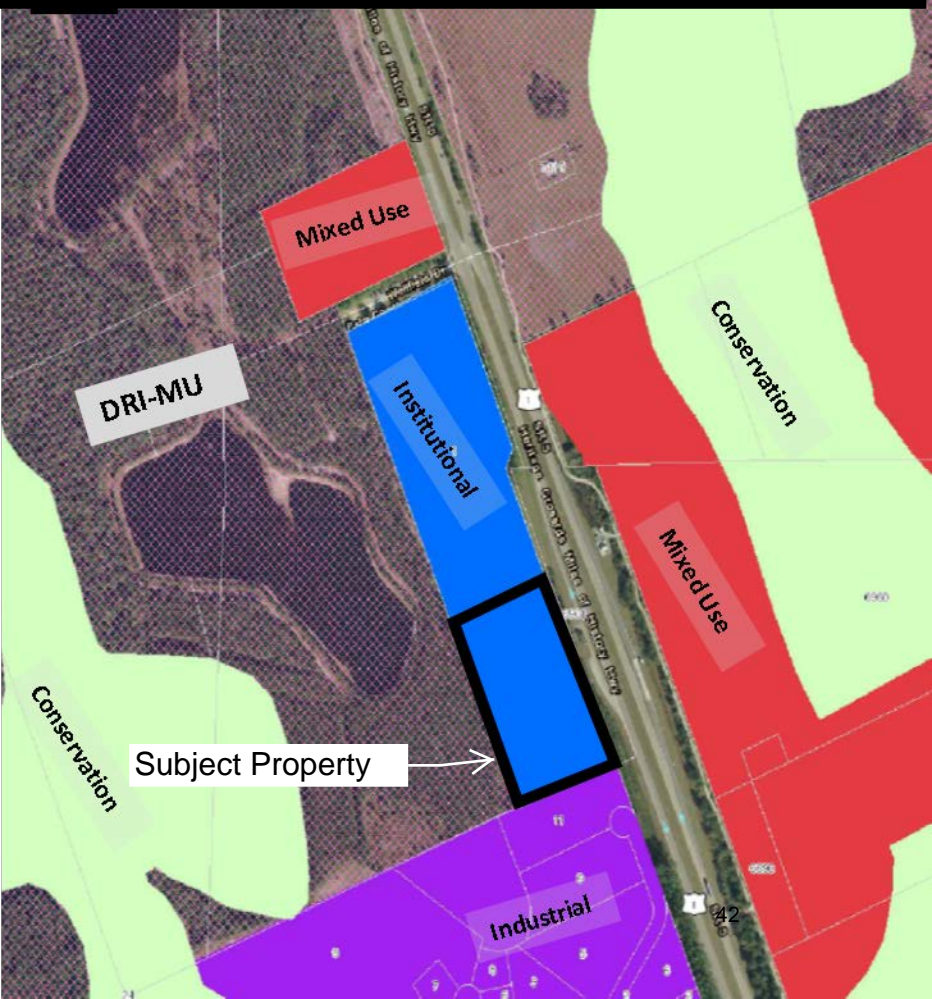
Current Future Land Use Map



Current Zoning Map



Proposed Future Land Use Map



City of Palm Coast, Florida

Agenda Item

Agenda Date: 03/19/2019

Department	PLANNING	Amount
Item Key	6074	Account
		#
Subject	ORDINANCE 2019-XX ZONING MAP AMENDMENT FROM MASTER PLANNED DEVELOPMENT (MPD) TO PUBLIC/SEMIPUBLIC (PSP) FOR A 6+/- ACRE PARCEL LOCATED .50 MILES NORTH OF PALM COAST PARKWAY ON THE WESTSIDE OF US-1	
Background: UPDATE FROM THE MARCH 5, 2019 BUSINESS MEETING. This item was heard by City Council at their March 5, 2019 Business Meeting. There were no changes suggested to this item. ORIGINAL BACKGROUND FROM THE MARCH 5, 2019 BUSINESS MEETING. The proposed rezoning of the subject property is a companion application to a proposed Future Land Use Map amendment for the subject property. The subject property is 6 ± acres and generally located .50 miles north of Palm Coast Pkwy. on the westside of US-1. The proposed rezoning will amend the zoning designation for the subject property from Master Planned Development (MPD) to Public/Semipublic (PSP). The intent of the proposed rezoning is to eventually accommodate the proposed expansion of the City of Palm Coast Public Works facility. Staff analyzed the proposed rezoning based on the criteria established in the City of Palm Coast Land Development Code. In summary, staff makes the following findings: <ul style="list-style-type: none">- the proposed rezoning is consistent with the Comprehensive Plan,- the proposed rezoning does not negatively impact the existing public facilities, and- the proposed rezoning is consistent with the surrounding land uses and is in an area appropriate for expansion of non-residential uses and does not cause a nuisance or threat to the general welfare and safety of the public. Neighborhood Meeting A neighborhood meeting was held on December 17, 2018 to provide an opportunity for neighboring property owners to receive information about the project. There were no comments provided. Planning and Land Development Regulation Board Action The Planning and Land Development Regulation Board held a public hearing on January 16, 2019 and recommended approval of the proposed amendment. There were no comments from the public. Recommended Action: Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve application number 3844 to rezone 6+/- acres from Master Planned Development (MPD) to Public/Semipublic (PSP).		

ORDINANCE 2019-____
PUBLIC WORKS SITE REZONING

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP AS ESTABLISHED IN SECTION 2.06 OF THE CITY OF PALM COAST UNIFIED LAND DEVELOPMENT CODE; AMENDING THE OFFICIAL ZONING MAP FOR 6.0± ACRES OF CERTAIN REAL PROPERTY GENERALLY LOCATED APPROXIMATELY .50 MILES NORTH OF PALM COAST PKWY. ON THE WESTSIDE OF US-1, BEING MORE PARTICULARLY DESCRIBED IN THE ATTACHED EXHIBIT A, FROM MASTER PLANNED DEVELOPMENT(MPD) TO PUBLIC/SEMIPUBLIC (PSP) ZONING DISTRICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Palm Coast, as the governing body of the City, pursuant to the authority vested in Chapter 163 and Chapter 166, Florida Statutes and the City of Palm Coast Unified Land Development Code, is authorized and empowered to consider applications relating to zoning; and

WHEREAS, the notice and public hearing requirements, as provided for in Chapter 2 (Review Authority, Enforcement, and Procedures) of the City of Palm Coast Unified Land Development Code have been satisfied; and

WHEREAS, the City Council of the City of Palm Coast has considered the evidence and testimony presented by the applicant and other interested parties, the recommendations of the various City reviewing departments, and the recommendation of the Planning and Land Development Regulation Board (PLDRB); and

WHEREAS, the City Council has considered the findings in the staff report and the following findings of fact:

1. The rezoning is consistent with the purposes, goals, objectives, and policies of the City of Palm Coast Comprehensive Plan;
2. The rezoning is compatible as defined in the Unified Land Development Code and generally consistent with the uses and character of the land surrounding and in the vicinity of the land proposed for rezoning;
3. The rezoning will result in a logical, timely and orderly development pattern;
4. The staff report has demonstrated sufficient justification that there are changed circumstances, which would require the rezoning request.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY OF PALM COAST, FLORIDA:

Ordinance 2019-____
Page 1 of 5

SECTION 1. Legislative and Administrative Findings. The above recitals (whereas clauses) are hereby adopted as the legislative and administrative findings of the City Council.

SECTION 2. Official Zoning Map Amended. The 6.0 ± acres of land, located approximately .50 miles north of Palm Coast Pkwy. on the westside of US-1, as depicted and legally described in “Exhibit A”, attached hereto, is hereby amended from Master Planned Development (MPD) to Public/Semipublic (PSP) zoning district.

SECTION 3. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Code are severable, and if any phrase, clause, sentence, paragraph or section of this Code shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Code.

SECTION 4. Conflicts. All Ordinances or parts of Ordinances in conflict with this Ordinance are hereby repealed.

SECTION 5. Effective Date. This Ordinance shall become effective immediately upon the effective date of Ordinance No. 2019-XX as adopted by the City Council of the City of Palm Coast, Florida, and pursuant to the City Charter. If Ordinance No. 2019-XX does not become effective, then this Ordinance shall become null and void.

Approved on first reading this 5th day of March 2019.

Adopted on the second reading after due public notice and hearing City of Palm Coast this 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

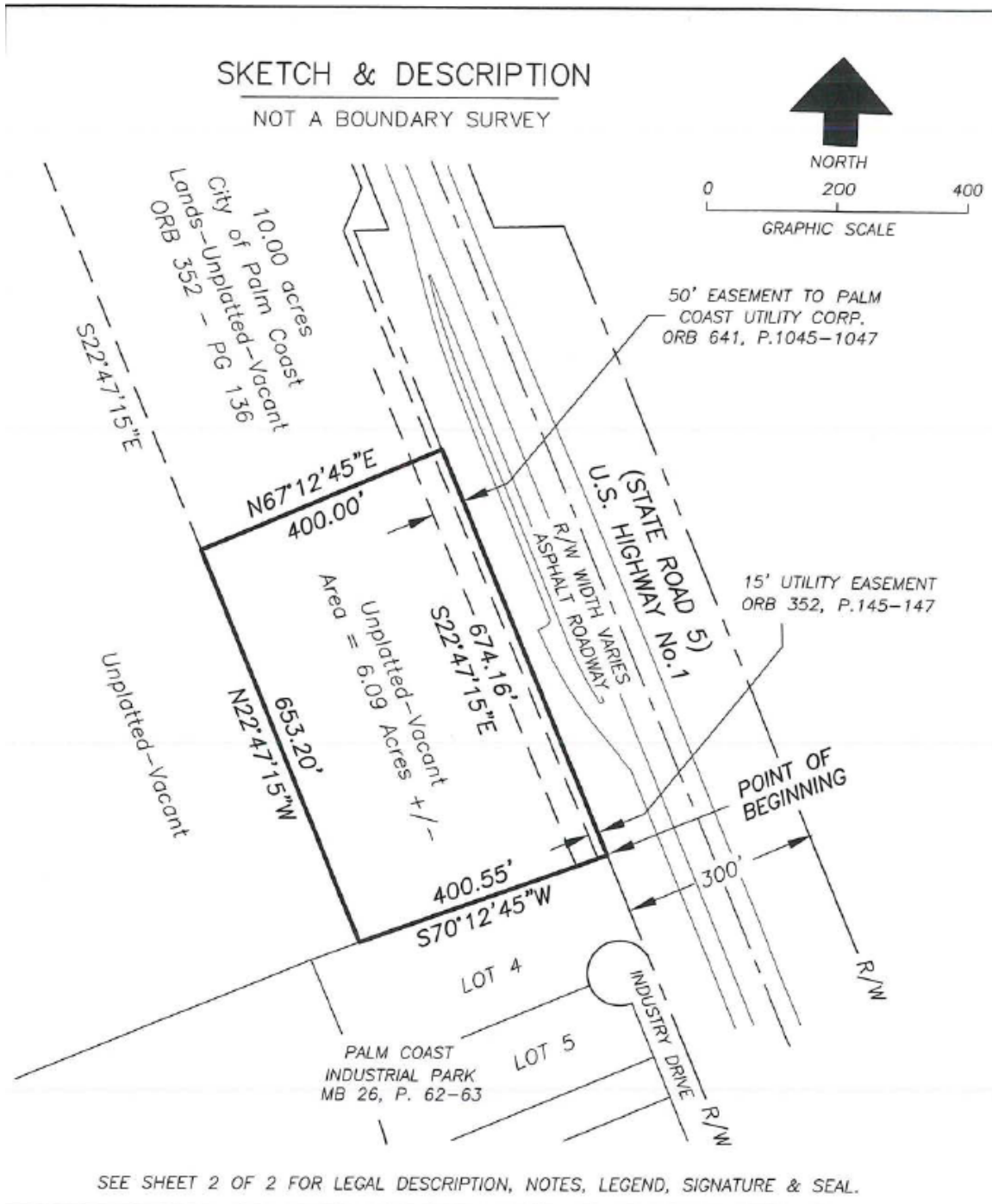
MILISSA HOLLAND, MAYOR

VIRGINIA SMITH, CITY CLERK

Approved as to form and legality

William E. Reischmann, Jr. Esq.

EXHIBIT "A"
SUBJECT PROPERTY LEGAL DESCRIPTION



**EXHIBIT "A" – cont'd.
LEGAL DESCRIPTION**

LEGAL DESCRIPTION

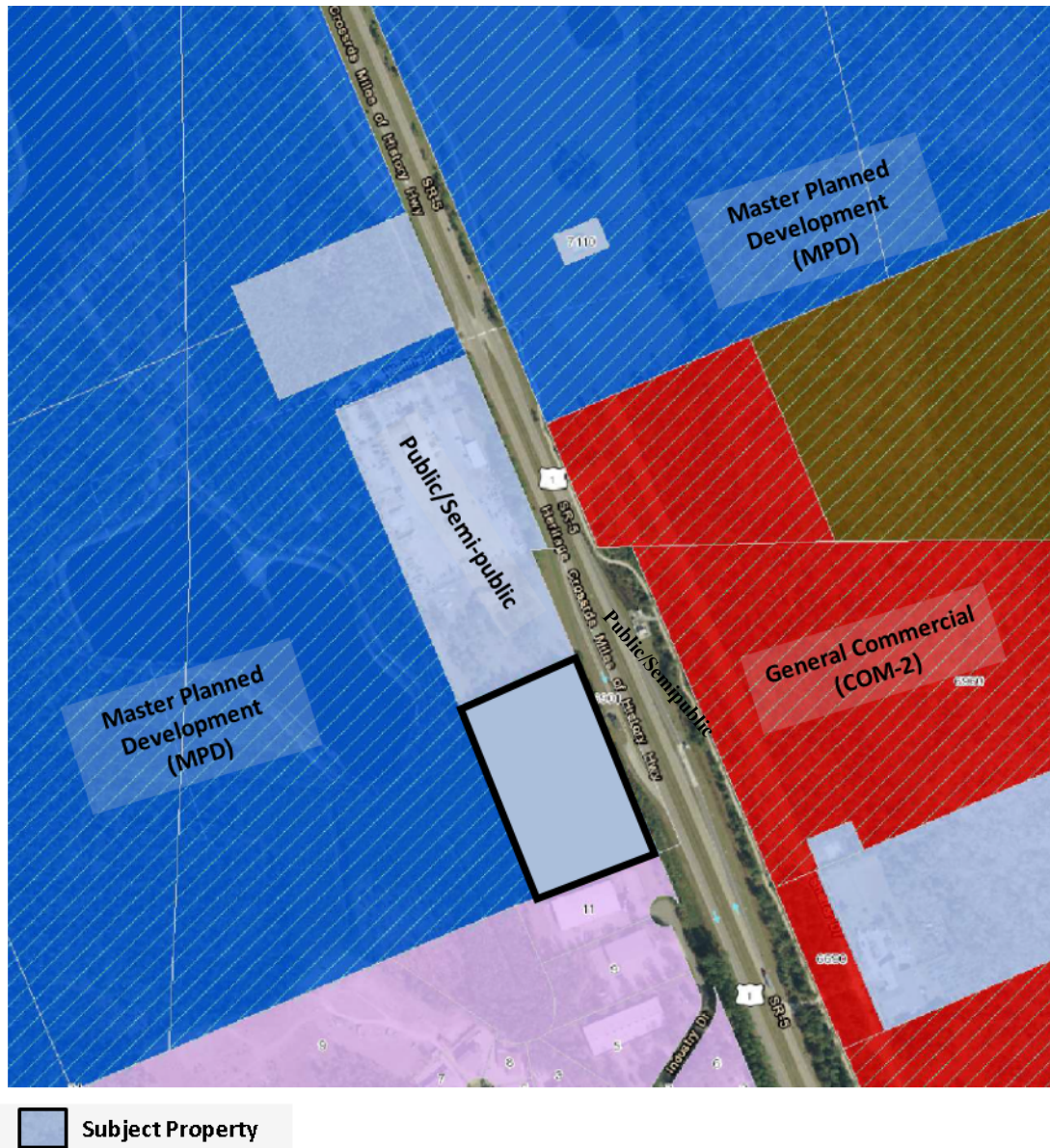
A PARCEL OF LAND LOCATED WEST OF U.S. HIGHWAY NO. 1 (STATE ROAD NO. 5) A VARIABLE WIDTH RIGHT-OF-WAY, IN GOVERNMENT SECTION 10, TOWNSHIP 11 SOUTH, RANGE 30 EAST, FLAGLER COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHERLY-MOST CORNER OF PALM COAST INDUSTRIAL PARK AS RECORDED IN MAP BOOK 26, PAGES 62-63 OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA, SAID POINT BEING LOCATED ON THE WESTERLY RIGHT-OF-WAY LINE OF SAID U.S. HIGHWAY NO. 1; THENCE DEPARTING SAID RIGHT-OF-WAY LINE ALONG THE NORTHERLY LINE OF SAID PALM COAST INDUSTRIAL PARK S70°12'45"W FOR A DISTANCE OF 400.55 FEET; THENCE DEPARTING SAID NORTHERLY LINE N22°47'15"W FOR A DISTANCE OF 653.20 FEET TO THE SOUTHERLY LINE OF CITY OF PALM COAST LANDS PER OFFICIAL RECORDS BOOK 352, PAGE 136 OF THE PUBLIC RECORDS OF FLAGLER COUNTY, FLORIDA; THENCE ALONG SAID SOUTHERLY LINE N67°12'45"E FOR A DISTANCE OF 400.00 FEET TO THE AFOREMENTIONED RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 1; THENCE DEPARTING SAID SOUTHERLY LINE, ALONG SAID RIGHT-OF-WAY LINE, S22°47'15"E FOR A DISTANCE OF 674.16 FEET TO THE AFOREMENTIONED POINT OF BEGINNING OF THIS DESCRIPTION.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 6.09 ACRES, MORE OR LESS.

EXHIBIT “B”

Revised Official Zoning Map





**COMMUNITY DEVELOPMENT DEPARTMENT
CITY COUNCIL STAFF REPORT
February 6, 2019**

OVERVIEW

Application Number: 3844

Applicant: City of Palm Coast

Property Description:

Property Owner:	City of Palm Coast
Parcel ID:	10-11-30-0000-01010-0011
Current FLUM designation:	Development of Regional Impact - Mixed Use (There is a companion application to amend FLUM designation to Institutional)
Current Zoning designation:	Master Planned Development
Current Use:	Vacant
Size of subject property:	6.0 ± acres

Requested Action: Zoning Map Amendment for a 6+/- acre parcel from Master Planned Development (MPD) to Public/Semipublic (PSP)

Recommendation: Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve the proposed zoning map amendment.

ANALYSIS

REQUESTED ACTION

Zoning Map Amendment for a 6+/- acre parcel from Master Planned Development (MPD) to Public/Semipublic (PSP).

BACKGROUND/SITE HISTORY

The subject parcel was acquired by the City of Palm Coast in August 2018 as part of a land swap. The land swap will enable a more ideal expansion of the City's Public Works facility. The subject property consists of approximately 6 acres of vacant land.

Planning and Land Development Regulation Board Meeting

The Planning and Land Development Regulation Board held a public hearing on January 16, 2019 and recommended approval of the proposed amendment. There were no comments from the public.

LAND USE AND ZONING INFORMATION

USE SUMMARY TABLE:

CATEGORY:	EXISTING:	PROPOSED:
Future Land Use Map (FLUM)	Development of Regional Impact Mixed Use	Institutional (Companion amendment)
Zoning District	Master Planned Development	Public/Semipublic
Overlay District	None	None
Use	Vacant	Vacant

SURROUNDING LAND USES:

NORTH:	FLUM:	Institutional
	Zoning:	Public/Semipublic
	Use:	City of Palm Coast Public Works Maintenance Facility
SOUTH:	FLUM:	Industrial
	Zoning:	Light Industrial (IND-1)
	Use:	Industrial
EAST (US-1):	FLUM:	Mixed Use
	Zoning:	General Commercial (COM-2)
	Use:	Vacant
WEST:	FLUM:	DRI-Mixed Use (Palm Coast Park)
	Zoning:	Master Planned Development
	Use:	Vacant

SITE DEVELOPMENT REQUIREMENTS
Proposed in Comparison to Existing

Criteria	Master Planned Development (Current) – Residential High Density (MFR-2)	Public/Semipublic (Proposed)
Min. Lot Size	2,000 sq. ft.	20,000 sq. ft.
Min. Lot Width	18'	100'
Max. Impervious area	.80	.70
Max. Bldg. Height	80'	100'
Min. Front Setback	10'	25'
Min. Rear Setback	10'	10'
Min. Interior Side Setback	10'	10'
Min. Street Side Setback	10'	25'

ANALYSIS BASED ON UNIFIED LAND DEVELOPMENT CODE CHAPTER 2 SECTION 2.05.05

The Unified Land Development Code, Chapter 2, Part II, Section 2.05.05 states: *When reviewing a development order application, the approval authority shall determine whether sufficient factual data was presented in order to render a decision. The decision to issue a development order shall be based upon the following, including but not limited to:*

A. The proposed development must not be in conflict with or contrary to the public interest;

Staff Finding: The proposed development is not in conflict with, or contrary to, the public interest. The subject site is abutted to the north by the existing City of Palm Coast Public Works facility and to the south by Hargrove Grade industrial Park. The parcel's location is appropriate for the expansion of the City's Public Works Facility and is not contrary to the public interest since it provides for an efficient expansion of the public works facility. Additionally, the parcel's location between US-1 and potential residential uses to the west provides can provide a reasonable transition between a major arterial roadway and low-density residential.

B. The proposed development must be consistent with the Comprehensive Plan and the provisions of this LDC;

Staff Finding: The request is consistent with the following objectives and policies of the Comprehensive Plan:

- *Objective 1.1.4 - Promote compact and contiguous development, a mixture of land uses, and discourage urban sprawl*
- *Policy 1.1.4.5 - Land use patterns will be required to be efficient and not disproportionately increase the cost of providing and maintaining public facilities, as well as providing housing and transportation strategies that will foster energy conservation.*

The proposed amendment is consistent with Objective 1.1.4 and Policy 1.1.4.5, the subject parcel is contiguous to the developing areas of the City and does not promote urban sprawl. Utility lines (water and sewer) are available adjacent to the site and additionally, the proposed rezoning is for a parcel abutting a major arterial (US-1).

Finally, any development on the subject parcel will be further reviewed for compliance with the Land Development Code (LDC).

C. The proposed development must not impose a significant financial liability or hardship for the City;

Staff Findings: Rezoning the subject property will not impose a significant financial liability or hardship for the City. The property is located along a major arterial (US-1) and in an area with available public utilities (water and sewer) and therefore would not need a significant expansion of water or sewer facilities.

D. The proposed development must not create an unreasonable hazard, or nuisance, or constitute a threat to the general health, welfare, or safety of the City's inhabitants;

Staff Finding: The rezoning will not create an unreasonable hazard, or nuisance, or constitute a threat to the general health, welfare, or safety of the City's inhabitants. Future development of the site must comply with the development standards contained in the LDC (setbacks, landscape buffers, etc.).

Additionally, the approval of the rezoning will provide an opportunity to expand the public works facility in a location adjacent to US-1 and the Hargrove Grade Industrial Park.

E. The proposed development must comply with all other applicable local, state and federal laws, statutes, ordinances, regulations, or codes;

Staff Finding: Approval of the zoning map amendment does not exempt the property from compliance with other local, state and federal laws, statutes, ordinances, regulations, or codes including the LDC and the Comprehensive Plan.

ANALYSIS BASED ON UNIFIED LAND DEVELOPMENT CODE CHAPTER 2 SECTION 2.06.03

The Unified Land Development Code, Chapter 2, Part II, Sec. 2.06.03 states: *“The Planning and Land Development Regulation Board and City Council shall consider the following criteria, in addition to the findings listed in Subsection 2.05.05, when reviewing a rezoning application”:*

A. Whether it is consistent with all adopted elements of the Comprehensive Plan and whether it furthers the goals and objectives of the Comprehensive Plan;

Staff Finding: As noted previously in the analysis prepared for ULDC Chapter 2, Part II, Section 2.05.05 of this staff report, the requested rezoning is in conformance with the Comprehensive Plan elements, and their goals, objectives and policies.

B. Its impact upon the environment and natural resources;

Staff Finding: The subject parcel was analyzed as part of the Palm Coast Park DRI application and was identified as appropriate for development. There were no significant environmental or natural resources identified on the site (high quality wetlands rookeries, archaeological sites, etc.). At the time of development, a further review of the natural and environmental resources will be prepared for the site.

C. Its impact on the economy of any affected area;

Staff Finding: Rezoning of the subject parcel is not anticipated to have a detrimental effect on the economy of the affected area. The proposed rezoning will expand an established use (Public works facility) that does not negatively impact the area. The rezoning will not impact the function of the industrial areas to the south nor will the industrial areas impact the proposed subject parcel. Finally, the standards of the land development code will assist in mitigating impacts of the subject parcel on the residential areas to the west.

D. Its impact upon necessary governmental services such as schools, sewage disposal, potable water, drainage, fire and police protection, solid waste, or transportation;

Staff Finding: As demonstrated in the analysis for the Future Land Use Map (FLUM) amendment, the proposed rezoning will not have a significant impact on the governmental services including wastewater, potable water, drainage, fire and police protection, solid waste and transportation systems. Additionally, at the time of site plan approval and building permit application, a proposed development's impact on governmental services will be further analyzed to ensure the site receives the appropriate services (i.e. water, sewer, drainage, etc.).

E. Any changes in circumstances or conditions affecting the area;

Staff Finding: The subject parcel was acquired by the City through a land swap with the property owner to the west. The land exchange was facilitated after an analysis of the potential expansion of the public works facility identified that a land exchange (between the subject parcel and a parcel that is separated by Wellfield Grade from the current public works facility) would provide the opportunity for a more efficient expansion of the public works facility while also mitigating the impact of the expansion of the public works facility on the future residential development to the west (Wellfield Grade will be the main access to residential areas to the west).

F. Compatibility with proximate uses and development patterns, including impacts to the health, safety, and welfare of surrounding residents;

Staff Finding: The proposed zoning designation of Public/Semipublic (PSP) is compatible with the surrounding uses and zoning districts. The subject site is abutted to the north by the existing City of Palm Coast Public Works facility (zoned PSP) and to the south by Hargrove Grade industrial Park (zoned Industrial). This proposed change does not threaten the general health, welfare or safety of the surrounding residents. Future development of the site must comply with the development standards contained in the LDC (setbacks, landscape buffers, etc.). These standards will provide the appropriate protection for the future residential development to the west.

G. Whether it accomplishes a legitimate public purpose:

Staff Finding: Yes, the rezoning accomplishes a legitimate public purpose. As previously stated, the parcel's location between US-1 and potential residential uses to the west provides a transition between a major arterial roadway and the future residential area. Additionally, the zoning map amendment will also allow a more cohesive expansion of the Public Works facility adjacent to Hargrove Grade industrial Park.

PUBLIC PARTICIPATION

Unified Land Development Code Chapter 2, Part II, Section 2.05.02 requires a neighborhood meeting and notification of property owners within 300 feet of any proposed parcel of the neighborhood meeting.

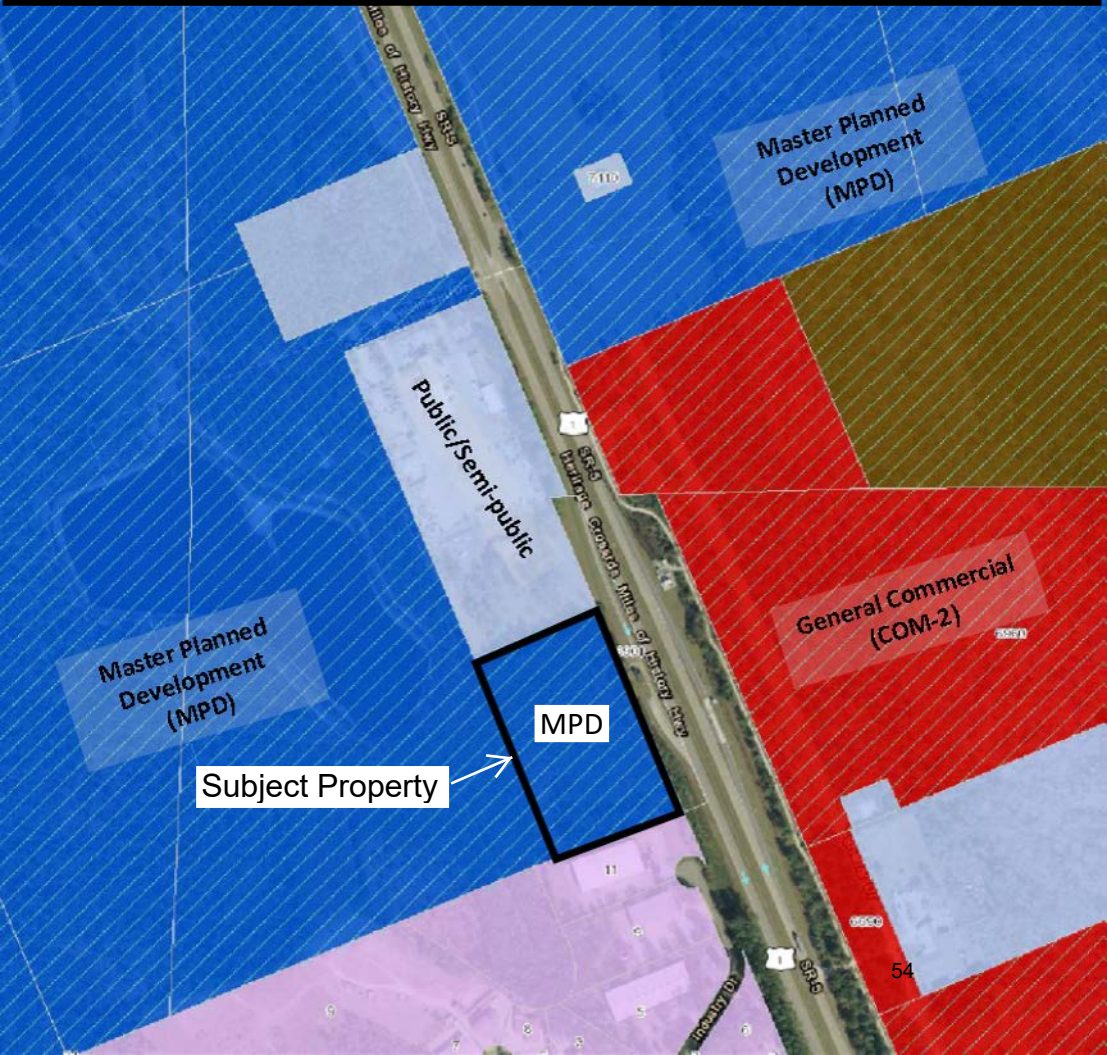
Neighborhood Meeting

A neighborhood meeting was held on December 17, 2018 to provide an opportunity for neighboring property owners to receive information about the project. There were no comments provided.

RECOMMENDATION

Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve the proposed zoning map amendment.

Current Zoning Map



Proposed Zoning Map



City of Palm Coast, Florida

Agenda Item

Agenda Date: 03/19/2019

Department	PLANNING	Amount
Item Key	6075	Account
		#
Subject	ORDINANCE 2019-XX ZONING MAP AMENDMENT FROM PUBLIC/SEMIPUBLIC (PSP) TO GENERAL COMMERCIAL (COM-2) FOR A 5+/- ACRE PARCEL LOCATED NORTH OF WELLFIELD GRADE AND WEST OF US-1	
Background: UPDATE FROM THE MARCH 5, 2019 BUSINESS MEETING. This item was heard by City Council at their March 5, 2019 Business Meeting. There were no changes suggested to this item. ORIGINAL BACKGROUND FROM THE MARCH 5, 2019 BUSINESS MEETING. The subject property is 5 ± acres and generally located north of Wellfield Grade and west of US-1. The proposed rezoning will amend the zoning designation of the subject property from Public/Semipublic (PSP) to General Commercial (COM-2). Staff analyzed the proposed rezoning based on the criteria established in the City of Palm Coast Land Development Code. In summary, staff makes the following findings: <ul style="list-style-type: none">- the proposed rezoning is consistent with the Comprehensive Plan,- the proposed rezoning does not negatively impact the existing public facilities, and- the proposed rezoning is consistent with the surrounding land uses and is in an area appropriate for expansion of commercial/industrial uses and does not cause a nuisance or threat to the general welfare and safety of the public. Neighborhood Meeting A neighborhood meeting was held on December 17, 2018 to provide an opportunity for neighboring property owners to receive information about the project. There were no comments provided. Planning and Land Development Regulation Board Action The Planning and Land Development Regulation Board held a public hearing on January 16, 2019 and recommended approval of the proposed amendment. There were no comments from the public. Recommended Action: Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that City Council, approve application number 3842 to rezone 5+/- acres from Public/Semipublic to General Commercial (COM-2).		

ORDINANCE 2019-____
REZONING APPLICATION NO. 3842
US-1/WELLFIELD GRADE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP AS ESTABLISHED IN SECTION 2.06 OF THE CITY OF PALM COAST UNIFIED LAND DEVELOPMENT CODE; AMENDING THE OFFICIAL ZONING MAP FOR 5.3± ACRES OF CERTAIN REAL PROPERTY GENERALLY LOCATED NORTH OF WELLFIELD GRADE AND WEST OF US-1 BEING MORE PARTICULARLY DESCRIBED IN THE ATTACHED EXHIBIT A, FROM PUBLIC/SEMI-PUBLIC (PSP) TO GENERAL COMMERCIAL (COM-2) ZONING DISTRICT; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Palm Coast, as the governing body of the City, pursuant to the authority vested in Chapter 163 and Chapter 166, Florida Statutes and the City of Palm Coast Unified Land Development Code, is authorized and empowered to consider applications relating to zoning; and

WHEREAS, the notice and public hearing requirements, as provided for in Chapter 2 (Review Authority, Enforcement, and Procedures) of the City of Palm Coast Unified Land Development Code have been satisfied; and

WHEREAS, the City Council of the City of Palm Coast has considered the evidence and testimony presented by the applicant and other interested parties, the recommendations of the various City reviewing departments, and the recommendation of the Planning and Land Development Regulation Board (PLDRB); and

WHEREAS, the City Council has considered the findings in the staff report and the following findings of fact:

1. The rezoning is consistent with the purposes, goals, objectives, and policies of the City of Palm Coast Comprehensive Plan;
2. The rezoning is compatible as defined in the Unified Land Development Code and generally consistent with the uses and character of the land surrounding and in the vicinity of the land proposed for rezoning;
3. The rezoning will result in a logical, timely and orderly development pattern;
4. The staff report has demonstrated sufficient justification that there are changed circumstances, which would require the rezoning request.

**NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY OF
PALM COAST, FLORIDA:**

SECTION 1. Legislative and Administrative Findings. The above recitals (whereas clauses) are hereby adopted as the legislative and administrative findings of the City Council.

SECTION 2. Official Zoning Map Amended. The 5.3 ± acres of land, located north of Wellfield Grade and west of US-1, as depicted and legally described in “Exhibit A” and attached hereto, is hereby amended from the Public/Semi-public (PSP) to General Commercial (COM-2) zoning district.

SECTION 3. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Code are severable, and if any phrase, clause, sentence, paragraph or section of this Code shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Code.

SECTION 4. Conflicts. All Ordinances or parts of Ordinances in conflict with this Ordinance are hereby repealed.

SECTION 6. Effective Date. This Ordinance shall become effective immediately upon adoption by the City Council of the City of Palm Coast, Florida, and pursuant to the City Charter.

Approved on first reading this 5th day of March 2019.

Adopted on the second reading after due public notice and hearing City of Palm Coast this 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA SMITH, CITY CLERK

Approved as to form and legality:

William E. Reischmann, Jr. Esq.

Ordinance 2019-_____
Page 2 of 4

EXHIBIT "A"
LEGAL DESCRIPTION

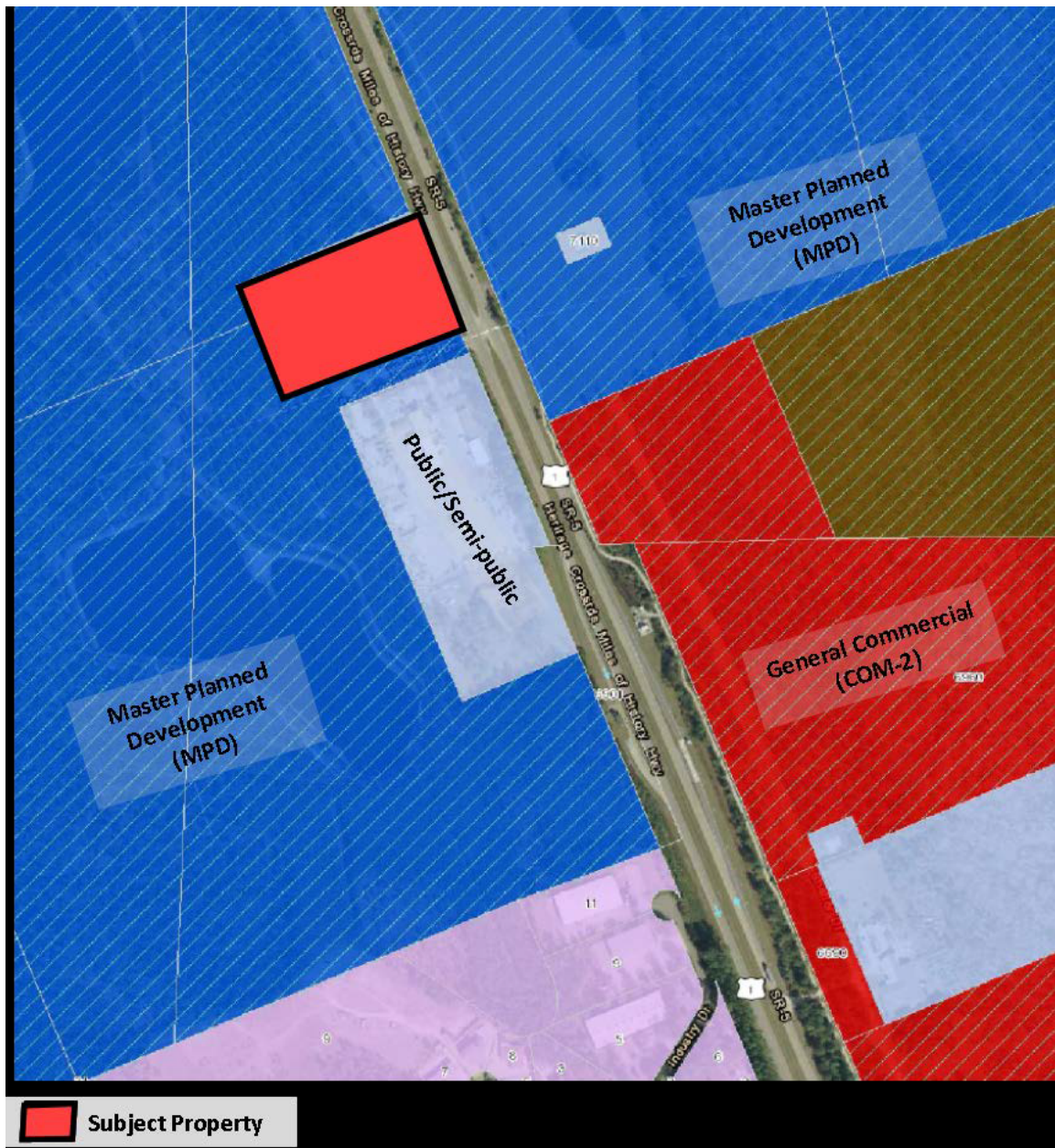
DESCRIPTION:

A parcel of land lying West of U.S. Highway No. 1 within Government Section 10, Township 11 South, Range 30 East, Flagler County, Florida, being more particularly described as follows:

A POINT OF REFERENCE being the West Quarter (1/4) Corner of Section 10, Township 11 South, Range 30 East, thence North 88°33'54" East along the South line of the Northwest Quarter (1/4) of said Section 10 a distance of 648.60 feet to a point on the West boundary line of the Flagler County Maintenance Yard lands recorded in Official Records Book 352, Pages 134 through 136, thence North 22°47'15" West along said maintenance yard lands a distance of 587.93 feet to the POINT OF BEGINNING of this description, thence South 67°12'45" West a distance of 150.00 feet, thence North 22°47'15" West a distance of 385.00 feet, thence North 67°12'45" East a distance of 600.00 feet to a point on the westerly right-of-way line of U.S. Highway No. 1 (150'R/W), thence South 22°47'15" East along said right-of-way a distance of 385.00 feet to a point being the northeast corner of an existing ingress and egress easement as recorded in Official Records Book 352, Pages 133 through 135, thence South 67°12'45" West along the northerly line of said easement a distance of 450.00 feet to the POINT OF BEGINNING. Parcel containing 5.3030 acres more or less.

EXHIBIT “B”

Revised Official Zoning Map





**COMMUNITY DEVELOPMENT DEPARTMENT
CITY COUNCIL
Zoning Map Amendment Staff Report
February 6, 2019**

OVERVIEW

Application Number: 3842

Applicant: City of Palm Coast

Property Description: 5.0 ± acre property located north of Wellfield Grade and west of US-1

Property Owner:	Sunbelt Palm Coast, LLC
Parcel ID:	10-11-30-0000-01010-0050
Current FLUM designation:	Mixed Use
Current Zoning designation:	Public/Semipublic
Current Use:	Vacant
Size of subject property:	5.0 ± acres

Requested Action: Rezoning from Public/Semi-Public (PSP) to General Commercial (COM-2)

Recommendation: Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve Application # 3842 to rezone 5 +/- acres from Public/Semipublic (PSP) to General Commercial (COM-2)

ANALYSIS

REQUESTED ACTION

This a proposed rezoning for an approximately 5+/- acre parcel from Public/Semipublic to General Commercial (COM-2)

BACKGROUND/SITE HISTORY

The subject parcel was previously owned by the City of Palm Coast. In August 2017, the City and an adjacent landowner agreed to a land swap to enable a more ideal expansion of the Public Works facility. The subject property consists of approximately 5.3 acres of vacant land with approximately 390 feet of US-1 frontage.

Planning and Land Development Regulation Board Meeting

The Planning and Land Development Regulation Board held a public hearing on January 16, 2019 and recommended approval of the proposed amendment. There were no comments from the public.

LAND USE AND ZONING INFORMATION

USE SUMMARY TABLE:

CATEGORY:	EXISTING:	PROPOSED:
Future Land Use Map (FLUM)	Mixed Use	Mixed Use (No change)
Zoning District	Public/Semi-Public	General Commercial (COM-2)
Overlay District	None	None
Use	Vacant	Retail/Office

SURROUNDING LAND USES:

NORTH: FLUM: DRI-Mixed Use (Palm Coast Park)
 Zoning: Master Planned Development
 Use: Vacant – Residential (Future)

SOUTH: FLUM: Institutional
 Zoning: Public/Semi-Public
 Use: Public Works Facility

EAST (US-1): FLUM: DRI-Mixed Use (Palm Coast Park)
 Zoning: Master Planned Development
 Use: Vacant

WEST: FLUM: DRI-Mixed Use (Palm Coast Park)
 Zoning: Master Planned Development
 Use: Vacant – Residential (Future)

SITE DEVELOPMENT REQUIREMENTS
Proposed in Comparison to Existing

Criteria	COM-2 (Proposed)	Public/Semipublic (Existing)
Min. Lot Size (sq. ft.)	20,000	20,000
Min. Lot Width	100'	100'
Max. Impervious area	.70	.70
Max. FAR Ratio	.40	.30
Max. Bldg. Height	100'	100'
Min. Interior Side & Rear Setback	10'	10'
Min. Street Side Setback	25' (Arterial/Collector) or 20' (Local)	25' (Arterial/Collector) or 20' (Local)

The Unified Land Development Code, Chapter 2, Part II, Section 2.05.05 states: *When reviewing a development order application, the approval authority shall determine whether sufficient factual data was presented in order to render a decision. The decision to issue a development order shall be based upon the following, including but not limited to:*

A. The proposed development must not be in conflict with or contrary to the public interest;

Staff Finding: The proposed rezoning of the subject property is not in conflict with, or contrary to, the public interest. The subject site is abutted to the north and to the west by land with potential residential uses in the future. The property to the south is the existing City of Palm Coast Public Works Facility. A zoning of General Commercial (COM-2) provides an appropriate transition from the activities at the public works facility to the future residential uses to the north and west. The non-residential uses allowed in COM-2 provides an opportunity to develop services (retail or office) to serve the future residential uses in the adjacent area. Additionally, the site is located at the corner of US-1 and Wellfield Grade which will likely become a more heavily travelled roadway as the areas along US-1 are developed.

B. The proposed development must be consistent with the Comprehensive Plan and the provisions of this LDC;

Staff Finding: The request is consistent with the following objectives and policies of the Comprehensive Plan:

- Objective 1.1.4 - Promote compact and contiguous development, a mixture of land uses, and discourage urban sprawl
- Policy 1.1.4.5 - Land use patterns will be required to be efficient and not disproportionately increase the cost of providing and maintaining public facilities, as well as providing housing and transportation strategies that will foster energy conservation.

Consistent with Objective 1.1.4 and Policy 1.1.4.5, the subject parcel is contiguous to the developing areas of the City and does not promote urban sprawl. Utility lines (water and sewer) are available adjacent to the site and additionally, the proposed rezoning to COM-2 for a parcel abutting a major arterial (US-1) is appropriate.

C. The proposed development must not impose a significant financial liability or hardship for the City;

Staff Findings: Rezoning the subject property to COM-2 will not impose a significant financial liability or hardship for the City. The property is located along a major arterial (US-1) and is in an area that in the future will be developed for a variety of uses (residential/commercial/industrial uses). Additionally, water and wastewater infrastructure are immediately available to the site and therefore, will not require a major expansion of water or sewer mains.

D. The proposed development must not create an unreasonable hazard, or nuisance, or constitute a threat to the general health, welfare, or safety of the City's inhabitants;

Staff Finding: The rezoning will not create an unreasonable hazard, or nuisance, or constitute a threat to the general health, welfare, or safety of the City's inhabitants. Future development of the site must comply with the performance standards contained in Unified Land Development Code (ULDC). Additionally, the approval of the rezoning will provide an opportunity to expand the commercial services along a segment of US-1, which is already designated for non-residential uses.

E. The proposed development must comply with all other applicable local, state and federal laws, statutes, ordinances, regulations, or codes;

Staff Finding: The future development of the property must comply with the City's Land Development Code, Comprehensive Plan and the requirements of all other applicable local, state and federal laws, statutes, ordinances, regulations and codes in order for the developer to successfully develop the property.

ANALYSIS BASED ON UNIFIED LAND DEVELOPMENT CODE CHAPTER 2 SECTION 2.06.03

The Unified Land Development Code, Chapter 2, Part II, Sec. 2.06.03 states: *"The Planning and Land Development Regulation Board and City Council shall consider the following criteria, in addition to the findings listed in Subsection 2.05.05, when reviewing a rezoning application"*:

A. Whether it is consistent with all adopted elements of the Comprehensive Plan and whether it furthers the goals and objectives of the Comprehensive Plan;

Staff Finding: As noted previously in the analysis prepared for ULDC Chapter 2, Part II, Section 2.05.05 of this staff report, the requested rezoning is in conformance with the Comprehensive Plan elements, and their goals, objectives and policies.

B. Its impact upon the environment and natural resources;

Staff Finding: At the time of development, a current wetland assessment that examines both the quantity and quality of this wetland will be required. Additionally, the subject property is still subject to all requirements of the Land Development Code regarding protection of environmental and natural resources (listed species report, wetlands assessment).

C. Its impact on the economy of any affected area;

Staff Finding: Impacts to the economy of the affected area are anticipated to be positive. The proposed rezoning will expand the area available for commercial along this segment of US-1. This commercial area will also serve the eventual residential development in the surrounding area.

D. Its impact upon necessary governmental services such as schools, sewage disposal, potable water, drainage, fire and police protection, solid waste, or transportation;

Staff Finding: The impact on the necessary governmental services including wastewater, potable water, drainage, fire and police protection, solid waste and transportation systems shall be evaluated at the time of permit application. Future permits must fall within the adopted Level of Service Standards for all categories of services per the requirements of the City's ULDC.

E. Any changes in circumstances or conditions affecting the area;

Staff Finding: The subject parcel was previously owned by the City of Palm Coast and was the potential site for the expansion of the Public Works Facility. An analysis of the potential expansion of the public works facility identified that a land exchange with an adjacent owner would provide the opportunity for a more efficient expansion of the public works facility while also mitigating the impact of the expansion of the public works facility on the surrounding area.

F. *Compatibility with proximate uses and development patterns, including impacts to the health, safety, and welfare of surrounding residents;*

Staff Finding: The proposed zoning designation of General Commercial (COM-2) is compatible with the surrounding uses and zoning districts. This proposed change does not threaten the general health, welfare or safety of the surrounding residents. The proposed zoning will provide opportunities for retail space and services to the adjacent areas which are slated for residential uses.

G. *Whether it accomplishes a legitimate public purpose:*

Staff Finding: Yes, the rezoning accomplishes a legitimate public purpose. A zoning of General Commercial (COM-2) provides an appropriate transition from the activities at the public works facility to the future residential uses to the north and west. Additionally, the site is located at the corner of US-1 and Wellfield Grade which will likely become more heavily travelled roadway as the areas along US-1 are developed.

PUBLIC PARTICIPATION

Unified Land Development Code Chapter 2, Part II, Section 2.05.02 requires a neighborhood meeting and notification of property owners within 300 feet of any proposed parcel of the neighborhood meeting.

A neighborhood meeting was held on December 17, 2018 to provide an opportunity for neighboring property owners to receive information about the project. There were no comments provided.

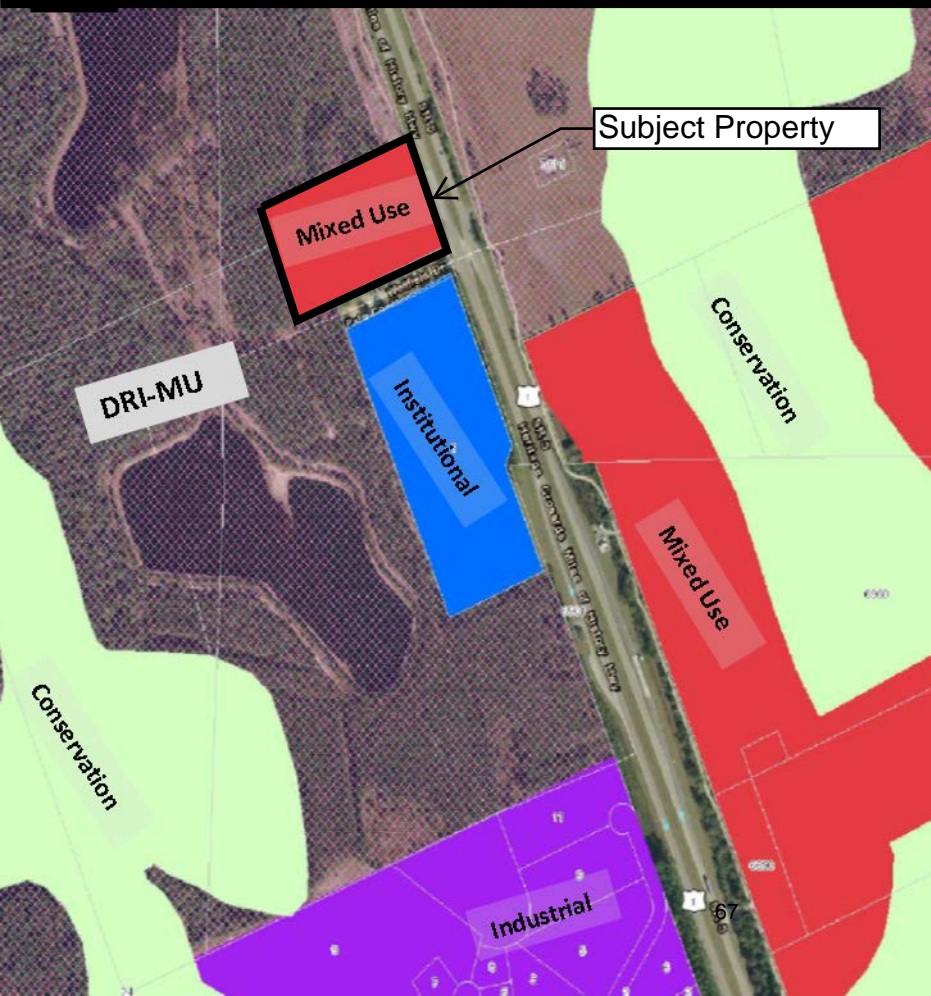
RECOMMENDATION

Planning Staff and the Planning and Land Development Regulation Board (PLDRB) recommend that the City Council approve Application # 3842 to rezone 5 +/- acres from Public/Semipublic (PSP) to General Commercial (COM-2).

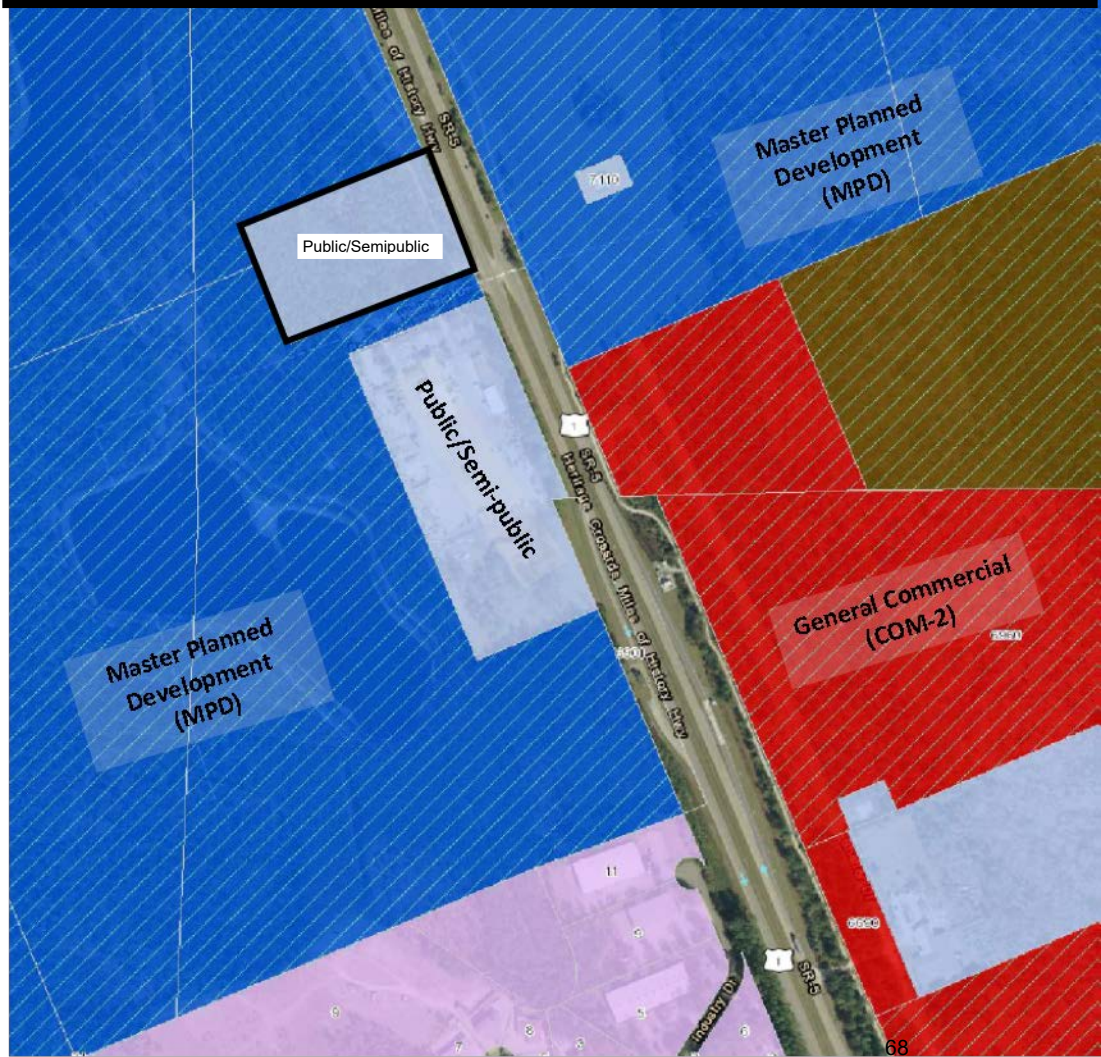
Location Map



Current Future Land Use Map



Current Zoning Map



 Subject Property



City of Palm Coast, Florida Agenda Item

Agenda Date : 3/19/2019

Department Item Key	Finance	Amount Account
Subject	RESOLUTION 2019-XX APPROVING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018, AS PRESENTED BY JAMES MOORE & CO., P.L.	
Background : The annual audit has been completed by James Moore & Co., P.L., for the fiscal year ending September 30, 2018, and the Comprehensive Annual Financial Report has been prepared. The audit report document is being presented for review and acceptance by City Council. A copy of the report is attached as Exhibit A.		
Recommended Action : Adopt Resolution 2019-XX approving the Comprehensive Annual Financial Report for the Fiscal Year ending September 30, 2018, as presented by James Moore & Co., P.L.		

RESOLUTION 2019-____
COMPREHENSIVE ANNUAL FINANCIAL REPORT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, ACCEPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AS PRESENTED BY THE EXTERNAL AUDIT FIRM; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the audit firm of James Moore & Co., P.L., has completed its annual audit of the City of Palm Coast; and

WHEREAS, James Moore & Co., P.L., has issued an unqualified audit opinion for Fiscal Year 2017-2018; and

WHEREAS, the audit report has been presented to the City Council of the City of Palm Coast.

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

SECTION 1. ACCEPTANCE OF THE ANNUAL FINANCIAL REPORT. The City Council of the City of Palm Coast hereby accepts the Fiscal Year 2017-2018 Comprehensive Annual Financial Report as presented by James Moore & Co, P.L, as attached hereto and incorporated herein by reference as Exhibit “A.”

SECTION 2. SEVERABILITY. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 3. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption by the City Council.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on this 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Attachment: Exhibit A - Comprehensive Annual Financial Report Fiscal Year 2017-2018

Approved as to form and legality

William E. Reischmann, Jr., Esq.
City Attorney



2018

Comprehensive
Annual Financial Report
For the Fiscal Year ending September 30, 2018



city of
PALM COAST
FLORIDA

CITY OF PALM COAST, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Year Ended September 30, 2018

Prepared by:

**City of Palm Coast
Financial Services Department**



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INTRODUCTORY SECTION

This section contains the following subsections:

- Table of Contents
- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Organizational Chart
- List of Principal Officials



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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE CITY OF PALM COAST, FLORIDA
For The Year Ended September 30, 2018**

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LETTER OF TRANSMITTAL



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CITY MANAGER'S OFFICE

February 25, 2019

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Palm Coast:

This report consists of management representations concerning the finances of the City of Palm Coast (City). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Palm Coast's financial statements have been audited by James Moore & Co., P.L., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Palm Coast for the fiscal year ended September 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of the report.

The independent audit of the financial statements of the City was part of a broader federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are in the compliance section of this report.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Palm Coast's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Palm Coast is situated in the eastern portion of Flagler County. The City was developed in 1969 on 68,000 acres formerly owned by the ITT Corporation. The original ITT development plan encompassed 48,000 home sites on approximately 42,000 acres (65.62 square miles). Paved streets and central water and sewer serve all lots developed within the City. An extensive water management system was designed to replenish the area's water table, which includes 26 miles of freshwater canals and 23 miles of saltwater canals.

In 1975, the Flagler County Board of County Commissioners established the Palm Coast Service District, consisting of almost 40,000 acres. Funds for the district were derived primarily from ad valorem taxes and were utilized to provide fire services, fire hydrants, street maintenance and lighting, animal control and emergency services.

In September 1999, the citizenry of Palm Coast voted overwhelmingly by a margin of two to one to incorporate as a council/manager form of government. On December 31, 1999, the City of Palm Coast was officially incorporated. On October 1, 2000, all services were officially transferred from the former Service District to the City of Palm Coast. The five-member City Council is elected at large and serves staggered four-year terms. One member is elected as Mayor. The promulgation and adoption of policy are the responsibility of the Council and the execution of such policy is the responsibility of the Council appointed city manager. The City hired its first city manager on April 17, 2000 and is currently seeking its third city manager.

The City of Palm Coast currently has a population of 84,575 residents and covers an area of approximately 89 square miles. For fiscal year 2019, property within the City has a taxable value of \$5,002,780,162. This was an increase of approximately eight percent from 2018. The City's property tax rate for fiscal year 2019 is set at \$4.6989 per \$1,000 of taxable value.

The City provides a wide range of services including development services, fire services, street construction and maintenance, a water and wastewater utility, stormwater management, parks, and recreational activities. Palm Coast contracts with the Flagler County Sheriff for law enforcement services.

Economic Outlook

In 2018, City Council took action to enhance public safety and services, further our smart city initiatives, increase quality of life opportunities, support entrepreneurs and small business owners, and rectify Downtown as a new innovation hub. This included attracting new investments through an Opportunity Zone designation, launching an Innovation District and kick starting a development incentive program. The City also hired its first Head of Innovation & Economic Growth and established an internal Innovation Team to accelerate innovation within the City.

The City's economy continues to steadily improve. All economic indicators are pointing in a positive direction. Real estate values continued to rise in 2018 with the median sales price up 4.7% and with values expected to continue to appreciate in 2019. Single-family permits are up again with 696 permits issued in 2018, the seventh straight year of increased permit activity. In addition, the labor market has healed from the high unemployment rate of 9.6% five years ago, with the unemployment rate hitting 3.9% at the end of 2018. Flagler County has 5,514 more people employed than five years ago.

A particular bright spot has been taxable sales within the City. We have seen over a 39% increase in taxable sales since 2011, which represents an increase of \$218 million. This is mainly due to the addition of several shopping centers since 2007 and increases in tourists and related spending. Taxable sales should continue to grow in 2019 with continued commercial growth, especially development along State Road 100 and in our Town Center.

Long-term Financial Planning

The City Council continues to focus on carrying out its Strategic Action Plan and the related goals, projects, and programs. This plan takes an inside out approach, by strengthening our existing neighborhoods and commercial areas. This past fiscal year, the City's taxable value appreciated approximately 8%. As all major economic indicators are trending in a positive direction, we expect the local economy's improvement to accelerate in the coming year and have a positive impact on City revenue sources.

While we continue to project revenues conservatively, the improving economy is expected to continue to have a positive effect on some revenue sources. However, due to the previous rate structure of our stormwater fee, our stormwater improvement and maintenance program required additional funding. The last stormwater rate increase went into effect in 2013. Due to the rate structure of our stormwater fee, rising costs were not being offset by increases in revenue.

The 2018 budget included funding for a stormwater fee rate study and City Council took action in October 2018 to increase Stormwater rates in order to fund this critical program for fiscal year 2019 and future years. Without additional revenue, or shifting funding from existing projects, programs, or services, the City would be limited in its ability to fund additional projects, programs, or services in the future.

To ensure revenues are sufficient to support the operation, maintenance and expansion of the water and sewer utility the City enlisted the services of Public Resources Management Group (PRMG) to conduct a Water and Wastewater Revenue Sufficiency and Capital Facilities Fees Study this past year. After a lengthy discussion, City Council took action to increase various utility rates including monthly base charges and per gallon charges as well as adjustments to water and sewer capacity fees that are assessed for new construction. These increases will help ensure future funding in order to maintain the infrastructure of the water and sewer system.

Future Projects and Programs

The City has experienced an increase in population year after year and we anticipate this growth to continue. During the past fiscal year, City Council made prudent financial decisions to ensure the City maintains a strong financial position and the ability to fund necessary projects to keep up with growth and maintain aging infrastructure.

In 2019, the City will continue efforts to deploy an advance automatic metering system. This system will allow remote readings of our water distribution system while also providing citizens the ability to monitor their own water use.

The need for infrastructure projects continues to grow as existing infrastructure ages, new development occurs, and the population continues to increase. In the upcoming fiscal year, we will continue rehabilitating our older infrastructure and constructing new infrastructure needed to accommodate anticipated growth. This includes an enhanced stormwater program to rehabilitate the aging system.

The City will continue its efforts to expand the local economy through the Palm Coast Business Assistance Center (BAC) and by attracting sports tournaments and tourism. Both efforts have already seen much success. Each year, Business Assistance Center's clients as a whole invest over \$1.6 million dollars into their business and our community. The Business Assistance Center invests over 1,000 hours each year to local businesses which helps our community thrive. The City in partnership with our local sports clubs and the Flagler County Tourist Development Council continues to attract sports tournaments and the associated visitor spending.

While the City will continue to implement programs and projects that have been successful, City Council is focused on downtown development, innovation, and new programs and projects to encourage economic growth in the coming years. The improving local economy enables the City and its partners to maintain our neighborhoods, support existing businesses, and encourage investment by attracting residents, visitors and businesses.

This past year, the City secured an Opportunity Zone federal designation in Town Center to help incentivize private investment to spur economic growth. The City Council approved the City's first-ever incentive program for residential and commercial developments called the 'Innovation Kick Start Program and announced the first project in the Innovation District and the Innovation Kick Start Program – The Palms at Town Center – which will provide 88 new homes in 2019.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Palm Coast for its comprehensive annual financial report for the fiscal year ended September 30, 2017. This is the seventeenth year that Palm Coast has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The City of Palm Coast also received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for its Fiscal Year 2017 Popular Annual Financial Report. This is the fifth year that Palm Coast has received this award.

The City of Palm Coast also received the GFOA Distinguished Budget Presentation Award for its Fiscal Year 2018 budget document. This is the fifteenth consecutive year that Palm Coast has received this award.

The City of Palm Coast also received the ICMA Certificate of Distinction for its Fiscal Year 2018 performance management process. This is the fifth consecutive year that Palm Coast has received this award.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire Finance staff. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Palm Coast's finances.

Respectfully submitted,



Beau Falgout
Interim City Manager



Helena Alves
Finance Director



Government Finance Officers Association

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

Presented to

**City of Palm Coast
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

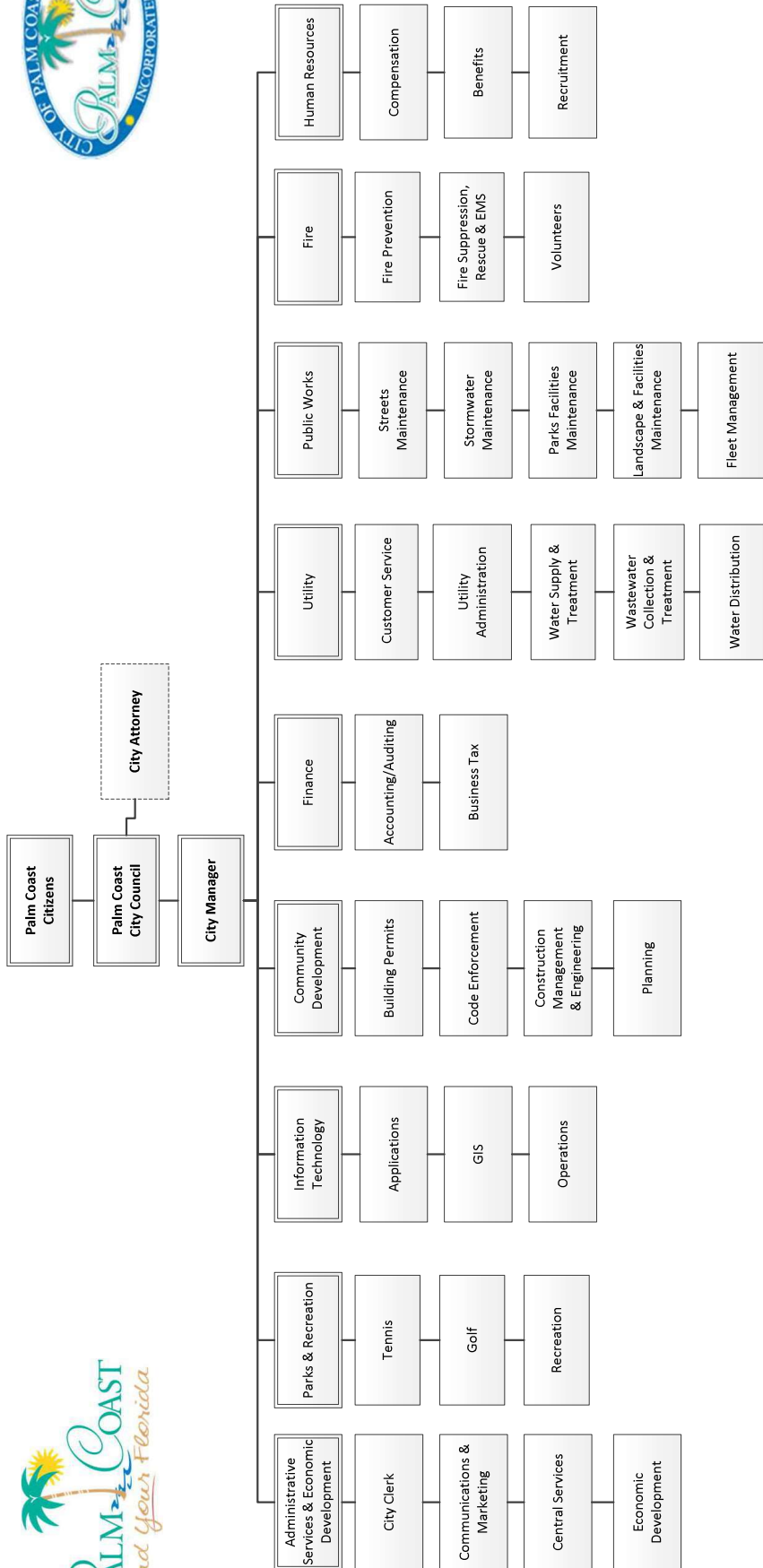
September 30, 2017

Christopher P. Morill

Executive Director/CEO



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LIST OF PRINCIPAL OFFICIALS

September 30, 2018

ELECTED OFFICIALS

Mayor

Honorable Milissa Holland

City Council Members:

Robert Cuff
Nick Klufas
Joseph Lyon
Heidi Shipley

CITY OFFICIALS

Interim City Manager

Beau Falgout

City Attorney

William Reischmann

City Auditor

James Moore & Co., P.L.

Finance Director

Helena P. Alves

FINANCIAL SECTION

This section contains the following subsections:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules



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INDEPENDENT AUDITORS' REPORT



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Council, and City Manager,
City of Palm Coast, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Palm Coast, Florida (the City), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Palm Coast, Florida, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Change in Accounting Principle

As discussed in Note 10, 12, and 17 to the financial statements, in 2018 the City adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The effects of these standards have also been applied to the financial statements as of and for the year ended September 30, 2017. See Note 17 for the effect of GASB 75 on beginning net position. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Palm Coast, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, fiduciary fund schedules, statistical section, and the Schedule of Expenditures of Federal Awards as listed in the table of contents, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2019, on our consideration of the City of Palm Coast, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Palm Coast, Florida's internal control over financial reporting and compliance.



Daytona Beach, Florida
February 25, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS



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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Palm Coast, we offer readers of the City of Palm Coast's financial statements this narrative overview and analysis of the financial activities of the City of Palm Coast for the fiscal year ended September 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vii-x of this report.

The City of Palm Coast management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent years challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Financial Highlights

- The assets and deferred outflows of the City of Palm Coast exceeded its liabilities and deferred inflows at the close of fiscal year 2018 by \$490,717,498. Of this amount, \$49,314,052 may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$10,113,383. Approximately \$7 million of the increase was the result of increased utility revenue due to planned rate increases and customer growth as well as related impact fee collections. The balance of the increase was primarily due to stormwater revenue collected to be expended in the next year.
- As of the close of fiscal year 2018, the City's governmental funds reported combined ending fund balances of \$20,264,702 an increase of \$4,589,480 over the prior year. The increase in combined ending fund balances was primarily due to increased revenues from development related impact fees combined with departmental budgets expending less for the fiscal year.
- At the end of fiscal year 2018, unassigned fund balance in the general fund was \$7,943,802 or 22.9% of total general fund expenditures.
- The City of Palm Coast's total debt decreased by \$(6,934,491) during the current fiscal year. This was primarily due to principal payments made during the fiscal year. Withdrawals from the State Revolving Fund Loan WW180420 for the construction of wastewater treatment plant II totaled approximately \$2.6 million, the net effect resulted in the decrease.
- The application of GASB Statement No. 68 in fiscal year 2015 resulted in recording of a Net Pension Liability and Asset, as well as related Deferred Inflow and Outflows. The cumulative net result of these transactions was a decrease in unrestricted net position of \$1,069,049.
- The City implemented GASB Statement No. 75 which resulted in a prior period adjustment of \$661,223. This resulted in a reduction of beginning balance of the OPEB liability.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Palm Coast's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City of Palm Coast that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Palm Coast include general government, public safety, transportation and physical environment, and culture and recreation. The business-type activities of the City of Palm Coast include a water and sewer utility, solid waste collection, stormwater management, building permits, and information technology.

The government-wide financial statements can be found on pages 23-24 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Palm Coast, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Palm Coast can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City of Palm Coast maintains eleven individual governmental funds. Six of the governmental funds are classified as nonmajor and are summarized under this heading in the governmental fund presentation. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund, transportation impact fee fund, streets improvement fund, and SR100 CRA fund, which are considered to be major funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriation budget for its general, capital projects, transportation impact fee, streets improvement, SR100 CRA and nonmajor governmental funds. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 25-28 of this report.

Proprietary funds. The City of Palm Coast maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Palm Coast uses enterprise funds to account for its water and sewer utility, solid waste collection, stormwater management, building permits, and information technology (IT). Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Palm Coast's various functions. The City of Palm Coast uses internal service funds to account for its fleet of vehicles, communications, facilities maintenance and self-insured health program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility, stormwater management, and solid waste collection major funds, as well as, the building permits, and information technology (IT) nonmajor funds. Data from the nonmajor proprietary funds are combined into a single, aggregated presentation. Individual fund data for nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report. The internal service funds are also presented in the proprietary fund financial statements, but not included in the totals for proprietary funds. Individual fund data for internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 29-34 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Palm Coast's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The City maintains one fiduciary fund, which is the volunteer firefighters' pension fund.

The basic fiduciary fund financial statements can be found on pages 35-36 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-92 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This includes budget and actual comparisons for the general fund and major special revenue funds with adopted budgets. This also includes the City of Palm Coast's progress in funding its obligation to provide pension benefits to the volunteer firefighters, select public safety employees, and its Other Postemployment Benefits (OPEB) liability. Required supplementary information can be found on pages 93-105 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Palm Coast, assets and deferred outflows exceeded liabilities and deferred inflows by \$490,717,498 at the close of the most recent fiscal year.

Of the net position, 10.05% falls in the unrestricted category. These may be used to meet ongoing obligations to citizens and creditors. Approximately 6.55% of net position represents resources that are subject to external restrictions. By far, the largest portion of the City of Palm Coast's net position 83.40% reflects its investment in capital assets (e.g., land, buildings, and equipment); less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens and therefore are not available for future spending. Although the investment in capital assets is reported net of related debt used to acquire the assets, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the City of Palm Coast is able to report positive balances in all three categories of net position for the government as a whole. For the prior fiscal year, all categories were also positive.

Table I
City of Palm Coast's Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 49,228,900	\$ 44,046,481	\$ 62,793,335	\$ 58,543,273	\$ 112,022,235	\$ 102,589,754
Capital assets	332,919,671	339,155,898	245,958,441	246,433,725	578,878,112	585,589,623
Total assets	382,148,571	383,202,379	308,751,776	304,976,998	690,900,347	688,179,377
Total deferred outflows of resources	1,286,160	1,574,494	1,102,675	1,209,630	2,388,835	2,784,124
Long-term liabilities	13,257,602	14,645,166	173,301,766	178,848,693	186,559,368	193,493,859
Other liabilities	15,182,835	15,575,060	(87,975)	1,043,395	15,094,860	16,618,455
Total liabilities	28,440,437	30,220,226	173,213,791	179,892,088	201,654,228	210,112,314
Total deferred inflows of resources	398,507	350,835	508,828	557,460	907,335	908,295
Net position:						
Net Investment in capital assets	325,234,671	330,790,898	84,014,277	84,435,596	409,248,948	415,226,494
Restricted	10,380,209	7,954,237	21,774,289	15,456,945	32,154,498	23,411,182
Unrestricted	18,980,907	15,460,677	30,333,145	25,844,539	49,314,052	41,305,216
Total net position	\$ 354,595,787	\$ 354,205,812	\$ 136,121,711	\$ 125,737,080	\$ 490,717,498	\$ 479,942,892

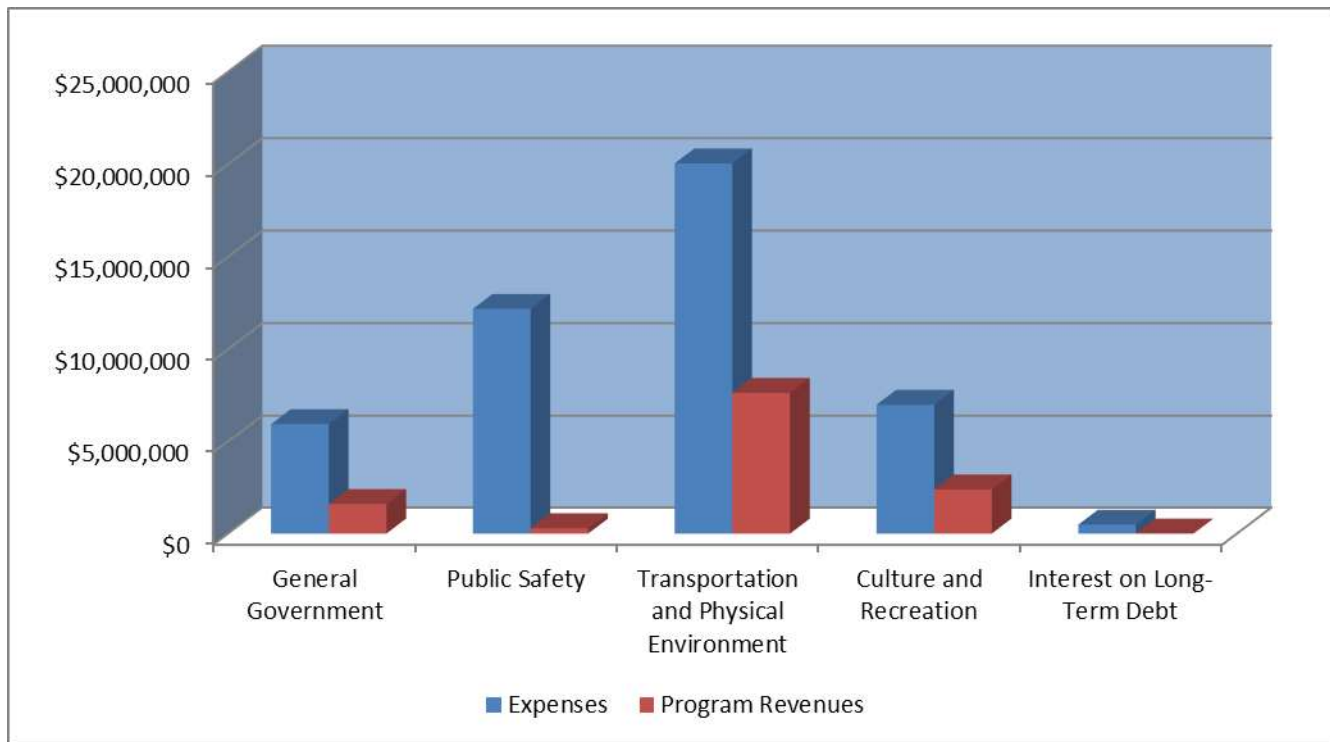
Governmental Activities

Governmental activities decreased the City of Palm Coast's net position by \$6,854 during the current fiscal year. Factors include revenues in excess of expenses in the general fund, accumulation of impact fees due to increased development in the community, planned use of capital projects fund balance offset by sale of land. Long-term liabilities decreased \$676,645 primarily due to principal payments made, net of an increase in the FRS net pension liability for the year. Governmental activities unrestricted net position increased by \$3,520,230. The primary driver for this was decrease in invested in capital assets, due to regular depreciation. Capital grants and contributions decreased \$(14,335,523) primarily due to donated capital asset infrastructure received during the last fiscal year. Operating grants and contributions decreased \$(2,823,203) primarily due to FEMA hurricane reimbursements receivables recorded in the prior year. Property taxes increased \$2,685,322 due to a 6% increase in taxable value throughout the City combined with a millage rate increase of .3487. Changes in public safety expenses are mainly due to an increase in the allocation of funds to Sheriff services. Transportation and physical environment expenses decreased by \$(1,377,458) mainly due to hurricane expenses incurred in the previous fiscal year.

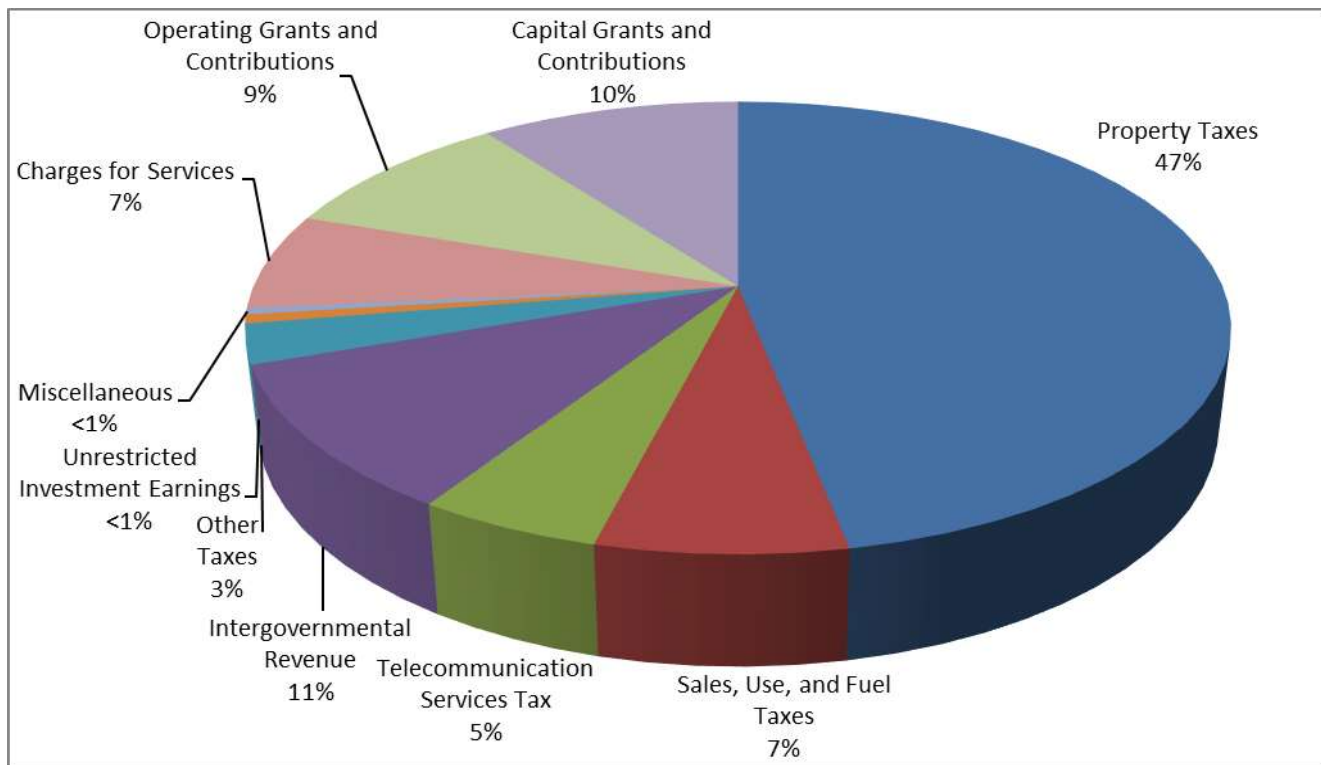
Table II
City of Palm Coast's Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 3,110,201	\$ 2,943,827	\$ 57,121,818	\$ 56,038,278	\$ 60,232,019	\$ 58,982,105
Operating grants and contributions	4,254,944	7,078,147	1,560,284	-	5,815,228	7,078,147
Capital grants and contributions	4,553,519	18,889,042	6,162,184	6,368,010	10,715,703	25,257,052
General revenues:						
Property taxes	21,066,081	18,380,759	502,590	418,442	21,568,671	18,799,201
Other taxes	6,674,624	6,291,114	-	-	6,674,624	6,291,114
Intergovernmental	4,704,629	4,463,316	-	-	4,704,629	4,463,316
Other	474,901	487,655	612,838	411,102	1,087,739	898,757
Total revenues	44,838,899	58,533,860	65,959,714	63,235,832	110,798,613	121,769,692
Expenses:						
General government	5,956,629	5,435,785	-	-	5,956,629	5,435,785
Public safety	12,187,040	11,332,196	-	-	12,187,040	11,332,196
Transportation and physical environment and recreation	20,049,609	21,427,067	-	-	20,049,609	21,427,067
Utility	-	-	37,488,776	33,063,660	37,488,776	33,063,660
Solid waste	-	-	8,433,184	7,680,586	8,433,184	7,680,586
Stormwater	-	-	6,659,088	5,554,569	6,659,088	5,554,569
Building permits	-	-	1,759,634	1,592,586	1,759,634	1,592,586
Information technology	-	-	665,967	705,729	665,967	705,729
Interest on long-term debt	484,548	523,790	-	-	484,548	523,790
Total expenses	45,678,581	44,920,846	55,006,649	48,597,130	100,685,230	93,517,976
Increase (decrease) in net position before transfers	(839,682)	13,613,014	10,953,065	14,638,702	10,113,383	28,251,716
Transfers	832,828	981,364	(832,828)	(981,364)	-	-
Increase (decrease) in net position	(6,854)	14,594,378	10,120,237	13,657,338	10,113,383	28,251,716
Net position - beginning, as previously reported	354,205,812	339,611,434	125,737,080	112,079,742	479,942,892	451,691,176
Restatement, GASB 75	\$ 396,829	\$ -	\$ 264,394	\$ -	\$ 661,223	\$ -
Net position - beginning, as restated	\$ 354,602,641	\$ 339,611,434	\$ 126,001,474	\$ 112,079,742	\$ 480,604,115	\$ 451,691,176
Net position - ending	\$ 354,595,787	\$ 354,205,812	\$ 136,121,711	\$ 125,737,080	\$ 490,717,498	\$ 479,942,892

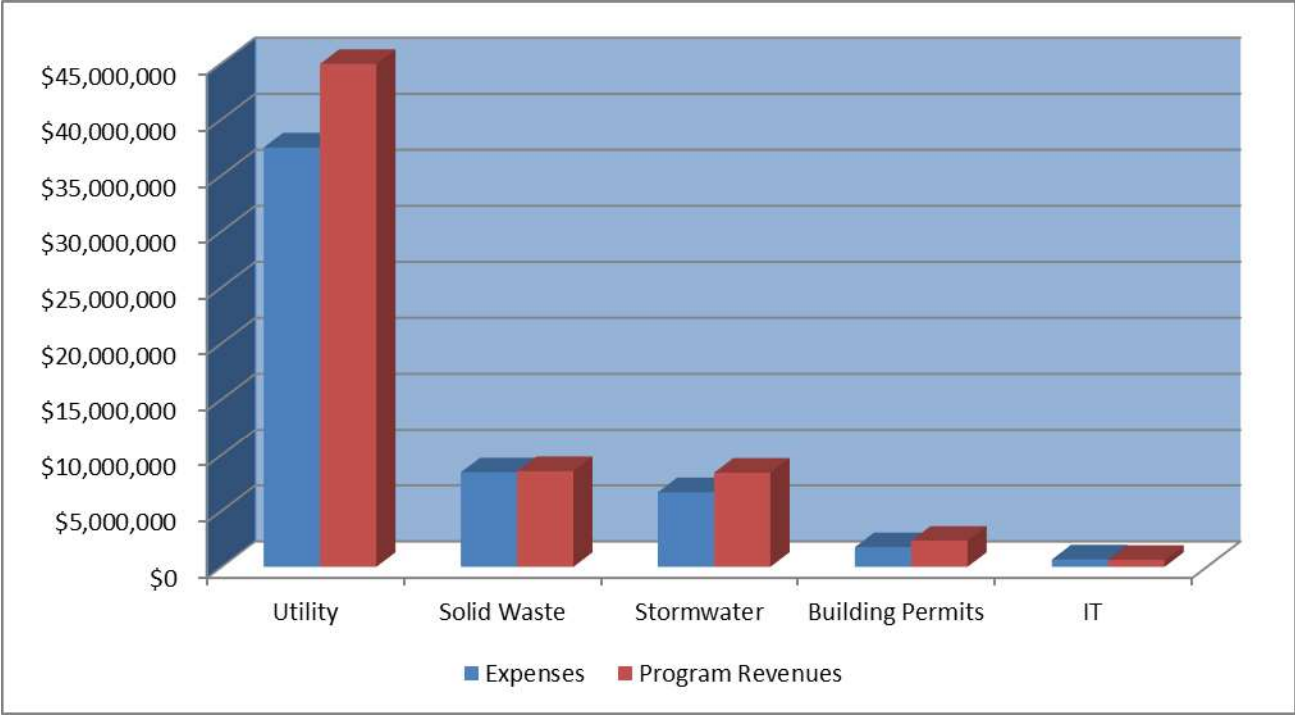
Expenses and Program Revenues – Governmental Activities



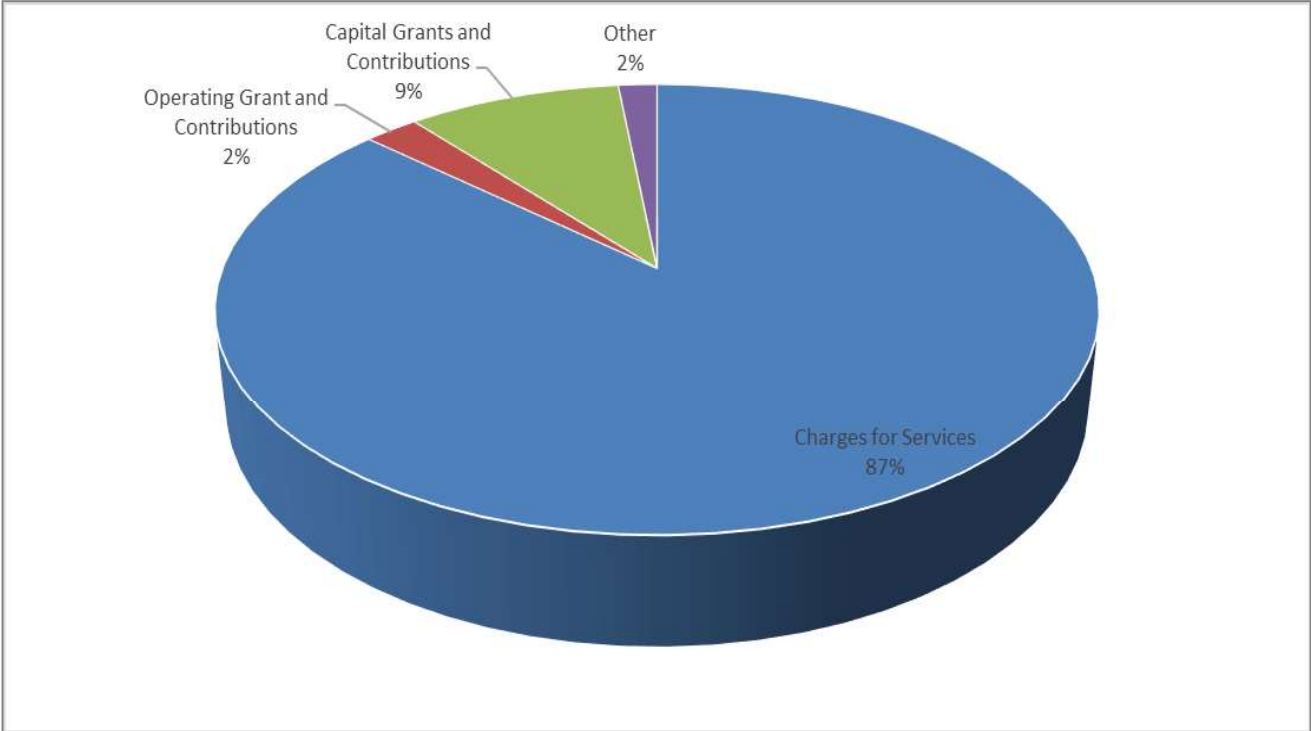
Revenues by Source – Governmental Activities



Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Business-type Activities

Business-type activities increased the City of Palm Coast's net position by \$10,120,237. The increase in net position was attributable to an approximately \$7 million increase in the utility fund, the continuing effect of a multi-year rate increase designed to improve reserves and allocate additional amounts for capital projects, and increased revenues due to development contributed to the change. Utility expenses also increased due to the increasing customer base, but at a slower rate than revenues. Stormwater expenses increased \$1,023,379 for the year due to projects that were carried from the previous year, combined with a Council focus on improving the Stormwater system. The net results of these activities above were the primary drivers of business-type activities unrestricted net position increasing by approximately \$3,552,806 million. The increase of over \$6,207,042 million in restricted net position for capital construction and renewal & replacement was primarily related to impact fees collected, and projected transfers to capital projects of the Utility.

Financial Analysis of the Government's Funds

Governmental funds. The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance in the general fund was \$7,943,802, with an additional \$2,744,058 committed for a disaster reserve. The total fund balance stood at \$10,893,379. As a measure of the general fund's liquidity, it may be useful to compare both unassigned and total fund balance to fund expenditures. Unassigned fund balance represents approximately 23% of total general fund expenditures for fiscal year 2018 and 20% for fiscal year 2017. Total fund balance represents approximately 31% of the total general fund expenditures versus 28% for fiscal year 2017.

The fund balance of the City of Palm Coast's general fund increased by \$1,080,268 during the current fiscal year.

The primary driver for the overall increase in the fund balance is related to revenues exceeding expenditures for the year. This was driven by the ongoing cost saving program, with operating departments all coming in under budget for the year.

The capital projects fund has a total fund balance of \$2,992,575, an increase of \$853,276. This increase is primarily due to revenues exceeding expenditures for the year. The transportation impact fee total fund balance was \$4,246,302, an increase of \$1,511,782. This is due to the accumulation of impact fee collections to offset past expenditures in excess of available revenues. The streets improvement fund balance was \$3,927,720 representing an increase of \$367,224. This increase is primarily due to revenues exceeding expenditures for the year. The SR100 CRA fund balance was \$871,703, an increase of \$620,483 primarily due to the sale of land in the CRA area. The other governmental funds have a total fund balance of \$(2,666,977). This represents an increase of \$156,446 during the current fiscal year. The increase is primarily due to the accumulation of impact fees in the various funds.

Proprietary funds. The City of Palm Coast's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the utility fund was \$16,577,697 at the end of the year, with the total fund balance at \$97,982,417. The unrestricted net position increased \$2,856,534 for the year. This was partially due to revenues exceeding expenses for the year, combined with the annual rate increase and increased customer sales from growth.

The unrestricted net position of the solid waste fund was \$1,580,692, which represents an increase of \$119,843. An ongoing revenue maximization program is the primary factor for the change.

Unrestricted net position of the stormwater fund was \$2,625,199, which represents an increase of \$158,448. This increase was due to the deferral of certain expenditures until fiscal year 2019.

Unrestricted net position in the building permits fund was \$3,425,965, which represents an increase of \$541,733. This increase is primarily due increased revenues from development within the City.

Unrestricted net position in the information technology fund (IT) was \$872,271, which represents a increase of \$184,915. This increase is primarily due to the decrease in invested in capital assets due to equipment depreciation.

Fund Balance Policy Compliance

Governmental funds. The general fund adjusted unassigned fund balance exceeds the policy minimum of ten percent of the following year's budgeted expenditures. The City Council has chosen to leave this excess in place to hedge against unanticipated future revenue decreases, and the need for future infrastructure investment. In September of 2017, the City was affected by Hurricane Irma. The majority of the hurricane expenditures were incurred in fiscal year 2018. The City is currently working with FEMA to maximize disaster reimbursements, it is anticipated that a portion of the adjusted unassigned fund balance may be needed to replenish disaster reserve funds not reimbursable by insurance or FEMA.

Proprietary funds. The utility and stormwater fund unrestricted net position exceeds the policy minimum of ten percent of the following year's budgeted expenses. The City Council has chosen to leave this excess in place to hedge against unanticipated future revenue decreases, and to apply excess funds towards additional capital improvements. The solid waste fund unrestricted net position exceeds the policy minimum of ten percent. These amounts are being used to hedge against uncollectible accounts and to provide working capital.

Internal service funds. The fleet and self-insured health fund unrestricted net position exceeds the policy minimums. Amounts above this floor are in place to hedge against unanticipated future expense increases.

Additional information relating to the fund balance policy can be found in Note 18 on pages 91-92 of this report.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budgeted expenses totaled an increase of \$2,185,535. The change was due primarily to hurricane Irma related expenditures, which were incurred in fiscal year 2018 and the effect of various minor operational increases and decreases across the different departments. During the year, final amended revenues exceeded the expenditure budget by \$1,229,915. This was due primarily to an overall cost reduction program.

Final Budget Compared to Actual Results

A review of actual expenditures compared to appropriations in the final budget yielded no significant unexpected variances, except for amounts budgeted for hurricane related expenditures that were carried to fiscal year 2018.

Capital Asset and Debt Administration

Capital assets. The City of Palm Coast's investment in capital assets as of September 30, 2018, amounts to \$578,878,112 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, infrastructure, equipment and construction in progress. This investment decreased \$(6,711,511) for the current fiscal year. The overall decrease is due to road expansions, bridge rehabilitation, utility infrastructure, and park expansions during the fiscal year offset regular depreciation expense and sale of land that occurred in the fiscal year.

Table III
City of Palm Coast's Capital Assets

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Land	\$ 91,046,522	\$ 91,294,729	\$ 14,156,347	\$ 13,889,568	\$ 105,202,869	\$ 105,184,297
Buildings and improvements						
other than buildings	54,740,254	46,854,727	90,124,940	61,756,145	144,865,194	108,610,872
Infrastructure	172,064,521	179,789,792	139,871,823	139,133,465	311,936,344	318,923,257
Equipment	9,219,381	9,115,991	380,367	439,484	9,599,748	9,555,475
Construction in progress	5,848,993	12,100,659	1,424,964	31,215,063	7,273,957	43,315,722
Total	\$ 332,919,671	\$ 339,155,898	\$ 245,958,441	\$ 246,433,725	\$ 578,878,112	\$ 585,589,623

Additional information on the City of Palm Coast's capital assets can be found in Note 6 on pages 55-56 of this report.

Long-term debt. The City of Palm Coast owes \$82,564,998 in revenue bonds, including premiums, used for the purchase and expansion of the utility system. There are State Revolving Fund loans and bank loans totaling \$89,403,019 primarily for utility and stormwater improvements. The City also has two CRA revenue loans for redevelopment costs with a balance of \$7,685,000 at year end. The remainder of the long-term debt is made up of compensated absences, an unfunded OPEB liability, and a net pension liability. The total long-term debt of the City is \$186,559,368.

Table IV
City of Palm Coast's Long-term Debt

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2018	2017
Loans from other governments	\$ -	\$ -	\$ 34,192,122	\$ 31,939,908	\$ 34,192,122	\$ 31,939,908
Loans from financial institutions	7,685,000	8,365,000	55,210,897	59,063,546	62,895,897	67,428,546
Revenue bonds, net	-	-	82,564,998	86,078,817	82,564,998	86,078,817
Net pension liability	3,318,028	3,377,862	-	-	3,318,028	3,377,862
OPEB liability	325,395	678,886	255,830	485,366	581,225	1,164,252
Compensated absences	2,254,574	2,223,418	1,333,749	1,281,056	3,588,323	3,504,474
Total	\$ 13,582,997	\$ 14,645,166	\$ 173,557,596	\$ 178,848,693	\$ 187,140,593	\$ 193,493,859

Additional information on the City of Palm Coast's long-term debt can be found in Note 10 beginning on pages 59-66 of this report.

Next Year's Budget and Rates

During the current fiscal year, unassigned fund balance in the general fund increased to \$7,943,802. The available fund balance, as a percentage of prior year expenditures and transfers out is approximately 22.5%.

The City Council approved a millage rate of 4.6989 mills for fiscal year 2019. Of the total millage, .1077 mills will be dedicated to the stormwater fund. The balance of 4.5912 mills is assigned to the general fund. Market values of properties have increased for the sixth consecutive year. The increase in taxable value was approximately 8.46%. New construction added approximately 2.51% to the taxable value, therefore the City had a net 5.95% increase in taxable property value for the year.

The water and sewer rates increased for fiscal year 2019 as a result of a rate study performed as part of the 2003 bond refinancing. The water and sewer rates increased by an average of 6% for all customers effective October 1, 2018. Annual C.P.I. adjustments take place annually starting in fiscal year 2020. These rate increases are necessary to cover anticipated increases in operating costs and capital replacement needs. As a result of these actions, the City's bond rating increased to A+ from both Fitch and Standard & Poor's.

The City Council adopted a policy of having new development help fund its impact on infrastructure in the community through impact fees. These fees are annually indexed and will increase approximately two percent for fiscal year 2019. One exception to this policy are recreation impact fees. These fees are based on a study of expected recreation enhancements and population growth as outlined in the park master plan for the City as of fiscal year 2014. These fees will remain static until this plan is updated in the future.

The fiscal year 2019 budget includes over \$47 million invested in new and replacement infrastructure City-wide. This investment includes roadway expansions, refurbished recreational facilities, bridge rehabilitation, stormwater control structure replacements, a new wastewater treatment plant, and utility infrastructure expansion and replacements.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City of Palm Coast's financial condition and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information you may contact the City of Palm Coast as follows:

City of Palm Coast
Financial Services
160 Lake Avenue
Palm Coast, FL 32164

Telephone (386) 986-3726 Fax (386) 986-2614
E-mail halves@palmcoastgov.com



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BASIC FINANCIAL STATEMENTS



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City of Palm Coast, Florida
Statement of Net Position
September 30, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Equity in pooled cash and investments	\$ 35,428,205	\$ 23,951,249	\$ 59,379,454
Accounts receivable - net	5,459,903	7,821,791	13,281,694
Due from other governments	6,739,989	3,024,946	9,764,935
Prepaid items	217,746	95,573	313,319
Inventories	40,137	595,028	635,165
Restricted assets:			
Equity in pooled cash and investments	-	27,304,748	27,304,748
Net pension asset	1,342,920	-	1,342,920
Capital assets not being depreciated			
Land	91,046,522	14,156,347	105,202,869
Construction in progress	5,848,993	1,424,964	7,273,957
Capital assets, net of accumulated depreciation			
Building and improvements other than buildings	54,740,254	90,124,940	144,865,194
Infrastructure	172,064,521	139,871,823	311,936,344
Equipment	9,219,381	380,367	9,599,748
Total assets	382,148,571	308,751,776	690,900,347
Deferred outflows of resources:			
Deferred outflows related to pensions	1,278,822	-	1,278,822
Deferred Outflows-OPEB	7,338	5,769	13,107
Deferred loss on refunding	-	1,096,906	1,096,906
Total deferred outflows of resources	1,286,160	1,102,675	2,388,835
LIABILITIES			
Accounts payable and other current liabilities	3,284,153	1,977,551	5,261,704
Due to other governments	1,315,822	50,623	1,366,445
Internal balances	9,859,492	(9,859,492)	-
Customer deposits	314,475	3,859,941	4,174,416
Unearned revenue	96,370	82,249	178,619
Payable from restricted assets:			
Accrued bond interest payable	-	1,818,125	1,818,125
Accrued loan interest payable	-	201,493	201,493
Accounts payable	-	661,168	661,168
Contracts payable	-	874,658	874,658
Noncurrent liabilities:			
Due within one year	861,349	7,108,334	7,969,683
Due in more than one year	9,078,225	166,193,432	175,271,657
OPEB Liability	325,395	255,830	581,225
Net pension liability	3,318,028	-	3,318,028
Total liabilities	28,453,309	173,223,912	201,677,221
Deferred inflows of resources:			
Deferred gain on refunding	-	498,707	498,707
Deferred inflows relating to pensions	372,763	-	372,763
Deferred Inflows-OPEB	12,872	10,121	22,993
Total deferred inflows of resources	385,635	508,828	894,463
NET POSITION			
Net investment in capital assets	325,234,671	84,014,277	409,248,948
Restricted for:			
Construction	-	3,947,731	3,947,731
Debt service	-	5,039,316	5,039,316
Renewal and replacements	-	12,787,242	12,787,242
Public safety	919,053	-	919,053
Parks and recreation	367,472	-	367,472
Transportation construction and maintenance	8,174,022	-	8,174,022
Redevelopment	871,703	-	871,703
Grants	47,959	-	47,959
Unrestricted	18,980,907	30,333,145	49,314,052
Total net position	\$ 354,595,787	\$ 136,121,711	\$ 490,717,498

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

City of Palm Coast, Florida
Statement of Activities
For the Year Ended September 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Primary Government	Business-type Activities	Total
Primary government:							
General government	\$ 5,956,629	\$ 1,201,790	\$ 389,951	\$ 8,400	\$ (4,356,488)	\$ -	\$ (4,356,488)
Public safety	12,187,040	80,103	-	207,279	(11,899,658)	-	(11,899,658)
Transportation and physical environment	20,049,609	162,769	3,844,513	3,635,868	(12,406,459)	-	(12,406,459)
Culture and recreation	7,000,755	1,665,539	20,480	701,972	(4,612,764)	-	(4,612,764)
Interest on long-term debt	484,548	-	-	-	(484,548)	-	(484,548)
Total governmental activities	45,678,581	3,110,201	4,254,944	4,553,519	(33,759,917)	-	(33,759,917)
Business-type activities							
Utility	37,488,776	38,381,854	994,922	5,563,695	-	7,451,695	7,451,695
Solid waste	8,433,184	8,363,015	182,478	-	-	112,309	112,309
Stormwater	6,659,088	7,422,747	382,884	598,489	-	1,745,032	1,745,032
Building permits	1,759,634	2,330,705	-	-	-	571,071	571,071
Information technology	665,967	623,497	-	-	-	(42,470)	(42,470)
Total business-type activities	55,006,649	57,121,818	1,560,284	6,162,184	-	9,837,637	9,837,637
Total primary government	\$ 100,685,230	\$ 60,232,019	\$ 5,815,228	\$ 10,715,703	(33,759,917)	9,837,637	(23,922,280)
General revenues:							
Property taxes					21,066,081	502,590	21,568,671
Sales and use taxes					3,111,226	-	3,111,226
Telecommunication services tax					2,297,782	-	2,297,782
Franchise taxes					839,511	-	839,511
Other local taxes					426,105	-	426,105
Intergovernmental revenue, non-program					4,704,629	-	4,704,629
Unrestricted investment earnings					287,570	612,838	900,408
Miscellaneous					187,331	-	187,331
Transfers					832,828	(832,828)	-
Total general revenues and transfers					33,753,063	282,600	34,035,663
Change in net position					(6,854)	10,120,237	10,113,383
Net position - beginning of year, as previously reported					354,205,812	125,737,080	479,942,892
Restatement, GASB 75					396,829	264,394	661,223
Net position - beginning of year, as restated					354,602,641	126,001,474	480,604,115
Net position - end of year					\$ 354,595,787	\$ 136,121,711	\$ 490,717,498

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

City of Palm Coast, Florida
Balance Sheet
Governmental Funds
September 30, 2018

	General Fund	Capital Projects Fund	Transportation Impact Fee Fund	Streets Improvement Fund	SR100 CRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Equity in pooled cash and investments	\$ 7,653,303	\$ 3,074,276	\$ 4,444,422	\$ 3,629,732	\$ 873,489	\$ 1,988,121	\$ 21,663,343
Accounts receivable - net	849,700	-	-	-	-	-	849,700
Special assessment receivable - net	-	-	-	-	-	4,608,171	4,608,171
Prepaid items	193,824	-	-	-	-	-	193,824
Due from other governments	5,288,441	542,888	-	905,157	-	1,412	6,737,898
Total assets	<u>\$ 13,985,268</u>	<u>\$ 3,617,164</u>	<u>\$ 4,444,422</u>	<u>\$ 4,534,889</u>	<u>\$ 873,489</u>	<u>\$ 6,597,704</u>	<u>\$ 34,052,936</u>
LIABILITIES							
Accounts payable	\$ 433,013	\$ 624,589	\$ 198,120	\$ 607,169	\$ 1,786	\$ 49,035	\$ 1,913,712
Accrued liabilities	863,521	-	-	-	-	-	863,521
Due to other governments	707,822	-	-	-	-	-	707,822
Unearned revenue	-	-	-	-	-	96,370	96,370
Customer deposits	314,475	-	-	-	-	-	314,475
Advances from other funds	-	-	-	-	-	4,608,171	4,608,171
Total liabilities	<u>2,318,831</u>	<u>624,589</u>	<u>198,120</u>	<u>607,169</u>	<u>1,786</u>	<u>4,753,576</u>	<u>8,504,071</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - special assessments	-	-	-	-	-	4,511,105	4,511,105
Unavailable revenue - taxes	5,538	-	-	-	-	-	5,538
Unavailable revenue - charges for services	7,248	-	-	-	-	-	7,248
Unavailable revenue - fines & forfeitures	760,272	-	-	-	-	-	760,272
Total deferred inflows of resources	<u>773,058</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,511,105</u>	<u>5,284,163</u>
FUND BALANCES							
Nonspendable							
Prepaid items	193,824	-	-	-	-	-	193,824
Restricted for							
Public safety	-	-	-	-	-	919,053	919,053
Parks and recreation	-	-	-	-	-	367,472	367,472
Transportation construction and maintenance	-	-	4,246,302	3,927,720	-	-	8,174,022
Grants	-	-	-	-	-	36,264	36,264
Redevelopment	-	-	-	-	871,703	-	871,703
Business assistance	11,695	-	-	-	-	-	11,695
Committed for							
Disaster reserve	2,744,058	-	-	-	-	-	2,744,058
Construction	-	2,992,575	-	-	-	-	2,992,575
Unassigned	7,943,802	-	-	-	-	(3,989,766)	3,954,036
Total fund balances (deficits)	<u>10,893,379</u>	<u>2,992,575</u>	<u>4,246,302</u>	<u>3,927,720</u>	<u>871,703</u>	<u>(2,666,977)</u>	<u>20,264,702</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,985,268</u>	<u>\$ 3,617,164</u>	<u>\$ 4,444,422</u>	<u>\$ 4,534,889</u>	<u>\$ 873,489</u>	<u>\$ 6,597,704</u>	<u>\$ 34,052,936</u>

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

City of Palm Coast, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2018

Fund balances - total governmental funds	\$ 20,264,702
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	324,419,727
Net pension liability (asset) of the defined benefit pension plans and related deferred outflows and inflows that are not due and payable in the current period and therefore are not reported in the funds.	
Volunteer Firefighter Pension Fund (VFFP)	1,278,023
Florida Retirement System (FRS)	(2,347,072)
Other Post Employment Benefits (OPEB) liability and related deferred outflows and inflows in accordance with GASB Statement No. 75 that are not due and payable in the current period and therefore are not reported in the funds	(314,765)
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.	5,284,163
Internal services funds are used by management to charge the costs of fleet and risk management to individual funds. The assets and liabilities of the internal of the internal service funds are included in governmental activities in the statement of net position.	15,876,744
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(9,865,735)
Net position of governmental activities	\$ 354,595,787

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

City of Palm Coast, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2018

	General Fund	Capital Projects Fund	Transportation Impact Fee Fund	Streets Improvement Fund	SR100 CRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 23,152,774	\$ 3,711,226	\$ -	\$ 2,006,834	\$ 1,139,796	\$ -	\$ 30,010,630
Licenses and permits	179,458	-	-	-	-	-	179,458
Intergovernmental revenue	5,626,344	8,400	-	1,704,133	-	389,951	7,728,828
Charges for services	6,160,086	-	-	-	-	-	6,160,086
Special assessments	-	-	-	-	-	333,494	333,494
Fines and forfeitures	582,254	-	-	968	-	6,219	589,441
Impact fees	-	-	2,410,451	-	-	893,090	3,303,541
Investment earnings	90,152	16,703	27,351	27,621	11,135	16,853	189,815
Miscellaneous	187,331	-	-	-	-	-	187,331
Total revenues	35,978,399	3,736,329	2,437,802	3,739,556	1,150,931	1,639,607	48,682,624
EXPENDITURES							
Current:							
General government	10,152,998	-	-	-	-	158,852	10,311,850
Transportation and physical environment	7,536,397	-	58,534	1,732,070	129,534	19,134	9,475,669
Public safety	11,825,751	-	-	-	-	7,000	11,832,751
Culture and recreation	5,186,516	-	-	-	-	-	5,186,516
Capital outlay:							
General government	-	19,764	-	-	-	-	19,764
Public safety	46,822	-	-	-	-	-	46,822
Transportation and physical environment	-	-	721,758	1,660,173	202,102	-	2,584,033
Culture and recreation	-	4,129,337	-	-	-	522,912	4,652,249
Debt service:							
Principal	-	-	-	-	680,000	-	680,000
Interest and other	-	-	-	-	249,517	235,031	484,548
Total expenditures	34,748,484	4,149,101	780,292	3,392,243	1,261,153	942,929	45,274,202
Excess (deficiency) of revenues over (under) expenditures	1,229,915	(412,772)	1,657,510	347,313	(110,222)	696,678	3,408,422
OTHER FINANCING SOURCES (USES)							
Transfers in	883,744	1,285,959	-	19,911	645,075	145,728	2,980,417
Transfers out	(1,033,391)	(19,911)	(145,728)	-	(600,000)	(685,959)	(2,484,989)
Sale of capital assets	-	-	-	-	685,630	-	685,630
Total other financing sources (uses)	(149,647)	1,266,048	(145,728)	19,911	730,705	(540,231)	1,181,058
Net change in fund balances	1,080,268	853,276	1,511,782	367,224	620,483	156,447	4,589,480
Fund balances (deficits) - beginning	9,813,111	2,139,299	2,734,520	3,560,496	251,220	(2,823,424)	15,675,222
Fund balances (deficits) - ending	\$ 10,893,379	\$ 2,992,575	\$ 4,246,302	\$ 3,927,720	\$ 871,703	\$ (2,666,977)	\$ 20,264,702

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

City of Palm Coast, Florida
Reconciliation of the Statement of Revenues, Expenditures,
And Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended September 30, 2018

Net change in fund balances - total governmental funds	\$	4,589,480
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	7,302,868	
Less current year depreciation	<u>(12,842,597)</u>	(5,539,729)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Change in revenue collections expected after 60 days	(38,533)
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, exchanges and adjustments) is to increase net assets	(899,981)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	680,000
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Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the Statement of Activities, the amount contributed reduces future net liability. Also included in pension expense in the Statement of Activities are amounts amortized for related deferred inflows and outflows.

Volunteer Firefighter Pension Fund (VFFP)	111,307
Florida Retirement System (FRS)	(181,716)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	(19,532)
Change in OPEB liability and deferred inflows/outflows related to OPEB	(47,434)

Internal service funds are used by management to charge the costs of certain fleet and risk management activities to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.

	<u>1,339,284</u>
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Change in net position of governmental activities.	\$	<u>(6,854)</u>
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The notes to the financial statements are an integral part of this statement.

City of Palm Coast, Florida
Statement of Net Position
Proprietary Funds
September 30, 2018

Business-type Activities-Enterprise Funds						
	Utility Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
ASSETS						
Current assets:						
Equity in pooled cash and investments	\$ 16,753,603	\$ 887,470	\$ 1,562,678	\$ 4,747,498	\$ 23,951,249	\$ 13,764,862
Accounts receivable - net	4,857,780	1,147,069	1,684,018	132,924	7,821,791	2,032
Inventories	595,028	-	-	-	595,028	40,137
Prepaid items	54,620	-	27,461	13,492	95,573	23,922
Restricted current assets:						
Cash with fiscal agent	4,978,125	-	-	-	4,978,125	-
Due from other governments	2,052,413	182,478	790,055	-	3,024,946	2,091
Total current assets	29,291,569	2,217,017	4,064,212	4,893,914	40,466,712	13,833,044
Noncurrent assets:						
Restricted noncurrent assets:						
Debt service	1,805,421	-	275,388	-	2,080,809	-
Impact fees	4,747,406	-	-	-	4,747,406	-
Renewal and replacements	13,205,052	-	-	-	13,205,052	-
Bond proceeds	2,293,356	-	-	-	2,293,356	-
Advances to other funds	4,608,171	-	-	-	4,608,171	-
Land	13,194,704	-	961,643	-	14,156,347	-
Building and improvements other than buildings	138,141,307	-	-	-	138,141,307	1,097,144
Infrastructure	176,123,608	-	43,580,761	4,903,655	224,608,024	-
Equipment	971,800	-	382,471	1,471,020	2,825,291	18,917,656
Less accumulated depreciation	(114,561,071)	-	(17,252,197)	(3,384,224)	(135,197,492)	(11,514,856)
Construction in progress	753,266	-	671,698	-	1,424,964	-
Total noncurrent assets	241,283,020	-	28,619,764	2,990,451	272,893,235	8,499,944
Deferred outflows of resources						
Deferred loss on refunding	1,096,906	-	-	-	1,096,906	-
Deferred Outflows-OPEB	4,276	-	521	972	5,769	358
Total deferred outflows of resources	1,101,182	-	521	972	1,102,675	358
Total assets and deferred outflows	\$ 271,675,771	\$ 2,217,017	\$ 32,684,497	\$ 7,885,337	\$ 314,462,622	\$ 22,333,346

City of Palm Coast, Florida
Statement of Net Position (continued)
Proprietary Funds
September 30, 2018

Business-type Activities-Enterprise Funds							Governmental Activities - Internal Service Funds
	Utility Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds		
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 514,200	\$ 636,325	\$ 498,583	\$ 121,184	\$ 1,770,292	\$	116,495
Claims payable	-	-	-	-	-		380,292
Due to other governments	36,369	-	-	14,254	50,623		608,000
Loans payable	2,994,293	-	378,055	15,897	3,388,245		-
Compensated absences	412,372	-	54,645	93,072	560,089		24,898
Accrued liabilities	146,004	-	23,880	37,375	207,259		10,133
Customer deposits	3,859,941	-	-	-	3,859,941		-
Unearned revenue	-	-	-	82,249	82,249		-
Current liabilities payable from rstrd assets:							
Current maturities of bonds payable	3,160,000	-	-	-	3,160,000		-
Accrued bond interest payable	1,818,125	-	-	-	1,818,125		-
Accrued loan interest payable	192,286	-	9,207	-	201,493		-
Accounts payable	661,168	-	-	-	661,168		-
Contract payable	874,658	-	-	-	874,658		-
Total current liabilities	14,669,416	636,325	964,370	364,031	16,634,142		1,139,818
Noncurrent liabilities:							
Compensated absences	521,606	-	48,361	203,693	773,660		48,941
Net OPEB liability	189,617	-	23,096	43,117	255,830		15,893
Bonds payable	79,404,998	-	-	-	79,404,998		-
Loans payable	78,401,509	-	7,613,265	-	86,014,774		-
Total noncurrent liabilities	158,517,730	-	7,684,722	246,810	166,449,262		64,834
Deferred inflows of resources							
Deferred gain on refunding	498,707	-	-	-	498,707		-
Deferred Inflows-OPEB	7,501	-	914	1,706	10,121		629
Total deferred inflows of resources	506,208	-	914	1,706	508,828		629
Total liabilities and deferred inflows	173,693,354	636,325	8,650,006	612,547	183,592,232		1,205,281
NET POSITION							
Net investment in capital assets	59,896,612	-	21,143,111	2,974,554	84,014,277		8,499,944
Restricted for construction	3,947,731	-	-	-	3,947,731		-
Restricted for renewal & replacements	12,787,242	-	-	-	12,787,242		-
Restricted for debt service	4,773,135	-	266,181	-	5,039,316		-
Unrestricted	16,577,697	1,580,692	2,625,199	4,298,236	25,081,824		12,628,121
Total net position	\$ 97,982,417	\$ 1,580,692	\$ 24,034,491	\$ 7,272,790	130,870,390	\$	21,128,065
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					5,251,321		
					\$136,121,711		

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

City of Palm Coast, Florida
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Utility Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
OPERATING REVENUES						
Charges for services:						
Water sales	\$ 22,101,651	\$ -	\$ -	\$ -	\$ 22,101,651	\$ -
Sewer charges	15,127,651	-	-	-	15,127,651	-
Garbage charges	-	8,363,015	-	-	8,363,015	-
Stormwater charges	-	-	7,422,747	-	7,422,747	-
Building permit and inspection charges	-	-	-	2,330,705	2,330,705	-
Information technology charges	-	-	-	2,725,670	2,725,670	-
Miscellaneous	1,152,552	-	-	5,421	1,157,973	-
Risk management	-	-	-	-	-	4,334,862
Fleet management	-	-	-	-	-	5,112,981
Total operating revenues	38,381,854	8,363,015	7,422,747	5,061,796	59,229,412	9,447,843
OPERATING EXPENSES						
Administrative	5,992,354	-	-	-	5,992,354	6,338,525
Water system	8,597,038	-	-	-	8,597,038	-
Sewer system	7,508,177	-	-	-	7,508,177	-
Solid waste system	-	8,433,184	-	-	8,433,184	-
Stormwater system	-	-	4,606,393	-	4,606,393	-
Building permits and inspections	-	-	-	1,794,554	1,794,554	-
Information technology	-	-	-	2,407,609	2,407,609	-
Depreciation	11,042,932	-	1,976,090	391,596	13,410,618	1,771,361
Total operating expenses	33,140,501	8,433,184	6,582,483	4,593,759	52,749,927	8,109,886
Operating income (loss)	5,241,353	(70,169)	840,264	468,037	6,479,485	1,337,957
NONOPERATING REVENUES (EXPENSES)						
Investment revenue	542,669	7,534	27,815	34,820	612,838	97,756
Interest/amortization expense	(4,743,275)	-	(248,174)	-	(4,991,449)	-
Intergovernmental	994,922	182,478	382,884	-	1,560,284	-
Property taxes	-	-	502,590	-	502,590	-
Other	-	-	-	-	-	193,304
Total nonoperating revenues (expenses)	(3,205,684)	190,012	665,115	34,820	(2,315,737)	291,060
Income (loss) before capital contributions and transfers	2,035,669	119,843	1,505,379	502,857	4,163,748	1,629,017
TRANSFERS AND CONTRIBUTIONS						
Capital grants and contributions	5,563,695	-	598,489	-	6,162,184	-
Transfers in	-	-	200,000	-	200,000	337,400
Transfers out	(885,424)	-	(104,851)	(42,553)	(1,032,828)	-
Total transfers and contributions	4,678,271	-	693,638	(42,553)	5,329,356	337,400
Change in net position	6,713,940	119,843	2,199,017	460,304	9,493,104	1,966,417
Net position - beginning as previously reported	91,178,742	1,460,849	21,695,045	6,778,256		19,146,381
Restatement, GASB 75	89,735	-	140,429	34,230		15,267
Net position - beginning of year, as restated	91,268,477	1,460,849	21,835,474	6,812,486		19,161,648
Net position - ending	\$ 97,982,417	\$ 1,580,692	\$ 24,034,491	\$ 7,272,790		\$ 21,128,065
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					627,133	
					<u>\$10,120,237</u>	

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



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City of Palm Coast, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Utility Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from customers	\$ 38,534,714	\$ 8,414,764	\$ 7,416,313	\$ 2,883,168	\$ 57,248,959	\$	21,485
Cash from interfund charges	-	-	-	2,107,594	2,107,594		9,426,437
Cash paid to suppliers	(15,641,541)	(8,421,179)	(3,567,573)	(2,538,882)	(30,169,175)		(5,909,230)
Cash paid to employees	(6,304,375)	-	(694,379)	(1,657,600)	(8,656,354)		(419,738)
Net cash provided by (used in) operating activities	16,588,798	(6,415)	3,154,361	794,280	20,531,024		3,118,954
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers in from other funds	-	-	200,000	-	200,000		337,400
Transfers out to other funds	(885,424)	-	(104,851)	(42,553)	(1,032,828)		-
Advances from other funds	92,445	-	-	-	92,445		-
Net cash provided by (used in) noncapital financing activities	(792,979)	-	95,149	(42,553)	(740,383)		337,400
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from issuance of long-term debt	9,294,229	-	-	-	9,294,229		-
Loan principal payments	(6,089,000)	-	(1,123,906)	(17,649)	(7,230,555)		-
Interest paid	(5,095,708)	-	(249,107)	-	(5,344,815)		-
Acquisition and construction of property, plant and equipment	(11,492,810)	-	(2,237,010)	(141,833)	(13,871,653)		(1,999,755)
Proceeds from the sale of capital assets	-	-	-	-	-		218,215
Property tax proceeds	-	-	502,590	-	502,590		-
Impact fees and contributions	5,830,554	-	191,316	-	6,021,870		-
Net cash provided by (used in) capital and related financing activities	(7,552,735)	-	(2,916,117)	(159,482)	(10,628,334)		(1,781,540)
CASH FLOW FROM INVESTING ACTIVITIES							
Interest on investments	542,669	7,534	27,815	34,820	612,838		97,756
Net cash provided by (used in) investing activities	542,669	7,534	27,815	34,820	612,838		97,756
Net increase (decrease) in cash and cash equivalents	8,785,753	1,119	361,208	627,065	9,775,145		1,772,570
Beginning cash and cash equivalents	34,997,210	886,351	1,476,858	4,120,433	41,480,852		11,992,292
Ending cash and cash equivalents	\$ 43,782,963	\$ 887,470	\$ 1,838,066	\$ 4,747,498	\$ 51,255,997	\$	13,764,862

(continued)

City of Palm Coast, Florida
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Utility Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Fund	Total Enterprise Fund		
RECONCILIATION OF OPERATING INCOME							
(LOSS) TO NET CASH PROVIDED BY (USED IN)							
OPERATING ACTIVITIES							
Operating income (loss)	\$ 5,241,353	\$ (70,169)	\$ 840,264	\$ 468,037	\$ 6,479,485	\$	1,337,957
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities							
Depreciation and amortization	11,042,932	-	1,976,090	391,596	13,410,618		1,771,361
Change in assets and liabilities:							
Accounts receivable	(26,617)	51,749	(6,434)	(38,794)	(20,096)		79
Inventories	203,002	-	-	-	203,002		(12,059)
Prepays	(8,375)	-	(1,891)	(2,358)	(12,624)		(1,800)
Accounts payable	(137,346)	12,005	329,962	(9,304)	195,317		7,164
Due to other governments	36,369	-	-	-	36,369		-
Accrued liabilities	56,866	-	6,471	12,055	75,392		4,628
Customer deposits	143,108	-	-	(32,240)	110,868		-
Compensated absences	37,506	-	9,899	5,288	52,693		11,624
Net cash provided by (used in) operating activities	\$ 16,588,798	\$ (6,415)	\$ 3,154,361	\$ 794,280	\$ 20,531,024	\$	3,118,954
CASH AND CASH EQUIVALENTS							
CLASSIFIED AS:							
Equity in pooled cash and investments in current assets	\$ 16,753,603	\$ 887,470	\$ 1,562,678	\$ 4,747,498	\$ 23,951,249	\$	13,764,862
Restricted equity in pooled cash and investments							
Cash with fiscal agent	4,978,125	-	-	-	4,978,125		-
Debt service	1,805,421	-	275,388	-	2,080,809		-
Impact Fees	4,747,406	-	-	-	4,747,406		-
Renewal and replacements	13,205,052	-	-	-	13,205,052		-
Bond proceeds	2,293,356	-	-	-	2,293,356		-
Total restricted equity in pooled cash and investments	27,029,360	-	275,388	-	27,304,748		-
Total cash and cash equivalents	\$ 43,782,963	\$ 887,470	\$ 1,838,066	\$ 4,747,498	\$ 51,255,997	\$	13,764,862
NONCASH CAPITAL AND RELATED							
FINANCING ACTIVITIES:							
Developer contributions of capital assets	\$ 288,402	\$ -	\$ -	\$ -	\$ 288,402	\$	-

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

City of Palm Coast, Florida
Statement of Fiduciary Net Position
September 30, 2018

	<u>Volunteer Firefighter Pension Fund</u>
ASSETS	
Pension Investments	
External investment pools	\$ 4,386,055
Due from other governments	<u>8,000</u>
Total assets	<u>4,394,055</u>
NET POSITION	
Net position restricted for pensions	<u><u>4,394,055</u></u>

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

City of Palm Coast, Florida
Statement of Changes in Fiduciary Net Position
For the fiscal year ended September 30, 2018

	<u>Volunteer Firefighter Pension Fund</u>
ADDITIONS	
Contributions:	
State contributions	\$ 263,091
Total contributions	<u>263,091</u>
Investment earnings:	
Interest	298,220
Less investment expense	<u>(8,161)</u>
Total investment earnings	<u>290,059</u>
Total additions	<u>553,150</u>
DEDUCTIONS	
Administrative expenses	29,021
Benefit distributions	<u>170,389</u>
Total deductions	<u>199,410</u>
Change in net position	353,740
 Net position - beginning	 <u>4,040,315</u>
Net position - ending	<u><u>\$ 4,394,055</u></u>

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

NOTES TO FINANCIAL STATEMENTS
September 30, 2018

City of Palm Coast, Florida
Notes to Financial Statements
September 30, 2018

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The *City of Palm Coast, Florida* (the "City") was incorporated December 31, 1999 under the laws of the State of Florida. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (fire and law enforcement), highways and streets, parks and recreation, public improvements, planning and zoning, and general administrative services. The accompanying financial statements include all those separately administered departments and funds for which the City has financial accountability. There are no potential component units or related organizations of the City.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Internal service funds are incorporated into the governmental activities column.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The pension trust fund is reported as a separate financial statement, and is not included in the government-wide financial statements.

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

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

The government reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The capital projects fund accounts for resources accumulated and payments made for the acquisition of land and construction of major capital facilities.

The transportation impact fee capital project fund is used to track impact fees collected for the purpose of funding expenditures for the expansion of road capacity.

The streets improvement special revenue fund is used to account for a portion of state revenue sharing and a local option gas tax that is restricted for transportation expenditures. This revenue is primarily used for road operations, maintenance, improvements, and to resurface city streets.

The SR100 CRA special revenue fund accounts for the tax increment financing and related expenditures of the State Road 100 community redevelopment area.

The government reports the following major proprietary funds:

The utility enterprise fund accounts for revenues and expenses related to activities in the government's treatment and distribution of water, pumping of sewage, collection of sewage and treatment of sewage.

The stormwater management fund accounts for revenues and expenses related to the maintenance and capital improvements of the stormwater system.

The solid waste enterprise fund accounts for revenues and expenses related to the collection and removal of solid waste.

Additionally, the government reports the following fund types:

The internal service funds account for a self-insured employee medical insurance program and fleet management services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

The pension trust fund accounts for the activities of the Volunteer Firefighters' Pension, which accumulates resources for pension benefit payments to qualified volunteer firefighters.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

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

During the course of operations, the City has activity between funds for various purposes. Any remaining balances at year end are reported as due from/to or advances from/to other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the government-wide financial statements. Balances between funds in both the governmental activities and business-type activities are presented so that only the net amount appears as internal balances on the Statement of Net Position. Further, certain activities occur involving transfers of resources between funds. These are reported as gross transfers in the fund financial statements, but as net transfers in the government-wide financial statements after certain eliminations.

Measurement Focus and Basis of Accounting

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and pension funds are reported using the economic resources measurement focus and the accrual basis of accounting.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing activities. The principal operating revenues of the City's enterprise funds and the internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and the internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general fund, capital projects fund, and special revenue funds. The budget includes a portion of the prior year's fund balance as a budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenue over expenditures. The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

If, during the year, revenues in excess of those estimated in the budget are available for appropriation, City Council may make supplemental appropriations for the year in an amount not to exceed the excess.

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

Cash, cash equivalents, and investments

The City's cash and cash equivalents are cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of the acquisition. Investments are reported at fair value (generally based on quoted market prices) except for amounts in the Florida Prime investment pool and the Florida Education Investment Trust Fund. See Note 4 for additional details.

Receivables and payables

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

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)
Receivables and payables (Continued)

Receivables consist primarily of amounts due from other governments, as well as utility, solid waste, stormwater, and fiber optic system usage billings. All general fund receivables are deemed collectible, and an allowance for doubtful accounts has been set up in the utility, solid waste, stormwater, and IT funds for 9%, 9%, 18% and 3%, respectively, of the outstanding receivable amounts. Under Florida law, the assessment and collection of all county, municipal, and school district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate up to 10 mills.

Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method for the fleet management fund, and the utility fund. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time inventory is used. No required minimum levels of inventory are maintained.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items in governmental funds are recognized using the consumption method.

Fair value measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Restricted Assets

Certain proceeds of the utility enterprise fund revenue bonds are classified as restricted assets because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Other enterprise fund restricted assets include accumulated impact fees, accumulated renewal and replacement funds, intergovernmental receivables and debt service requirements; their use is limited by state statute and various regulatory authorities.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed assets are valued at their estimated acquisition value on the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Land and construction in progress are not depreciated. Depreciation on other assets is provided on the straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	20 - 50
Improvements other than buildings	7 - 30
Infrastructure	15 - 100
Equipment	5 - 20

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has various items related to pensions and Other Post Employment Benefits, in this category. Also, a deferred loss on refunding is reported in the proprietary funds statement of financial position and the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Deferred outflows/inflows of resources (Continued)

The City has four items that qualify for reporting in this category. The first item is unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: taxes, special assessments, fines and forfeitures, and charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Also, a deferred gain on refunding is reported in the proprietary funds statement of financial position and the government-wide statement of net position. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also has items related to pensions and Other Post Employment Benefits in this category.

Net position flow assumption

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

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance - amounts that are not in spendable form (such as prepaid expenses and advances due from other funds) or are required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund balance (Continued)

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

Assigned fund balance - amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or as delegated to the City Manager.

Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. Assigned fund balance is established by the City Council through adoption or amendment of the budget and through delegation to the City Manager by passage of a resolution.

Program Revenues

Amounts reported as program revenues included 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) operating grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes

Property taxes attach as an enforceable lien on real property and are levied per the following calendar:

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Property taxes (Continued)

Valuation Date January 1, 2017

Property Appraiser prepares the assessment roll with values as of January 1, 2017, submits this preliminary roll for approval by the State and notifies each taxing authority of their respective valuations. July 1, 2017

City Council holds two required public hearings and adopts a budget and ad valorem tax millage rate for the coming fiscal year. September 2017

Property Appraiser certifies the assessment roll and all real and tangible personal property taxes are due and payable (Levy Date). September 2017

A Notice of Taxes is mailed to each property owner on the assessment roll. Taxes are paid November 2017 through March 2018, with the following applicable discounts: November 1, 2017

Month Paid	Discount (%)	November 1, 2017
November	4	through
December	3	March 31, 2018
January	2	
February	1	
March	0	

All unpaid taxes on real and tangible personal property become delinquent. April 1, 2018

A list of unpaid tangible personal property taxes and a list of unpaid real property taxes are advertised. April and May 2018

Tax certificates are sold on all real estate parcels with unpaid real property taxes (Lien Date). June 1, 2018

A court order is obtained authorizing the seizure and sale of personal property if the taxpayer fails to pay the delinquent personal property taxes. June 1, 2018

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Compensated Absences

Employees may accumulate vacation and sick leave with certain limitations as to the number of hours of accumulation. General employees are paid 100% of their accumulated vacation pay and sick leave when they terminate up to a maximum of 320 hours for vacation and 320 hours for sick leave (448 hours each for fire department personnel), as long as they are not dismissed with cause or fail to meet the 10 day notice requirement for voluntary resignations. The related liability for this policy is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility, solid waste, stormwater and other proprietary funds along with internal service funds are charges to customers for sales and services. Operating expenses for these funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Recently Issued and Adopted Accounting Pronouncements

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

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Recently Issued and Adopted Accounting Pronouncements (Continued)

1. GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, in November 2016. GASB 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs), which are legally enforceable liabilities associated with the retirement of a tangible capital asset. The provisions in GASB 83 are effective for periods beginning after June 15, 2018.
2. GASB issued Statement No. 84, *Fiduciary Activities*, in January 2017. GASB 84 improved guidance regarding the identification and reporting of fiduciary activities. The provisions in GASB 84 are effective for periods beginning after December 15, 2018.
3. GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after December 15, 2019.
4. GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, in April 2018. GASB 88 requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The provisions in GASB 88 are effective for periods beginning after June 15, 2018.
5. GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, in June 2018. GASB 89 requires that interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest costs incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The provisions in GASB 89 are effective for periods beginning after December 15, 2019.
6. GASB issued Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, in August 2018. GASB 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The provisions in GASB 90 are effective for periods beginning after December 15, 2018.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 2 – Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The details of this \$324,419,727 difference are as follows:

Land	\$ 91,046,522
Construction in progress	5,848,993
Buildings and other improvements	70,341,600
Less: Accumulated depreciation	(16,343,747)
Infrastructure	266,472,768
Less: Accumulated depreciation	(94,408,247)
Equipment	6,411,704
Less: Accumulated depreciation	(4,949,866)
<i>Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities</i>	<u><u>\$ 324,419,727</u></u>

Another element of that reconciliation explains that “internal service funds are used by management to charge the costs of fleet and risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.” The details of this \$15,876,744 difference are as follows:

Net position of the internal service funds	\$ 21,128,065
Less: Internal payable representing charges in excess of cost to business-type activities - prior years	(4,624,188)
Less: Internal payable representing charges in excess of cost to business-type activities - current year	(627,133)
<i>Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities</i>	<u><u>\$ 15,876,744</u></u>

A final element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds.” The details of this \$9,865,735 difference are as follows:

Loans payable	\$ 7,685,000
Compensated absences	2,180,735
<i>Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities</i>	<u><u>\$ 9,865,735</u></u>

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 2 – Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. “This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this \$680,000 difference are as follows:

Principal payments:

SR100 CRA Revenue Note	\$ 680,000
<i>Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities</i>	<u><u>\$ 680,000</u></u>

Note 3 – Stewardship, Compliance and Accountability

Compliance with Finance-Related Legal and Contractual Provision

The City has no material violations of finance-related legal and contractual provisions.

Deficit Fund Balance

The OKR Special Assessment special revenue fund had a deficit fund balance of \$3,989,766. This fund incurred construction expenditures in excess of current revenues and transfers.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 4 – Deposits and Investments

Deposits

At year-end, the carrying amount of the City's deposits was \$8,010,303 and the bank balance was \$10,006,113. All bank deposits were fully covered by federal depository insurance and by deposits held in banks that are members of the State of Florida's Collateral Pool as specified under Florida law. Florida Statutes provide for collateral pooling by banks and savings and loans. This limits local government deposits to "authorized depositories". Included in the carrying amount of the City deposits is \$7,790 in petty cash.

Investments

The City follows guidelines of Florida Statute Section 218.415, which allows the following investments:

- The Local Government Surplus Funds Trust Fund
- Intergovernmental Investment Pools
- SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency
- Interest bearing time deposits or savings accounts in qualified public depositories
- Direct obligations of the U.S. Treasury
- Federal Agencies and instrumentalities
- Supranational bonds
- Commercial paper
- Corporate bonds

As of September 30, 2018, the City has the following investments:

Investment Type	Fair Value	Percentage of Total	Average Maturities
Florida Prime LGIP	\$ 14,806,397	20.09	72 Days
Intergovernmental Investment Pool - FEITF	8,158,862	11.07	37 Days
Intergovernmental Investment Pool - FEITF Term	4,000,000	5.43	102 Days
U.S. Government Agencies	11,567,989	15.70	1-5 Years
U.S. Treasuries	12,517,547	16.99	1-3 Years
Corporate Issues	17,091,452	23.19	1-5 Years
Municipal Bonds	502,552	0.68	1 Year
Supranational Bonds	5,050,975	6.85	1-3 Years
	<u>\$ 73,695,774</u>		

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2018:

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 4 – Deposits and Investments (Continued)

- *Fixed Income Securities* - Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of the issuers with similar credit ratings.

The following table summarizes the assets and liabilities of the City for which fair values are determined on a recurring bases as of September 30, 2018:

Investment Type	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
U.S. Government Agencies	\$ 11,567,989	\$ -	\$ 11,567,989	\$ -	\$ 11,567,989
U.S. Treasuries	12,517,547	-	12,517,547	-	12,517,547
Corporate Issues	17,091,452	-	17,091,452	-	17,091,452
Municipal Bonds	502,552	-	502,552	-	502,552
Supranational Bonds	5,050,975	-	5,050,975	-	5,050,975
Total investments by fair value level	\$ 46,730,515	\$ -	\$ 46,730,515	\$ -	\$ 46,730,515

*Investments measured at the net
asset value (NAV)*

External Investment Pool:

SBA Florida Prime \$ 14,806,397

FEITF 12,158,862

Total investments measured at NAV 26,965,259

*Total investments measured at fair
value* \$ 73,695,774

The City's investments in the Florida Local Government Surplus Funds Trust Fund Investment Pool (Florida PRIME), a Securities and Exchange Commission rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The Florida PRIME investment pool is administered by the State Board of Administration (SBA) pursuant to section 218.405 of the Florida Statutes.

The pool invests in short-term, high-quality fixed income securities. To be considered high-quality, the security must be rated highest in the short-term rating category by one or more nationally recognized statistical ratings organizations, or deemed to be of comparable quality by the investment manager. Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in the fund at amortized cost. The account balance of this fund is considered to be the fair value of this investment. As of September 30, 2018, Standard and Poor's Ratings Services assigned its "AAAm" principal stability fund rating to Florida PRIME. The occurrence of an event that has a material impact on liquidity or operations of the trust fund can cause limits on contributions or withdrawals. During the fiscal year there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value. Separate financial statements for the pool are available by contacting the Florida State Board of Administration.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 4 – Deposits and Investments (Continued)

The Florida Education Investment Trust Fund ("FEITF" or the "Fund") was established December 3, 2009, pursuant to an Agreement and Declaration of Trust by and among the Florida School Board Association, Inc. ("FSBA"), the Florida Association of District School Superintendents, Inc. ("FADSS") and the School Boards which had agreed to become Signatory Public Agencies of the Fund. The Fund is a common law trust organized under the laws of the State of Florida (the "State"). The Fund is an investment opportunity for State school districts, political subdivisions of the State or instrumentalities of political subdivisions of the State.

The Fund currently consists of the FEITF Portfolio and the FEITF Term Series. The FEITF Portfolio commenced operations on October 22, 2010. Multiple FEITF Term Series are issued with staggered maturity dates. The financial statements of each FEITF Term Series are prepared on an interim date if the life of the series is in excess of an annual period and following the termination date of each individual FEITF Term Series.

The following is a description of the valuation techniques used for assets measured at fair value:

US treasury notes, GNMA, and Municipal obligations - Valued based on face value of the instruments adjusted for inflation and interest maturities.

Corporate Bonds - Valued based on face value of the instruments adjusted for inflation and interest maturities.

Corporate Equities and Mutual Funds - Valued at fair value based on quoted market prices at year end.

Money Market Funds - Valued at the underlying fund balance.

Interest Rate Risk. The City's investment policy limits the maturities of operating funds to a maximum of twenty-four (24) months. Bond reserves, construction funds, and other non-operating funds cannot exceed maturities of ten (10) years. Longer maturities, not to exceed thirty (30) years, may be used in special circumstances. The maximum length to maturity for an investment in any U.S. Government Agency security is ten (10) years from the date of purchase.

Credit Risk. The City's investment policy allows investment in high grade corporate notes and government sponsored agencies with a minimum A rating by any two Nationally Recognized Statistical Ratings Organizations (NRSROs). Commercial paper is required to have a rating of A-1 by Standard and Poor's and Prime-1 by Moody's. Foreign Issues requirements are that the US is a shareholder and voting member with a long term debt rating of "AAA" category, or a short term debt rating of A-1 or higher, by any two NRSROs at the time of purchase. As of September 30, 2018, the City's investments in U.S. Government Agencies were rated AA+, commercial paper rated A-1, corporate and municipal bonds rated between BBB+ and AAA by Standard & Poor's, and foreign issues were rated AAA by Standard and Poor's and Aaa by Moody's.

Concentrations of Credit Risk. The City's investment policy allows a maximum of seventy-five (75) percent of available funds to be invested in U.S. Government Agencies. As of September 30, 2018, the City's largest agency investment is in the Federal Home Loan Mortgage Corporation (FHLMC).

Cash with fiscal agent as of September 30, 2018 totaled \$4,978,125. This amount represents the semi-annual utility bond principal and interest payments on deposit with the distributing agent.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 5 – Receivables

Amounts are aggregated into single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is a detail of receivables, including applicable allowances for uncollectible accounts:

	Accounts Receivable	Special Assessments Receivable	Allowance for Doubtful Accounts	Totals
General Fund	\$ 849,700	\$ -	\$ -	\$ 849,700
Nonmajor Governmental Funds	-	4,608,171	-	4,608,171
Utility Fund	5,319,070	-	(461,290)	4,857,780
Solid Waste Fund	1,263,464	-	(116,395)	1,147,069
Stormwater Fund	2,064,638	-	(380,620)	1,684,018
Nonmajor Enterprise Funds	136,425	-	(3,501)	132,924
Fleet Management Fund	2,032	-	-	2,032
Totals	<u>\$ 9,635,329</u>	<u>\$ 4,608,171</u>	<u>\$ (961,806)</u>	<u>\$ 13,281,694</u>

The special assessments receivable is the amount due from property owners within the Old Kings Road Special Assessment District (see Note 15). The amount due as of September 30, 2018 represents the balance remaining on the financing of the expansion and realignment of Old Kings Road.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 6 – Capital Assets

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

	Balance 9/30/2017	Increases	Decreases	Balance 9/30/2018
A. Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 91,294,729	\$ 806,125	\$ (1,054,332)	\$ 91,046,522
Construction in progress	12,100,659	1,388,565	(7,640,231)	5,848,993
Total capital assets, not being depreciated	103,395,388	2,194,690	(8,694,563)	96,895,515
Capital assets, being depreciated:				
Buildings and improvements other than buildings	61,484,721	10,306,605	(352,582)	71,438,744
Infrastructure	263,964,550	2,508,218	-	266,472,768
Equipment	24,332,124	2,215,442	(1,218,207)	25,329,359
Total capital assets, being depreciated	349,781,395	15,030,265	(1,570,789)	363,240,871
Less accumulated depreciation for:				
Buildings and improvements other than buildings	(14,629,994)	(2,421,078)	352,582	(16,698,490)
Infrastructure	(84,174,758)	(10,233,489)	-	(94,408,247)
Equipment	(15,216,133)	(2,112,052)	1,218,207	(16,109,978)
Total accumulated depreciation	(114,020,885)	(14,766,619)	1,570,789	(127,216,715)
Total capital assets, being depreciated, net	235,760,510	263,646	-	236,024,156
Governmental activities capital assets, net	\$ 339,155,898	\$ 2,458,336	\$ (8,694,563)	\$ 332,919,671
B. Business-type Activities				
Capital assets, not being depreciated:				
Land	\$ 13,889,568	\$ 266,779	\$ -	\$ 14,156,347
Construction in progress	31,215,063	1,348,111	(31,138,210)	1,424,964
Total capital assets, not being depreciated	45,104,631	1,614,890	(31,138,210)	15,581,311
Capital assets, being depreciated:				
Buildings and improvements other than buildings	105,254,944	32,886,363	-	138,141,307
Infrastructure	214,968,517	9,639,507	-	224,608,024
Equipment	2,785,575	125,452	(85,736)	2,825,291
Total capital assets, being depreciated	323,009,036	42,651,322	(85,736)	365,574,622
Less accumulated depreciation for:				
Buildings and improvements other than buildings	(43,498,799)	(4,517,569)	-	(48,016,368)
Infrastructure	(75,835,046)	(8,901,152)	-	(84,736,198)
Equipment	(2,346,097)	(184,565)	85,736	(2,444,926)
Total accumulated depreciation	(121,679,942)	(13,603,286)	85,736	(135,197,492)
Total capital assets, being depreciated, net	201,329,094	29,048,036	-	230,377,130
Business-type activities capital assets, net	\$ 246,433,725	\$ 30,662,926	\$ (31,138,210)	\$ 245,958,441

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 6 – Capital Assets (Continued)

Depreciation expense was charged to the functions/programs as follows:

Governmental activities:

General government	\$ 236,482
Public safety	262,016
Transportation and physical environment	10,536,460
Culture and recreation	1,807,639
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>1,924,022</u>

Total depreciation expense - governmental activities	<u><u>\$ 14,766,619</u></u>
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Business activities:

Utility	\$ 11,042,932
Stormwater	1,976,090
Building	321
Information Technology (IT)	<u>391,275</u>

Total depreciation expense - business activities	<u><u>\$ 13,410,618</u></u>
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Depreciation expense differs from accumulated depreciation for Business activities for the fiscal year in the amount of \$192,668. The difference is due to capital asset transfer adjustment made in the fiscal year.

Note 7 - Accrued liabilities

Accrued liabilities totaling \$863,521 reported by the general fund as of September 30, 2018 represent accrued salaries and related employee benefits.

Note 8 – Interfund Receivables, Payables, and Transfers

Advances from/to other funds:

Receivable Fund	Payable Fund	Purpose	Amount
Utility Fund	OKR Special Assessment Fund	Expansion and realignment of road	\$ 4,608,171
			<u>\$ 4,608,171</u>

The Utility Fund loan is a working capital loan made to the OKR Special Assessment Fund upon its creation. This balance is not scheduled to be collected in the subsequent year.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 8 – Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers:

Transfer out:	Transfer In:							
	General Fund	Capital Projects Fund	Streets Improvement Fund	SR 100 CRA Fund	Fleet Fund	Stormwater Fund	Nonmajor Governmental	Total
General Fund	\$ -	\$ -	\$ -	\$ 645,075	\$ 188,316	\$ 200,000	\$ -	\$ 1,033,391
Utility Fund	762,762	-	-	-	122,662	-	-	885,424
Transportation Impact Fee Fund	-	-	-	-	-	-	145,728	145,728
Capital Projects Fund	-	-	19,911	-	-	-	-	19,911
SR100 CRA Fund	-	600,000	-	-	-	-	-	600,000
Stormwater Fund	104,851	-	-	-	-	-	-	104,851
Nonmajor Governmental	-	685,959	-	-	-	-	-	685,959
Nonmajor Proprietary	16,131	-	-	-	26,422	-	-	42,553
Total transfers out	\$ 883,744	\$ 1,285,959	\$ 19,911	\$ 645,075	\$ 337,400	\$ 200,000	\$ 145,728	\$ 3,517,817

Transfers from the General Fund are generally made to establish reserves for future capital expenditures, possible emergency related expenditures, and to move unrestricted general fund revenues to finance various programs that are accounted for in other funds in accordance with budgetary authorizations. The transfers to the Capital Projects Fund are for the funding of a Community Wing at City Hall. Transfers to the CRA Fund represent base property tax collections within the redevelopment area and to fund capital expenditures. Other transfers from the Utility Fund, Stormwater Fund, Nonmajor Governmental and Nonmajor Proprietary Funds are in lieu of tax transfers, maintenance transfers, and to establish reserves for future capital expenditures. The transfer from the Transportation Impact Fee Fund to Nonmajor Governmental Funds are impact fee collections related to the Old Kings Road Special Assessment District. Transfers to the Fleet Fund are to purchase new additions to the Fleet from the various responsible departments.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 9 – Leases and Agreements

Interlocal Agreements:

The City maintains an interlocal agreement with the Flagler County Sheriff for law enforcement services. The agreement provides for additional services above the base level of service provided by the Sheriff on a County-wide basis. For 2018, the total cost was \$3,338,578.

Lease of City Owned Facilities:

The City leases various facilities to telecommunications companies, who provide wireless phone and Internet access to the public. The leases are for a five year period, with renewal options for an additional five years. Annual lease payments increase by the U.S. Consumer Price Index or 3% to 4%, whichever is greater. For fiscal year 2018, the total amount of lease payments was \$305,010.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt

A. Governmental Activities

SR100 CRA Redevelopment Refunding Revenue Note, Series 2012

During year ended September 30, 2013, the City refinanced an agreement with BB&T Bank for the purpose of purchasing properties and performing infrastructure improvements within the redevelopment area. The original loan principal was payable annually at an interest rate 4.34% through October 1, 2024. The refinanced note, including an additional \$2,000,000 in new debt, is payable annually at an interest rate of 2.29% through October 1, 2024.

Annual debt service requirements to maturity for the loan are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ -	\$ 66,639
2020	461,000	56,082
2021	468,000	45,365
2022	476,000	34,465
2023	490,000	23,243
2024	1,015,000	11,748
	<u>\$ 2,910,000</u>	<u>\$ 237,542</u>

SR100 CRA Redevelopment Revenue Note, Series 2014

During year ended September 30, 2014, the City entered into an agreement with Ameris Bank for the purpose of purchasing properties and performing infrastructure improvements within the redevelopment area. The loan principal of \$5,839,000 is payable annually at an interest rate 4.44% through October 1, 2028.

Annual debt service requirements to maturity for the loan are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ -	\$ 164,738
2020	240,000	156,458
2021	254,000	147,695
2022	268,000	138,448
2023	277,000	128,892
2024-2028	2,898,000	367,252
2029	838,000	28,911
	<u>\$ 4,775,000</u>	<u>\$ 1,132,394</u>

The 2019 principal payment was made on both loans during the year ended September 30, 2018, leaving a principal balance of \$2,910,000 and \$4,775,000 payable respectively at the end of the fiscal year.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

B. Business Activities

Utility System Long-term Debt

Utility System Improvement and Refunding Revenue Bonds, Series 2013

On July 9, 2013, the City issued debt to refinance the Series 2003 bonds and to finance the construction costs related to water treatment plant expansions and other infrastructure improvements. Refinancing proceeds, construction costs, and issuance costs were included in the bond issue and brought the total debt issued to \$89,600,000. The interest rate on these bonds ranges from 2.0% - 5.0%. This debt will be paid over 30 years from water and wastewater revenues.

Disposition of Revenue in order of Priority

Gross revenues are first deposited in the Utility Fund for payment of operation and maintenance costs. Net revenues (revenues after payment of operating and maintenance costs) are then first transferred to Debt Service Reserve for the following purposes:

- Interest Payments
- Parity Contract Obligations Payments
- Principal Payments
- Redemption of Term Bonds
- Subordinated Debt Payments

Net revenues are then applied to the utility capital projects account for renewal, replacement and improvement, in an amount at least equal to one-twelfth of 5% of gross revenues received during the immediately preceding fiscal year. In addition, the City Council has designated an additional 5% of gross revenues (for a total of 10%) be applied for renewal, replacement and improvement.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

Utility System Improvement and Refunding Revenue Bonds, Series 2013 (Continued)

Any remaining net revenues after the above items are funded are considered surplus and may be used for any lawful purpose of the City.

The Series 2013 bonds are not secured by insurance or the reserve fund. During the fiscal year ended September 30, 2016, Standard & Poor's and Fitch provided an A+ rating on this bond issue.

Early Optional Redemption

The Series 2013 bonds maturing on or after October 1, 2024 are redeemable prior to their stated dates of maturity, at the option of the City, in whole or in part on any date on or after October 1, 2023, at the redemption prices equal to the principal amount of the Series 2013 Bonds to be redeemed plus interest accrued to the date of redemption.

Debt Service

Annual debt service requirements to maturity for the bonds are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ 3,160,000	\$ 3,478,250
2020	3,320,000	3,312,250
2021	3,485,000	3,138,000
2022	3,660,000	2,955,000
2023	3,850,000	2,762,500
2024-2028	22,310,000	8,927,250
2029-2033	28,150,000	5,849,013
2034-2038	10,305,000	792,894
	\$ 78,240,000	\$ 31,215,157

Bank Loans

During year ended September 30, 2016, the City executed an agreement with Ameris Bank to borrow funds in order to refinance the Series 2007 Utility Revenue Bonds. These bonds were originally used to finance a water treatment plant and related infrastructure. The loan principal of \$40,193,000 is payable annually with interest at a rate of 2.48% payable semi-annually through October 2036.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ -	\$ 898,306
2020	1,620,000	858,130
2021	1,663,000	816,887
2022	1,705,000	774,603
2023	1,745,000	731,327
2024-2028	9,392,000	2,969,254
2029-2033	10,619,000	1,714,697
2034-2036	9,478,000	359,625
	\$ 36,222,000	\$ 9,122,829

The 2019 principal payment was made during the year ended September 30, 2018, leaving a principal balance of \$36,222,000 payable at the end of the fiscal year.

During year ended September 30, 2017, the City executed an agreement with CenterState Bank to borrow funds in order to refinance four of its State Revolving Fund loans: WW90302S originally used for the purpose of lift station and force main improvements, WW90303S originally used for the purpose of wastewater treatment facilities improvements, WW903050 originally used for the purpose of biosolids, reclaimed water and aerobic digestion improvements and WW903080 originally used for the purpose of construction of water reuse facilities. The City was able to reduce the interest rates applicable to the various SRF loans from a range of 2.54% - 2.71% to a rate of 2.35%. The interest rate reduction resulted in projected cashflow savings of \$164,970 over the remaining life of the loan, with net present value savings of \$130,081.

The loan principal of \$17,163,000 with interest at a rate of 2.35% is payable semi-annually through June 2028.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ 1,534,000	\$ 341,502
2020	1,570,000	305,265
2021	1,607,000	268,147
2022	1,646,000	230,136
2023	1,684,000	191,243
2024-2028	6,875,000	380,254
	\$ 14,916,000	\$ 1,716,547

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

State Revolving Fund Loans

During the year ended September 30, 2016, the City executed an agreement with the Florida Department of Environmental Protection to borrow through the State Revolving Fund loan program, for the purpose of constructing a second wastewater treatment plant and related infrastructure (WW180420). The agreement allows the City to borrow up to \$30,100,000 at an interest rate of .67%. The loan is payable semi-annually in the amount of \$828,515 commencing in October 2018 for a period of 20 years. The total amount of funding received during the fiscal year was \$9,294,229 with \$1,057,491 pending as of year end.

Description	Interest Rate	Disburseable Amount	Amount Funded	Repayment Date	Semi-Annual Payment	Term (Years)
Wastewater Treatment Plant #2	0.67%	\$ 30,100,000	\$ 29,042,509	10/15/2018	\$ 828,515	20

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ 1,460,293	\$ 196,737
2020	1,466,539	190,491
2021	1,476,381	180,649
2022	1,486,290	170,740
2023	1,496,264	160,766
2024-2028	7,633,303	651,847
2029-2033	7,892,909	392,241
2034-2038	7,345,822	123,807
	<u>\$ 30,257,801</u>	<u>\$ 2,067,278</u>

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

State Revolving Fund Loans (Continued)

Stormwater System Long-Term Debt

During the year ended September 30, 2006, the City executed an agreement with the Florida Department of Environmental Protection to borrow up to \$4,285,694 at an interest rate of 2.55% through the State Revolving Fund loan program, for the purpose of stormwater drainage improvements and swale rehabilitation (SW903040). On August 10, 2007, the loan amount was amended to \$4,847,060 with the additional principal bearing an interest rate of 2.43%. On June 7, 2010 the loan principal was amended a second time to \$4,822,150. The loan principal is payable semi-annually in the amount of \$151,585 including interest at a rate of 2.5282% through August 15, 2026.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ 249,418	\$ 53,752
2020	255,779	47,391
2021	262,303	40,867
2022	268,993	34,177
2023	275,853	27,317
2024-2026	870,495	39,014
	\$ 2,182,841	\$ 242,518

During the year ended September 30, 2009, the City executed an agreement with the Florida Department of Environmental Protection to borrow up to \$3,798,642 at an interest rate of 3.14% through the State Revolving Fund loan program, for the purpose of stormwater drainage improvements and swale rehabilitation (SW903070). In January 2012, the total amount of the loan was modified to \$2,875,904, payable in semi-annual installments of \$91,316, at an interest rate of 3.14%, maturing in March 2030.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ 128,637	\$ 53,995
2020	132,708	49,924
2021	136,908	45,724
2022	141,241	41,391
2023	145,710	36,921
2024-2028	800,709	112,450
2029-2030	265,566	8,382
	\$ 1,751,479	\$ 348,787

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

Bank Loan

During the year ended September 30, 2009, the City executed an agreement with the RBC (now PNC) Bank to borrow up to \$9,000,000 at a variable interest rate for the purpose of stormwater drainage improvements and swale rehabilitation. The variable rate during the draw period, not to exceed three years, is equal to 70% of the One-Month LIBOR rate plus 212 basis points. In January 2012, the loan was modified to a fixed rate of 2.35%. In April of 2018 the Bank exercised the right to increase the fixed rate to 2.85% due to the change in corporate tax rate, the loan payable annually, starting in October 2012 and maturing in October 2023. Interest will be paid semi-annually.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ -	\$ 115,874
2020	774,000	93,767
2021	792,000	71,147
2022	811,000	47,983
2023	830,000	24,277
2024	850,000	-
	\$ 4,057,000	\$ 353,048

The 2019 principal payment of \$756,000 was made during the year ended September 30, 2018, leaving a principal balance of \$4,057,000 payable at the end of the fiscal year.

Information Technology (IT) Long-Term Debt

Loans

During the year ended September 30, 2009, the City executed an agreement with MetroPCS Florida, LLC to purchase a wireless communications tower built on City land. MetroPCS Florida, LLC would construct the tower and lease space on the tower for its operations (see Note 9). The City agreed to apply fifty percent of the tower lease payments towards repayment of the cost of the tower in the amount of \$164,773 with principal only payable annually according to the schedule below.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending September 30,	Principal	Interest
2019	\$ 15,897	\$ -
	\$ 15,897	\$ -

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 10 – Long-Term Debt (Continued)

Changes in long-term debt

During the year ended September 30, 2018, the following changes in long-term debt occurred:

	Beginning Balance	Restatement	Beginning Balance as Restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:							
SR100 CRA Loans	\$ 8,365,000	\$ -	\$ 8,365,000	\$ -	\$ (680,000)	\$ 7,685,000	\$ -
OPEB Liability	678,886	(386,523)	292,363	33,032	-	325,395	-
Net Pension Liability	3,377,862	999	3,378,861		(60,833)	3,318,028	-
Compensated Absences	2,223,418	-	2,223,418	1,305,025	(1,273,869)	2,254,574	861,349
Long-term debt	<u>\$ 14,645,166</u>	<u>\$ (385,524)</u>	<u>\$ 14,259,642</u>	<u>\$ 1,338,057</u>	<u>\$ (2,014,702)</u>	<u>\$ 13,582,997</u>	<u>\$ 861,349</u>
Business Type Activities:							
Utility Revenue Bonds	\$ 81,250,000	\$ -	\$ 81,250,000	\$ -	\$ (3,010,000)	\$ 78,240,000	\$ 3,160,000
Premiums	4,828,817	-	4,828,817	-	(503,819)	4,324,998	-
Total Revenue Bonds	<u>86,078,817</u>	<u>-</u>	<u>86,078,817</u>	<u>-</u>	<u>(3,513,819)</u>	<u>82,564,998</u>	<u>3,160,000</u>
State Revolving Fund							
Loans	31,939,908	-	31,939,908	2,620,120	(367,906)	34,192,122	1,838,348
Bank and Other Loans	59,063,546	-	59,063,546	-	(3,852,649)	55,210,897	1,549,897
OPEB Liability	485,366	(255,506)	229,860	25,970	-	255,830	-
Compensated Absences	1,281,056	-	1,281,056	839,634	(786,941)	1,333,749	560,089
Long-term debt	<u>\$ 178,848,693</u>	<u>\$ (255,506)</u>	<u>\$ 178,593,187</u>	<u>\$ 3,485,724</u>	<u>\$ (8,521,315)</u>	<u>\$ 173,557,596</u>	<u>\$ 7,108,334</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$73,839 of internal service fund compensated absences and \$15,893 of OPEB liability are included in the above amounts. For governmental activities, compensated absences, net pension liability and postemployment benefit (OPEB) are generally liquidated by the general fund.

The OPEB beginning balance has been restated due to the implementation of GASB 75.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans

Defined Contribution Plan

The City maintains a single employer defined contribution plan. All full-time employees are eligible to participate. The name of the plan is the City of Palm Coast 401(a) Pension Plan. The plan is administered by a third party administrator, the City changed administrators from Great West Retirement Services to Prudential on September 28, 2018. The authority to establish and amend benefits rests with the City Council. Under this plan, the City contributes a certain percentage of employees' eligible wages based upon their job classification as determined by City Council. For the fiscal year ended September 30, 2018, general employees received a 10% contribution, with department directors receiving 13% and special risk employees receiving 17.5%. Employees do not participate in the plan funding. Pension contributions are subject to a five year (5) vesting schedule. Withdrawals from the plan may be made due to retirement, attainment of age 59 ½, separation from service, disability, or death. For the period ended September 30, 2018, contributions to this plan totaled \$2,258,196, with no employer liability outstanding. Plan forfeitures are used to pay administrative expenses, or reallocated to employee accounts.

Deferred Compensation Program

The City offers its employees a voluntary deferred compensation program created in accordance with Internal Revenue Code (IRC) section 457 and Chapter 112.215 Florida Statutes. The City offers a matching contribution program of up to 2% of eligible wages. During the year ended September 30, 2018, the City complied with the requirements of IRC Section 457 and all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. City contributions to this plan totaled \$370,129.

Volunteer Firefighters' Pension Plan

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Palm Coast Volunteer Firefighters' Pension Plan and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan

Plan Description and Administration

The City of Palm Coast Volunteer Firefighter's Pension Plan is a single employer defined benefit pension plan that provides pensions for qualified volunteers pursuant to Florida Statute, Chapter 175. The City adopted a "local law" plan that provides benefits based on years of service. The benefits are provided through a State contribution from collections of a Fire Insurance Premium Tax. The City is required to participate only when the State contributions are insufficient to fund the plan.

Volunteers who meet minimum City established standards are eligible to participate in the plan. Minimum standards are based on a system that awards points used to certify years of credited service for completing training courses, attending drills, responding to emergency calls, and participating in other fire emergency activities. The plan is administered by a Board of Trustees. The Board has administrative authority over the plan, and acts as supervisor and plan administrator. The Board consists of five members, two are appointed by City Council, two are appointed by the volunteers, and the final member is selected by the four appointed Board members and appointed by City Council (as a ministerial duty). The authority to establish and amend benefits as well as the funding policy rests with the City Council.

Plan Benefits

The City of Palm Coast Volunteer Firefighter's Pension Plan provides retirement, disability, and death benefits. Retirement benefits are based on a rate of \$65 per month for each year of credited service, and the balance in the supplemental "share" portion of the plan, if any. Share benefits are accumulated based on plan revenues in excess of amounts needed to fund the defined benefit portion of the plan. Volunteers do not contribute to the plan. In order to qualify for retirement benefits, a volunteer must earn five years of credited service.

The plan was established on July 2, 2002. Members with up to five years of consecutive service prior to July 2, 2002 are eligible for up to five years of credit providing such members satisfy pension requirements in at least one of the two years following July 2, 2002. The minimum age for receiving benefits is 52 with twenty-five years of service, or 55 and after ten years of service, or for volunteers 62 and over, five years of service. Early retirement may be arranged with the consent of the Board for a member who has attained age 50 with ten years of continuous service. The retirement benefit will be actuarially reduced by three percent for each year by which the member's age at retirement preceded the member's normal retirement age. Each member will become one hundred percent vested at normal retirement age, subject only to the actuarial reduction for early retirement at age 50. All plan members are eligible for non-duty disability benefits after 10 years of service and for duty-related disability benefits from date of hire. Disability benefits are determined in the same manner as retirement benefits. Death benefits are paid to the Beneficiary for ten years, beginning at the vested member's normal retirement date (unreduced) or early retirement date (reduced). There are no annual cost-of-living adjustments.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Plan Benefits (Continued)

The supplemental benefit (share plan) was initially funded with 80% of the \$1,505,738 excess State monies reserve during fiscal year 2015 and allocated to eligible participants. Annual premium tax revenues received by the City in excess of \$144,307, if any, shall be allocated to active participants on a pro-rata basis based on years of credited service. Share plan accounts shall be credited or debited annually based on the Plan's net-of-fees investment performance for the preceding year. Vesting for the share plan is five years of credited service.

Plan Membership

As of September 30, 2018, the following volunteers were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	23
Inactive plan members entitled to but not receiving benefits	3
Active plan members	39
	<u>65</u>

Contributions

Members do not contribute to the plan. The benefits are provided through a State contribution from the 1.85% tax on premiums for fire insurance policies. The City contribution is required when State contributions are insufficient to pay the actuarially determined current costs and amortized unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Contributions from the State to the plan are reported as revenues and expenditures in the general fund before being reported in the pension fund. The amount recorded for the period ended September 30, 2018 was \$263,091. There were no required City contributions.

Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

The components of the net pension liability (asset) as of September 30, 2018 were as follows:

Total Pension Liability	\$ 3,053,773
Plan Fiduciary Net Position	(4,396,693)
Net Pension Liability (Asset)	<u>\$ (1,342,920)</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	143.98%

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability (asset) was determined by an actuarial valuation as of Oct 1, 2017 updated to September 30, 2018 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increase	n/a, unpaid volunteers
Discount Rate	7.00 percent
Investment Rate of Return	7.00 percent

Mortality rates healthy lives were based on the RP2000 Generational, 100% Combined Healthy White Collar, Scale BB for females and RP2000 Generational, 10% Combined Healthy White Collar /90% Combined Healthy Blue Collar, Scale BB for males. Mortality rates disabled lives were based on 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale for females and 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale for males.

The date of the most recent experience study for which significant assumptions are based upon is not available.

The actuarial valuation utilized the entry age normal actuarial cost method. The amortization method is level dollar and the period is 30 years and is closed. The asset valuation method utilized the historical geometric 4-year average Market Value return. Plan assets are reported at fair value.

The long-term expected rate of return on pension plan investments was determined using a building-block method which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. For 2018 the inflation rate assumption of the investment advisor was 2.8%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 (see discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
U.S. Large Cap Equity	34%	5.30%
U.S. Small Cap Equity	11%	5.70%
International Equity	15%	5.70%
Core Real Estate	10%	4.50%
Core Bonds	15%	1.50%
Core Plus	15%	1.70%
Total	100%	

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that State contributions will be made at the current contribution rate and that City contribution, if any, will be made at rates equal to the difference between actuarially determined contribution rates and the State contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at September 30, 2017	\$ 2,883,753	\$ 4,040,315	\$ (1,156,562)
Changes for the year:			
Service Cost	135,458	-	135,458
Interest	184,393	-	184,393
Share Plan Allocation	63,091	-	63,091
Differences between expected and actual experience	(45,171)	-	(45,171)
Changes of assumptions	-	-	-
Contributions - State	-	263,091	(263,091)
Net investment income (loss)	-	290,058	(290,058)
Benefit payments	(167,751)	(167,751)	-
Administrative expenses	-	(29,020)	29,020
Net Changes	170,020	356,378	(186,358)
Balances at September 30, 2018	\$ 3,053,773	\$ 4,396,693	\$ (1,342,920)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.00 percent, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00)%	Current Discount Rate (7.00)%	1% Increase (8.00)%
City's net pension liability (asset)	\$(1,149,102)	\$(1,342,920)	\$(1,502,639)

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Pension Plan Fiduciary Net Position

The plan does not issue a separate financial report. Information about the plan's fiduciary net position is available on pages 35-36 of this report.

Pension Expense, Deferred Outflows and Inflows of Resources

For the year ended September 30, 2018, the City recognized pension expense (benefit) of \$151,784. On September 30, 2018, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 14,319	\$ 80,972
Changes of assumptions	74,258	-
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	72,502
Total	<u>\$ 88,577</u>	<u>\$ 153,474</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ 24,966
2020	(32,711)
2021	(47,135)
2022	(10,017)
2023	-
Thereafter	-

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of September 30, 2018:

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

Investments

Investments are reported at fair value (generally based on quoted market prices). Plan assets are invested in the Florida Municipal Pension Trust Fund (FMTPF) administered by the Florida League of Cities. This fund is an external investment pool and is reported at fair value.

The total invested with the Florida Municipal Pension Trust Fund (FMTPF) as of September 30, 2018 was \$4,386,055. The Plan's investment in the Florida Municipal Pension Trust Fund (FMTPF), a Securities and Exchange Commission rule 2a7-like external investment pool, are beneficial interests in shares of portfolios, not the individual securities held within each portfolio.

Interest Rate Risk. The FMTPF includes the following fixed income funds.

Fixed Income Fund	Effective Duration (Years)	Weighted Average Maturity (Years)
FMIvT Broad Market High Quality Bond	5.00	6.10
FMIvT Core Plus Fixed Income	2.13	7.40

Credit Risk. The Broad Market High Quality Bond fund is rated AAf/S4 by Fitch, the Core plus Fixed Income Fund is not rated. There are also a number of equity portfolios within the investment pool which are not rated.

Concentrations. The Plan did not hold investments in any one organization that represent 5 percent or more of the Plan's Fiduciary Net Position.

Rate of Return. For the year ended September 30, 2018, the annual money-weighted rate of return on Plan investments, net of investment expense, was 7.30 percent. The money-weighted rate of return expresses investment performance, not of investment expenses, adjusted for changing amounts actually invested.

The plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Volunteer Firefighters' Pension Plan (Continued)

Investments (Continued)

The following table summarizes the assets and liabilities of the Plan for which fair values are determined on a recurring bases as of September 30, 2018:

Investment Type	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Broad Market High Quality Bond	\$ 635,978	-	\$ 635,978	\$ -	\$ 635,978
Core Plus Fixed Income	754,402	-	-	754,402	754,402
Diversified Large Cap	1,434,240	-	1,434,240	-	1,434,240
Diversified Small to Mid Cap	526,327	-	526,327	-	526,327
International Equity	622,820	-	622,820	-	622,820
Core Real Estate	394,745	-	-	394,745	394,745
Total investments by fair value level	\$ 4,368,511	\$ -	\$ 3,219,365	\$ 1,149,147	\$ 4,368,511
Uninvested Cash	17,544				
Total investments at fair value	<u>\$ 4,386,055</u>				

Reserves

During the year ended September 30, 2015, the City established a reserve amount per Ordinance 2015-02, and further revised per Ordinance 2015-10 and further revised per Ordinance 2017-21. The reserve was established at 20% of the September 30, 2013 Excess State Monies Reserve of \$1,505,738, plus any future premium tax revenues in excess of \$200,000. This reserve can be used to supplement the defined benefit funding in the event that fire insurance premium tax contributions are insufficient to pay the actuarially determined current costs and amortized unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Florida Retirement System

General Information

Select City employees participate in the Florida Retirement System (FRS). Former Flagler County and Palm Coast Service District employees hired as transfers during the 2000 and 2001 fiscal years had a one-time option to remain a member of the FRS. As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:
www.dms.myflorida.com/workforce_operations/retirement/publications.

Plan Description

The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Florida Retirement System (Continued)

Plan Benefits

Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

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

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Florida Retirement System (Continued)

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively, were as follows: Regular—7.92% and 8.26%; Special Risk Administrative Support—32.95% and 34.98%; Special Risk—22.07% and 24.50%; Senior Management Service—21.43% and 24.06%; Elected Officers'—42.47% and 48.70%; and DROP participants—12.88% and 14.30%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018.

The City's contributions, including employee contributions, to the Pension Plan totaled \$345,629 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018, the City reported a liability of \$2,856,847 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018.

The City's proportionate share of the net pension liability was based on the City's 2017-18 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2018, the City's proportionate share was .009484721 percent, which was an increase of 3.66 percent from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$169,383. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Florida Retirement System (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 242,018	\$ 8,784
Change of assumptions	933,479	-
Changes in proportion and differences between City Pension Plan contributions and proportionate share contributions	87,798	158,952
City Pension Plan contributions subsequent to measurement date	76,884	-
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	220,726
Total	<u>\$ 1,340,179</u>	<u>\$ 388,462</u>

The deferred outflows of resources related to the Pension Plan, totaling \$76,884 resulting from City contributions to the plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ 316,436
2020	237,804
2021	44,680
2022	163,416
2023	99,965
Thereafter	12,531

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.6 percent
Salary Increase	3.25%, average, including inflation
Investment Rate of Return	7.0 percent, net of pension plan expense, including inflation

Mortality rates were based on the Generational RP2000 with Projection Scale BB tables.

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

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Florida Retirement System (Continued)

Actuarial Assumptions (Continued)

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.0%
Global Equity	54.0%	7.6%	6.3%	17.0%
Private Equity	10.0%	10.7%	7.8%	26.5%
Strategic Investments	6.0%	6.0%	5.7%	8.6%
Real Estate (property)	11.0%	6.6%	6.0%	11.3%
Total	100%			

Assumed Inflation - Mean	2.60%	1.9%
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(1) As outlined in the Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's net pension liability	\$ 5,213,866	\$ 2,856,847	\$ 899,204

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

Florida Retirement System (Continued)

Pension Plan Fiduciary Net Position

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

Health Insurance Subsidy Plan (HIS)

Plan Description

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

Plan Benefits

For the fiscal year ended September 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018, the HIS contribution for the period October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 was 1.66%. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$23,434 for the fiscal year ended September 30, 2018.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

HIS Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018, the City reported a liability of \$461,181 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The City's proportionate share of the net pension liability was based on the City's 2017-18 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2018, the City's proportionate share was .004357290 percent, which is basically unchanged from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$12,333. In addition the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,060	\$ 784
Change of assumptions	51,289	48,760
Changes in proportion and differences between City Pension Plan contributions and proportionate share contributions	5,749	2,009
City Pension Plan contributions subsequent to measurement date	6,416	-
Net difference between Projected and Actual Earnings on Pension Plan Investments	278	-
Total	<u>\$ 70,792</u>	<u>\$ 51,553</u>

The deferred outflows of resources related to the Pension Plan, totaling \$6,416 resulting from City contributions to the plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year ended September 30:	
2019	\$ 7,800
2020	7,777
2021	5,022
2022	1,456
2023	(6,336)
Thereafter	(2,895)

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

HIS Plan (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.6 percent
Salary Increase	3.25%, average, including inflation
Municipal Bond Rate	3.58 percent

Mortality rates were based on the Generational RP2000 with Projection Scale BB tables.

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

Discount Rate

The discount rate used to measure the total pension liability was 3.87%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 3.87%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) or one percentage point higher (4.87%) than the current rate:

	1% Decrease (2.87)%	Current Discount Rate (3.87)%	1% Increase (4.87)%
City's net pension liability	\$ 525,258	\$ 461,181	\$ 407,769

Pension Plan Fiduciary Net Position

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

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 11 – Retirement Plans (Continued)

HIS Plan (Continued)

Summarized Pension Amounts for Financial Statement Presentation

Amounts reported on the Government-wide Statement of Net Position related to the preceding defined benefit pension note disclosures are summarized as follows:

	Net Pension Asset	Deferred Outflows related to Pensions	Deferred Inflows related to Pensions	Net Pension Liability
Volunteer Firefighter's Pension Plan	\$ 1,342,920	\$ 88,577	\$ 153,474	\$ -
Florida Retirement System (FRS)	-	1,119,453	167,736	2,856,847
FRS HIS Plan	-	70,792	51,553	461,181
Totals	<u>\$ 1,342,920</u>	<u>\$ 1,278,822</u>	<u>\$ 372,763</u>	<u>\$ 3,318,028</u>

Pension expenditures reported for the fiscal year were \$169,383 and \$12,333 for the Florida Retirement System and the Florida Retirement System HIS plan, respectively. The Volunteer Firefighter's Pension Plan reported revenue of \$111,307. Total expenditures reported for the fiscal year were \$70,409.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 12 – Other Post Employment Benefits (OPEB)

Plan Description and Summary of Benefits

The City provides retirees with the option to purchase health insurance from the City's single employer, experience rated health insurance plan (Plan) that provides medical benefits to active and eligible retirees at the City's group rate as mandated by Florida Statute 112.0801. This requirement creates an implicit rate subsidy benefit for the retirees' participation. Retirees are required to pay the full amount of the health insurance premium during their eligibility period. The plan does not issue a separate publicly available financial report.

At September 30, 2018, the following employees were covered by the benefit terms:

Inactive Plan Members, Dependent Spouses, or Beneficiaries Currently Receiving Benefits	1
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	<u>386</u>
Total Members	387

Transition Year

The City implemented GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, for fiscal year ending September 30, 2018, which establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

Funding Policy

The City has followed the pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses plus any addition to the reserve for accrued costs incurred but not yet reported, as determined as part of the insurance contract. The contribution requirements of Plan members are established annually by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, retired members pay the full premium associated with the coverage elected; no direct City subsidy is applicable; however there is an implicit cost outlined below. Spouses and other dependents are also eligible for coverage, and the member is responsible for payment of the applicable premiums.

State of Florida law prohibits the City from separately rating retirees and active employees. The City therefore assigns both groups equal, blended-rate premiums. Although both groups are assigned the same blended rate premiums, GAAP requires actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for retirees separate from active members. The use of age-adjusted premiums results in the full expected retiree obligation recognized in this disclosure.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 12 – Other Post Employment Benefits (OPEB)(Continued)

Total OPEB Liability

The measurement date is September 30, 2017.

The measurement period for the OPEB expense is October 1, 2016 to September 30, 2017.

The reporting period is October 1, 2017 to September 30, 2018.

The Sponsor's Total OPEB Liability was measured as of September 30, 2017.

Note - The Sponsor's Total OPEB Liability for the City's ledger adjustment was measured as of September 30, 2016 using a discount rate of 3.06%. The Total OPEB Liability was "rolled-back" from September 30, 2017 at 3.06%, thus producing no experience gain or loss for the period from September 30, 2016 to September 30, 2017.

Actuarial Assumptions:

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2017 using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	4.00%
Discount Rate	3.64%
Initial Trend Rate	8.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	55

Mortality rates were based on the RP-2000 mortality tables, projected to the valuation date with Improvement Scale AA.

Discount Rate:

Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 3.64%. The high-quality municipal bond rate was based on the week closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 12 – Other Post Employment Benefits (OPEB)(Continued)

Changes in Total OPEB Liability

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2017	\$ 522,223
Changes for the Year:	
Service Cost	78,295
Interest	18,191
Changes of Assumptions	(25,291)
Benefit Payments	(12,193)
	<hr/> 59,002
Net Changes	
Reporting Period Ending September 30, 2018	\$ <hr/> 581,225 <hr/>

Changes in assumptions reflect a change in the discount rate from 3.06% for the reporting period ended September 30, 2017, to 3.64% for the reporting period ended September 30, 2018.

Sensitivity of the Total OPEB Liability to changes in the Discount Rate:

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 2.64%	Current Discount 3.64%	1% Increase 4.64%
Total OPEB Liability (asset)	\$ 625,304	\$ 581,225	\$ 539,575

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates:

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.00% - 7.5%	Healthcare Cost Trend Rates 4.00% - 8.5%	1% Increase 5.00% - 9.50%
Total OPEB Liability (asset)	\$ 516,292	\$ 581,225	\$ 657,831

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 12 – Other Post Employment Benefits (OPEB)(Continued)

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

For the year ended September 30, 2018, the City recognized OPEB expense of \$102,187. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 22,992
Employer Contributions Subsequent to the Measurement Date	13,108	-
Total	<u>\$ 13,108</u>	<u>\$ 22,992</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB Expense as follows:

Year ended September 30:

2019	\$ (2,299)
2020	(2,299)
2021	(2,299)
2022	(2,299)
2023	(2,299)
Thereafter	(11,497)

Note 13 – Prepaid Water and Sewer Impact Fees

The original developers of the City of Palm Coast collected impact fees to establish utility infrastructure. These amounts are considered a prepayment of current impact fees and are subtracted from the total impact fees due when a building lot is developed. As of September 30, 2018, the amount of prepaid impact fees is estimated to be \$19,055,208.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 14 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There has been no significant reduction in insurance coverage from the previous year. There have been no settlements in excess of insurance coverage in any of the prior three fiscal years.

The City is also a defendant in several lawsuits arising in the normal course of business. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable loss to the City; such loss has been accrued in the accompanying financial statements. No such losses have been accrued as of September 30, 2018. No litigation where loss to the City is reasonably possible and estimable exists as of September 30, 2018. However, the remote possibility exists of losses as it relates to a class action lawsuit related to the legality of red light cameras fines charged prior to July 1, 2010. The outcome of these and remaining claims cannot be determined at this time.

Self Insurance Program

The City is also exposed to risks for losses related to health and other medical benefits it provides to its employees. A self insurance program was created July 1, 2010 to handle these risks. The Self Insured Health Fund (internal service fund) was established to account for medical insurance claims of City employees and their covered dependents. Under this program, the fund provides the employee with an unlimited lifetime maximum benefit. Retention limits of \$150,000 for specific claims have been set. Commercial insurance for specific loss claims in excess of the coverage provided by the fund is supplied by Florida Blue at a monthly rate of up to \$85 per participating employee, and \$7 in the aggregate. The City has contracted with various agencies to perform certain administrative functions, such as monitoring, reviewing, and paying claims. Settled claims have not exceeded the excess insurance limits.

All funds of the City that carry employees participate in the program and make payments to the Self Insured Health Fund based on actuarial estimates of the amounts needed to pay prior and current year claims, claims reserves, and administrative costs.

A liability for claims is reported if it is probable that a liability has occurred and the amount is estimable. As a result, a liability of \$380,292 is reported in the fund at September 30, 2018.

Changes in the fund's claims liability amount for fiscal years 2017 and 2018 were:

<u>Changes in Claims Liability</u>	2017	2018
Beginning fiscal year liability	\$ 206,624	\$ 374,022
Current year claims and changes in estimates	2,563,816	2,941,189
Claim payments	(2,396,418)	(2,934,919)
Balance at fiscal year end	<u>\$ 374,022</u>	<u>\$ 380,292</u>

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 15 - Old Kings Road Special Assessment

During the fiscal year ended September 30, 2013, property owners within the Old King's Road Special Assessment District agreed to a repayment schedule for an interfund loan used to realign and widen a portion of Old King's Road. The interfund loan will be repaid from amounts levied against property owners within the district starting in fiscal year 2014. Those amounts, including interest, are 100 percent pledged to pay the scheduled principal and interest payments on the special assessment interfund loan. In the event that a deficiency exists because of unpaid or delinquent special assessments, the City can only utilize foreclosure proceeds to satisfy the special assessment. No other government resources can be used to cover any deficiencies. The interfund loan has an interest rate of 5%, with a 30 year amortization. The first three years of the agreement call for interest only, with the principal amortized over the remaining 27 years. The principal and any interest accrued can be paid in full at any time. The balance on the interfund loan was \$4,608,171 as of September 30, 2018.

In addition to the special assessment revenue, any transportation impact fees generated from this district are transferred to this fund to accumulate towards the next phase of the road widening project.

Note 16 – Community Redevelopment Area (CRA)

The City has established the SR100 Community Redevelopment special revenue fund to account for revenues and expenditures related to the SR100 community redevelopment area. The financial results of the CRA are presented as a blended component unit through use of a special revenue fund.

For the fiscal year ended September 30, 2018, the fund received \$1,139,796 in property tax revenue, a \$645,075 transfer from the general fund, and \$11,135 in miscellaneous income. The transfer included the City portion of the tax increment. Expenditures for the fiscal year were \$129,534 in administrative costs and \$929,517 for debt service. There was also a transfer out for the CRA portion of the construction of a community building project in the amount of \$600,000, proceeds from sale of fixed assets in the amount of \$685,630, and land acquisition in the amount of \$202,102.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 17 – Restatement of Net Position:

Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*; was issued June 2015 and was implemented for the City, beginning with its year ending September 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. This Statement replaces the requirements of GASB Statement No. 45, *Accounting for Postemployment Benefits Other Than Pensions*, as well as the requirements of GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plan, for OPEB*, as they relate to OPEB liabilities being recorded in the statements of net position.

The City's implementation of this Statement has required the restatement of certain liabilities as deferred outflows or deferred inflows of resources in the Statement of Net Position. Statement No. 75 established standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses. Recognition of these liabilities requires a restatement to the prior year's net position in both governmental activities and business-type activities.

The impact of the restatement on the governmental activities and business-type activities beginning net position at September 30, 2018, are as follows:

(a) Governmental Activities:

Net Position - September 30, 2017, as originally reported	\$ 354,205,812
Recording of beginning OPEB liability	397,828
Recording of beginning OPEB liability for FRS	<u>(999)</u>
Net Position - September 30, 2017, as restated	<u>\$ 354,602,641</u>

(b) Business-type Activities:

	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds	Business-type Activities
Net position - September 30, 2017, originally reported	\$ 91,178,742	\$ 1,460,849	\$ 21,695,045	\$ 6,778,256	\$ 121,112,892
Recording of beginning OPEB liability	<u>89,735</u>	<u>-</u>	<u>140,429</u>	<u>34,230</u>	<u>264,394</u>
Net position - September 30, 2017, as restated	<u>\$ 91,268,477</u>	<u>\$ 1,460,849</u>	<u>\$ 21,835,474</u>	<u>\$ 6,812,486</u>	<u>\$ 121,377,286</u>

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 18 – Fund Balance Policy

The City has enacted a policy establishing minimum levels of unassigned fund balance and unrestricted net position. The details of this policy are outlined below.

General Fund

Adjusted unassigned fund balance (includes nonspendable advances to other funds less next fiscal year appropriations, if any), at year end, will be between ten percent and twenty percent of the following year's budgeted expenditures. Adjusted unassigned fund balance over twenty percent may be transferred to the Disaster Reserve to meet funding goals, or to the Capital Projects Fund, if necessary. If the adjusted unassigned fund balance is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenditures to return the adjusted unassigned fund balance to ten percent or greater within three years. If economic conditions cause a temporary loss of revenue, the adjusted unassigned fund balance may be used to help alleviate the effects of the loss of revenue. If the adjusted unassigned fund balance exceeds ten percent of the following year's budgeted General Fund expenditures, up to fifty percent of the amount over the ten percent minimum may be used to offset the shortfall. At no time should the adjusted unassigned fund balance be used to offset a structural deficit since these types of deficiencies are considered to be permanent.

Utility Fund

Unrestricted net position, at year end, will be between ten percent and twenty percent of the following year's budgeted expenses. Unrestricted net position over twenty percent may be assigned to a rate stabilization fund or transferred to the Utility Capital Projects Fund for utility system renewal and replacement. If the unrestricted net position is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the unrestricted net position to ten percent or greater within three years.

Stormwater Management Fund

Unrestricted net position, at year end, will be between ten percent and twenty percent of the following year's budgeted expenses excluding capital expenditures. Unrestricted net position over twenty percent may be assigned for future system capital projects. If the unrestricted net position balance is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the unrestricted net position to ten percent or greater within three years.

Solid Waste Fund

Unrestricted net position, at year end, will be between ten percent and twenty percent of the following year's budgeted operating expenses. Unrestricted net position over twenty percent may be assigned to a rate stabilization fund. If the unrestricted net position is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the unrestricted net position to ten percent or greater within three years.

City of Palm Coast, Florida
Notes to Financial Statements – Continued
September 30, 2018

Note 18 – Fund Balance Policy (Continued)

Disaster Reserve

The Disaster Reserve is committed fund balance within the General Fund. This balance at year end will be at least two one hundredths percent (0.02%) of the just value of all property in the City on July 1 of that year. If this balance is below the minimum amount at year end, an additional amount should be committed from the General Fund unassigned fund balance in an amount sufficient to increase the Disaster Reserve above the minimum amount, within two years. The Disaster Reserve can be used to address specific and non-routine, unanticipated expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or other disasters, whether man-made or caused by nature, using emergency procedures as provided for in the City's Purchasing Policy.

Self Insured Health Fund

The Self Insured Health Fund unrestricted net position, at year end, will be a minimum of three months claims in order to be considered actuarially sound by the Florida Office of Insurance Regulation. Amounts in excess of this floor can be used to hedge against future cost increases. If the unrestricted net position is below this floor, a plan must be developed using increased premiums and/or a reductions in benefits to return unrestricted net position to the minimum level within three years.

Fleet Fund

The Fleet Fund unrestricted net position, at year end, will be a minimum of the total expected Fleet replacement cost divided by the average life of the Fleet. Amounts in excess of this floor can be used to hedge against future cost increases and Fleet expansion. If the unrestricted net position is below this floor, a plan must be developed using increased internal lease charges to return unrestricted net position to the minimum level within three years.

Other Funds

All other funds, including Special Revenue Funds, Capital Project Funds, and certain Nonmajor Enterprise Funds do not have a fund balance requirement. Fund balances in these funds are dictated by revenue sources and a schedule of capital projects.

REQUIRED SUPPLEMENTARY INFORMATION

City of Palm Coast, Florida
Required Supplementary Information
Schedule of Changes in Net Pension Asset and Related Ratios
Volunteer Firefighter's Pension Plan
Last Six Fiscal Years

	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Total pension liability						
Service cost	\$ 135,458	\$ 132,449	\$ 97,464	\$ 104,091	\$ 113,712	\$ 105,631
Interest	184,393	170,580	169,505	94,316	103,447	95,623
Change in excess State money	-	-	-	-	237,659	-
Share plan allocation	63,091	32,597	129,180	180,335	-	-
Differences between expected and actual experience	(45,171)	23,865	(57,517)	(65,491)	-	-
Changes of assumptions	-	-	185,644	-	-	-
Benefit payments, including refunds of employee contributions	(167,751)	(162,594)	(513,703)	(543,000)	(110,810)	(103,288)
Net change in total pension liability	170,020	196,897	10,573	(229,749)	344,008	97,966
Total pension liability - beginning	2,883,753	2,686,856	2,676,283	2,906,032	2,562,024	2,464,058
Total pension liability - ending (a)	\$ 3,053,773	\$ 2,883,753	\$ 2,686,856	\$ 2,676,283	\$ 2,906,032	\$ 2,562,024
Plan fiduciary net position						
Contributions - State	\$ 263,091	\$ 232,597	\$ 273,487	\$ 324,642	\$ 381,967	\$ 364,571
Net investment income	290,058	458,612	262,259	(6,801)	270,512	324,552
Benefit payments, including refunds of employee contributions	(167,751)	(162,594)	(513,703)	(543,000)	(110,810)	(103,288)
Administrative expenses	(29,020)	(25,393)	(29,092)	(41,443)	(60,987)	(25,630)
Net change in fiduciary net position	356,378	503,222	(7,049)	(266,602)	480,682	560,205
Plan fiduciary net position - beginning	4,040,315	3,537,093	3,544,142	3,810,744	3,330,062	2,769,857
Plan fiduciary net position - ending (b)	\$ 4,396,693	\$ 4,040,315	\$ 3,537,093	\$ 3,544,142	\$ 3,810,744	\$ 3,330,062
Net pension liability (asset) - ending (a) - (b)	\$ (1,342,920)	\$ (1,156,562)	\$ (850,237)	\$ (867,859)	\$ (904,712)	\$ (768,038)
Plan fiduciary net position as a percentage of total Pension liability	143.98%	140.11%	131.64%	132.43%	131.13%	129.98%

NOTES TO SCHEDULE:

Plan participants are volunteers, and there is no related payroll.

Information relating to this schedule is not available for prior years. Additional years' information will be displayed as it becomes available.

Ordinance 2015-10, adopted August 4, 2015, and effective March 3, 2015, amended the Reserve Amount utilized for the initial Share Plan allocation. A letter of no actuarial impact was submitted for this amendment.

Changes of assumptions:

For measurement date 09/30/2016, amounts reported as changes of assumptions resulted from the following changes:

- As a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

- The investment rate of return was lowered from 7.65% to 7.00% per year, compounded annually, net of investment-related expenses.

City of Palm Coast, Florida
Required Supplementary Information
Schedule of City Contributions
Volunteer Fire Fighter's Pension Plan
Last Six Fiscal Years

	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 146,847	\$ 109,250	\$ 117,326	\$ 127,816	\$ 130,671	\$ 120,718
Contributions in Relation to the Actuarially Determined Contribution	200,000	200,000	144,307	127,816	130,671	120,718
Contribution Deficiency (Excess)	\$ (53,153)	\$ (90,750)	\$ (26,981)	\$ -	\$ -	\$ -

Notes to Schedule:

Plan participants are volunteers, and there is no related payroll.

Information relating to this schedule is not available for prior years. Additional years' information will be displayed as it becomes available.

Valuation Date: 10/01/2016

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

Methods and assumptions used to determine contribution rates:

Asset Valuation Method:

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce insignificant bias above or below Market Value.

Interest Rate:

7.00% per year, compounded annually, net of investment related expenses.

Normal Retirement:

The earlier of attainment of age 55 with 10 years of credited service, age 52 with 25 years of credited service, or age 62 with 5 years of credited service. Also, any members who have reached Normal Retirement age are assumed to continue employment for one additional year.

Early Retirement:

Commencing with the attainment of Early Retirement Status (Age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5.00% per year.

Mortality Rates:

Healthy Lives: Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB.
 Disabled Lives: Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale. Male 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

**City of Palm Coast, Florida
Required Supplementary Information
Schedule of Investment Returns
Volunteer Fire Fighter's Pension Plan
Last Six Fiscal Years**

	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return, net of investment expense	7.30%	13.21%	8.02%	(0.18)%	8.26%	11.24%

Notes to Schedule:

Information relating to this schedule is not available for prior years. Additional years' information will be displayed as it becomes available.

City of Palm Coast, Florida
Required Supplementary Information
Schedule of the City's Proportionate Share of Net Pension Liability
Florida Retirement System
Last Five Fiscal Years

	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.0094847%	0.0098446%	0.00998670%	0.008813455%	0.091567910%
City's proportionate share of the net pension liability (asset)	\$ 2,856,847	\$ 2,911,962	\$ 2,521,655	\$ 1,138,376	\$ 558,699
City's covered payroll	\$ 1,423,164	\$ 1,388,870	\$ 1,352,403	\$ 1,310,373	\$ 1,290,250
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	200.74%	209.66%	186.46%	86.87%	43.30%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of 6/30.

Information in this schedule is intended to display the last ten years, however, information is not available for prior years. Additional years' information will be displayed as it becomes available.

**City of Palm Coast, Florida
Required Supplementary Information
Schedule of City's Contributions
Florida Retirement System
Last Five Fiscal Years**

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 345,629	\$ 336,187	\$ 306,073	\$ 272,830	\$ 257,211
Contributions in relation to the contractually required contribution	(345,629)	(336,187)	(306,073)	(272,830)	(257,211)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 1,411,714	\$ 1,405,980	\$ 1,408,009	\$ 1,336,518	\$ 1,301,010
Contributions as a percentage of covered payroll	24.48%	23.91%	21.74%	20.41%	19.77%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of 9/30.

Information in this schedule is intended to display the last ten years, however, information is not available for prior years. Additional years' information will be displayed as it becomes available.

City of Palm Coast, Florida
Required Supplementary Information
Schedule of the City's Proportionate Share of Net Pension Liability
Health Insurance Subsidy Program (HIS)
Last Five Fiscal Years

	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.004357290%	0.0043572760%	0.0043808610%	0.00431920200%	0.004327487%
City's proportionate share of the net pension liability (asset)	\$ 461,181	\$ 465,900	\$ 510,571	\$ 440,491	\$ 404,631
City's covered payroll	\$ 1,423,164	\$ 1,388,870	\$ 1,352,403	\$ 1,310,373	\$ 1,290,250
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	32.41%	33.55%	37.75%	33.62%	31.36%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of 6/30.

Information in this schedule is intended to display the last ten years, however, information is not available for prior years. Additional years' information will be displayed as it becomes available.

City of Palm Coast, Florida
Required Supplementary Information
Schedule of City's Contributions
Health Insurance Subsidy (HIS)
Last Five Fiscal Years

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 23,434	\$ 23,339	\$ 23,373	\$ 18,141	\$ 15,792
Contributions in relation to the contractually required contribution	(23,434)	(23,339)	(23,373)	(18,141)	(15,792)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,411,714	\$ 1,405,980	\$ 1,408,009	\$ 1,336,518	\$ 1,301,010
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.36%	1.21%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of 9/30.

Information in this schedule is intended to display the last ten years, however, information is not available for prior years. Additional years' information will be displayed as it becomes available.

City of Palm Coast, Florida
Required Supplementary Information
Post Employment Benefits Other Than Pension (OPEB)
September 30, 2018

Reporting Period Ending Measurement Date	9/30/2018 9/30/2017
Total OPEB Liability	
Service Cost	\$ 78,295
Interest	18,191
Differences between Expected and Actual Experience	-
Changes of Assumptions	(25,291)
Benefit payments - implicit rate subsidy	(12,193)
Other Changes	-
Net change in total OPEB liability	59,002
Total OPEB liability - beginning	522,223
Total OPEB liability - ending	\$ 581,225
 Covered Employee Payroll	 \$ 19,155,104
 Total OPEB liability as a percentage of covered employee payroll	 3.03%

Notes to Schedule:

Valuation Date: 10/01/2017

Changes of assumptions: Changes of assumptions and other changes reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ended September 30, 2017	3.06%
Fiscal Year Ended September 30, 2016	3.64%

City of Palm Coast, Florida
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 23,233,007	\$ 23,184,916	\$ 23,152,774	\$ (32,142)
Licenses and permits	235,500	225,500	179,458	(46,042)
Intergovernmental revenue	4,105,947	5,774,388	5,626,344	(148,044)
Charges for services	6,196,785	6,039,450	6,160,086	120,636
Fines and forfeitures	381,000	456,000	582,254	126,254
Investment earnings	85,000	80,000	90,152	10,152
Miscellaneous	55,000	100,441	187,331	86,890
Total revenues	34,292,239	35,860,695	35,978,399	117,704
EXPENDITURES				
Current:				
General government:				
Mayor and council	218,815	118,958	110,779	8,179
City administration	2,346,872	2,489,097	2,416,668	72,429
City attorney	470,391	520,086	445,118	74,968
Financial services	938,231	934,212	844,846	89,366
Community development	5,876,435	6,021,532	5,838,458	183,074
Nondepartmental	669,060	532,614	497,129	35,485
Total general government	10,519,804	10,616,499	10,152,998	463,501
Public safety:				
Fire	8,595,477	8,695,802	8,487,173	208,629
Law enforcement	3,338,578	3,338,578	3,338,578	-
Total public safety	11,934,055	12,034,380	11,825,751	208,629
Transportation and physical environment:				
Streets and drainage	6,262,754	8,259,110	7,536,397	722,713
Total transportation and physical environment	6,262,754	8,259,110	7,536,397	722,713
Culture and recreation	5,629,639	5,622,703	5,186,516	436,187
Capital outlay:				
Public Safety	53,000	52,095	46,822	5,273
Total expenditures	34,399,252	36,584,787	34,748,484	1,836,303
Excess (deficiency) of revenues over (under) expenditures	(107,013)	(724,092)	1,229,915	1,954,007
OTHER FINANCING SOURCES (USES)				
Transfers in	883,744	883,744	883,744	-
Transfers out	(788,231)	(1,033,391)	(1,033,391)	-
Total other financing sources (uses)	95,513	(149,647)	(149,647)	-
Net change in fund balance*	(11,500)	(873,739)	1,080,268	1,954,007
Fund balance - beginning	9,813,111	9,813,111	9,813,111	-
Fund balance - ending	\$ 9,801,611	\$ 8,939,372	\$ 10,893,379	\$ 1,954,007

*The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance

City of Palm Coast, Florida
Required Supplementary Information
Streets Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 1,907,552	\$ 1,907,552	\$ 2,006,834	\$ 99,282
Intergovernmental revenue	2,369,157	1,574,386	1,704,133	129,747
Fines and forfeitures	-	-	968	968
Investment earnings	-	-	27,621	27,621
Total revenues	4,276,709	3,481,938	3,739,556	257,618
EXPENDITURES				
Current:				
Transportation and physical environment	2,060,000	1,989,107	1,732,070	257,037
Capital outlay:				
Transportation and physical environment	3,830,000	1,735,737	1,660,173	75,564
Total expenditures	5,890,000	3,724,844	3,392,243	332,601
Excess (deficiency) of revenues over (under) expenditures	(1,613,291)	(242,906)	347,313	590,219
OTHER FINANCING SOURCES (USES)				
Transfers in	320,000	28,000	19,911	(8,089)
Total other financing sources (uses)	320,000	28,000	19,911	(8,089)
Net change in fund balance*	(1,293,291)	(214,906)	367,224	582,130
Fund balance - beginning	3,560,496	3,560,496	3,560,496	-
Fund balance - ending	\$ 2,267,205	\$ 3,345,590	\$ 3,927,720	\$ 582,130

*The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
Required Supplementary Information
SR100 CRA Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 1,109,819	\$ 1,139,796	\$ 1,139,796	\$ -
Investment earnings	-	-	11,135	11,135
Total revenues	1,109,819	1,139,796	1,150,931	11,135
EXPENDITURES				
Current:				
Transportation and physical environment	134,237	738,747	129,534	609,213
Culture and recreation	200,000	-	-	-
Capital Outlay				
Transportation and physical environment	-	202,103	202,102	1
Debt service:				
Principal	680,000	680,000	680,000	-
Interest and other	249,651	249,651	249,517	134
Total expenditures	1,263,888	1,870,501	1,261,153	609,348
Excess (deficiency) of revenues over (under) expenditures	(154,069)	(730,705)	(110,222)	620,483
OTHER FINANCING SOURCES (USES)				
Transfers in	580,431	645,075	645,075	-
Transfers out	(600,000)	(600,000)	(600,000)	-
Sale of capital assets	-	685,630	685,630	-
Total other financing sources (uses)	(19,569)	730,705	730,705	-
Net change in fund balance*	(173,638)	-	620,483	620,483
Fund balance - beginning	251,220	251,220	251,220	-
Fund balance - ending	\$ 77,582	\$ 251,220	\$ 871,703	\$ 620,483

*The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
Notes to Required Supplementary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, SR100 CRA special revenue fund, and the transportation impact fee capital projects fund. Encumbrance accounting is employed. Unexpended and unencumbered appropriations lapse at the end of the fiscal year and may be reappropriated in the ensuing year.



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**COMBINING NONMAJOR GOVERNMENTAL AND OTHER
INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**



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CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Fund – This fund accounts for a portion of property taxes and grant revenues for the construction of public safety, recreational, and transportation related public projects.

Transportation Impact Fee Fund - This fund accounts for impact fees collected for the purpose of funding expenditures for the expansion of road capacity.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Police Education Fund -This fund accounts for the costs of educational expenses for police officers. Revenues come from fines and forfeitures.

Neighborhood Stabilization Fund -This fund accounts for the acquisition and rehabilitation of homes for sale and lease to individuals and families as part of the grant under the Neighborhood Stabilization Program.

Old Kings Road Special Assessment Fund -This fund accounts for the collection and disbursement of special assessments for the widening and realignment of Old Kings Road.

CDBG Fund -This fund accounts for Community Development Block Grant programs. These include housing rehab programs, and an annual entitlement grant.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Recreation Impact Fee Fund -This fund accounts for fees collected from new development for the purpose of funding capital costs related to park land acquisition and improvements, and to track the related expenditures.

Fire Impact Fee Fund -This fund accounts for fees collected from new development for the purpose of funding capital costs related to expanding fire services, and to track the related expenditures.



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City of Palm Coast, Florida
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 3,650,000	\$ 3,650,000	\$ 3,711,226	\$ 61,226
Intergovernmental revenue	274,316	-	8,400	8,400
Investment earnings	-	-	16,703	16,703
Total revenues	3,924,316	3,650,000	3,736,329	86,329
EXPENDITURES				
Capital outlay:				
General government	485,000	90,000	19,764	70,236
Culture and recreation	6,185,000	4,982,000	4,129,337	852,663
Total expenditures	6,670,000	5,072,000	4,149,101	922,899
Excess (deficiency) of revenues over (under) expenditures	(2,745,684)	(1,422,000)	(412,772)	1,009,228
OTHER FINANCING SOURCES (USES)				
Transfers in	1,441,212	1,450,000	1,285,959	(164,041)
Transfers out	(320,000)	(28,000)	(19,911)	8,089
Total other financing sources (uses)	1,121,212	1,422,000	1,266,048	(155,952)
Net change in fund balance*	(1,624,472)	-	853,276	853,276
Fund balance - beginning	2,139,299	2,139,299	2,139,299	-
Fund balance - ending	\$ 514,827	\$ 2,139,299	\$ 2,992,575	\$ 853,276

*The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
Transportation Impact Fee Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental revenue	\$ 145,800	\$ -	\$ -	\$ -
Impact fees	1,945,000	2,313,134	2,410,451	97,317
Investment earnings	-	-	27,351	27,351
Total revenues	2,090,800	2,313,134	2,437,802	124,668
EXPENDITURES				
Current:				
Transportation and physical environment	280,836	1,408,707	58,534	1,350,173
Capital outlay:				
Transportation and physical environment	2,985,000	829,544	721,758	107,786
Total expenditures	3,265,836	2,238,251	780,292	1,457,959
Excess (deficiency) of revenues over (under) expenditures	(1,175,036)	74,883	1,657,510	1,582,627
OTHER FINANCING SOURCES (USES)				
Transfers out	(100,000)	(100,000)	(145,728)	(45,728)
Total other financing sources (uses)	(100,000)	(100,000)	(145,728)	(45,728)
Net change in fund balance*	(1,275,036)	(25,117)	1,511,782	1,536,899
Fund balance - beginning	2,734,520	2,734,520	2,734,520	-
Fund balance - ending	\$ 1,459,484	\$ 2,709,403	\$ 4,246,302	\$ 1,536,899

*The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Funds				Capital Projects		
	Police Education Fund	Neighborhood Stabilization Fund	OKR Special Assessment Fund	CDBG Fund	Recreation Impact Fee Fund	Fire Impact Fee Fund	Total Nonmajor Governmental Funds
ASSETS							
Equity in pooled cash and investments	\$ 2,369	\$ 36,264	\$ 522,681	\$ 140,930	\$ 369,193	\$ 916,684	\$ 1,988,121
Special assessment receivable - net	-	-	4,608,171	-	-	-	4,608,171
Due from other governments	-	-	1,412	-	-	-	1,412
Total assets	\$ 2,369	\$ 36,264	\$ 5,132,264	\$ 140,930	\$ 369,193	\$ 916,684	\$ 6,597,704
LIABILITIES							
Accounts payable	\$ -	\$ -	2,754	\$ 44,560	\$ 1,721	\$ -	\$ 49,035
Unearned revenue	-	-	-	96,370	-	-	96,370
Advances from other funds	-	-	4,608,171	-	-	-	4,608,171
Total liabilities	-	-	4,610,925	140,930	1,721	-	4,753,576
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - special assessments	-	-	4,511,105	-	-	-	4,511,105
Total deferred inflows of resources	-	-	4,511,105	-	-	-	4,511,105
FUND BALANCES							
Restricted for							
Public safety	2,369	-	-	-	-	916,684	919,053
Parks and recreation	-	-	-	-	367,472	-	367,472
Grants	-	36,264	-	-	-	-	36,264
Unassigned	-	-	(3,989,766)	-	-	-	(3,989,766)
Total fund balances (deficits)	2,369	36,264	(3,989,766)	-	367,472	916,684	(2,686,977)
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,369	\$ 36,264	\$ 5,132,264	\$ 140,930	\$ 369,193	\$ 916,684	\$ 6,597,704

City of Palm Coast, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Special Revenue Funds				Capital Projects		
	Police Education Fund	Neighborhood Stabilization Fund	OKR Special Assessment Fund	CDBG Fund	Recreation Impact Fee Fund	Fire Impact Fee Fund	Total Nonmajor Governmental Funds
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	389,951	\$ -	\$ -	389,951
Special assessments	-	-	333,494	-	-	-	333,494
Fines and forfeitures	6,219	-	-	-	-	-	6,219
Impact fees	-	-	-	-	701,972	191,118	893,090
Investment earnings	42	-	5,006	-	5,635	6,170	16,853
Total revenues	6,261	-	338,500	389,951	707,607	197,288	1,639,607
EXPENDITURES							
Current:							
General government	-	4,860	-	153,992	-	-	158,852
Transportation and physical environment	-	-	19,134	-	-	-	19,134
Public safety	7,000	-	-	-	-	-	7,000
Capital outlay:							
Culture and recreation	-	-	-	-	522,912	-	522,912
Debt service:							
Interest and other	-	-	235,031	-	-	-	235,031
Total expenditures	7,000	4,860	254,165	153,992	522,912	-	942,929
Excess (deficiency) of revenues over (under) expenditures	(739)	(4,860)	84,335	235,959	184,695	197,288	696,678
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	145,728	-	-	-	145,728
Transfers out	-	-	-	(235,959)	(450,000)	-	(685,959)
Total other financing sources (uses)	-	-	145,728	(235,959)	(450,000)	-	(540,231)
Net change in fund balances	(739)	(4,860)	230,063	-	(265,305)	197,288	156,447
Fund balances (deficits) - beginning	3,108	41,124	(4,219,829)	-	632,777	719,396	(2,823,424)
Fund balances (deficits) - ending	2,369	36,264	(3,989,766)	\$ -	367,472	\$ 916,684	\$ (2,666,977)

City of Palm Coast, Florida
Police Education
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Fines and forfeitures	\$ 4,750	\$ 5,000	\$ 6,219	\$ 1,219
Investment earnings	-	-	42	42
Total revenues	4,750	5,000	6,261	1,261
EXPENDITURES				
Current:				
Public safety	7,750	8,000	7,000	1,000
Total expenditures	7,750	8,000	7,000	1,000
Net change in fund balance*	(3,000)	(3,000)	(739)	2,261
Fund balance - beginning	3,108	3,108	3,108	-
Fund balance - ending	\$ 108	\$ 108	\$ 2,369	\$ 2,261

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
Neighborhood Stabilization
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
EXPENDITURES			
Current:			
General government	\$ 41,124	\$ 4,860	\$ 36,264
Total expenditures	41,124	4,860	36,264
Net change in fund balance*	(41,124)	(4,860)	36,264
Fund balance - beginning	41,124	41,124	-
Fund balance - ending	\$ -	\$ 36,264	\$ 36,264

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
OKR Special Assessment Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Special assessments	\$ 327,030	\$ 327,030	\$ 333,494	\$ 6,464
Investment earnings	-	-	5,006	5,006
Total revenues	327,030	327,030	338,500	11,470
EXPENDITURES				
Current:				
Transportation and physical environment	100,000	100,000	19,134	80,866
Debt service:				
Interest and other	327,030	327,030	235,031	91,999
Total expenditures	427,030	427,030	254,165	172,865
Excess (deficiency) of revenues over (under) expenditures	(100,000)	(100,000)	84,335	184,335
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	145,728	45,728
Total other financing sources (uses)	100,000	100,000	145,728	45,728
Net change in fund balance*	-	-	230,063	230,063
Fund balance - beginning	(4,219,829)	(4,219,829)	(4,219,829)	-
Fund balance - ending	\$ (4,219,829)	\$ (4,219,829)	\$ (3,989,766)	\$ 230,063

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
CDBG Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental revenue	\$ 1,062,981	\$ 1,217,298	\$ 389,951	\$ (827,347)
Total revenues	1,062,981	1,217,298	389,951	(827,347)
EXPENDITURES				
Current:				
General government	456,769	817,298	153,992	663,306
Total expenditures	456,769	817,298	153,992	663,306
Excess (deficiency) of revenues over (under) expenditures	606,212	400,000	235,959	(164,041)
OTHER FINANCING SOURCES (USES)				
Transfers out	(606,212)	(400,000)	(235,959)	164,041
Total other financing sources (uses)	(606,212)	(400,000)	(235,959)	164,041
Net change in fund balance*	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

*The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Palm Coast, Florida
Recreation Impact Fee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Impact fees	\$ 425,000	\$ 620,000	\$ 701,972	\$ 81,972
Investment earnings	-	-	5,635	5,635
Total revenues	425,000	620,000	707,607	87,607
EXPENDITURES				
Capital outlay:				
Culture and recreation	190,000	534,454	522,912	11,542
Total expenditures	190,000	534,454	522,912	11,542
Excess (deficiency) of revenues over (under) expenditures	235,000	85,546	184,695	99,149
OTHER FINANCING SOURCES (USES)				
Transfers out	(235,000)	(450,000)	(450,000)	-
Total other financing sources (uses)	(235,000)	(450,000)	(450,000)	-
Net change in fund balance*	-	(364,454)	(265,305)	99,149
Fund balance - beginning	632,777	632,777	632,777	-
Fund balance - ending	\$ 632,777	\$ 268,323	\$ 367,472	\$ 99,149

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

City of Palm Coast, Florida
Fire Impact Fee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2018

	Original Budgeted Amount	Final Budgeted Amount	Actual Amount	Variance with Final Budget - Positive (Negative)
REVENUES				
Impact fees	\$ 180,000	\$ 205,200	\$ 191,118	\$ (14,082)
Investment earnings	-	-	6,170	6,170
Total revenues	180,000	205,200	197,288	(7,912)
EXPENDITURES				
Public safety	180,000	205,200	-	205,200
Total expenditures	180,000	205,200	-	205,200
Net change in fund balance*	-	-	197,288	197,288
Fund balance - beginning	719,396	719,396	719,396	-
Fund balance - ending	<u>\$ 719,396</u>	<u>\$ 719,396</u>	<u>\$ 916,684</u>	<u>\$ 197,288</u>

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

COMBINING NONMAJOR ENTERPRISE FUND STATEMENTS



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NONMAJOR ENTERPRISE FUNDS

Enterprise Funds account for the functions that are financed and operated in a manner similar to private business enterprises and where the costs of providing goods or services to the general public are recovered primarily through user charges, or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Building Permits Fund -This fund accounts for the operations and enforcement of State and local building regulations financed primarily by user fees.

Information Technology (IT) Fund -This fund accounts for the fiber optic network and wireless communications provided to external users, and technology support and implementation for internal users. This is financed through a combination of user fees and internal charges.

City of Palm Coast, Florida
Combining Statement of Net Position
Nonmajor Proprietary Funds
September 30, 2018

	Business-type Activities-Enterprise Funds		
	Building Permits Fund	Information Technology Fund	Total Nonmajor Enterprise Funds
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 3,691,555	\$ 1,055,943	\$ 4,747,498
Accounts receivable - net	400	132,524	132,924
Prepaid items	6,130	7,362	13,492
Total current assets	3,698,085	1,195,829	4,893,914
Noncurrent assets:			
Capital assets:			
Infrastructure	-	4,903,655	4,903,655
Equipment	11,543	1,459,477	1,471,020
Less accumulated depreciation	(321)	(3,383,903)	(3,384,224)
Total noncurrent assets	11,222	2,979,229	2,990,451
Deferred Outflows-OPEB	675	297	972
Total assets	\$ 3,709,982	\$ 4,175,355	\$ 7,885,337
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 28,573	\$ 92,611	\$ 121,184
Due to other governments	14,254	-	14,254
Loans payable	-	15,897	15,897
Compensated absences	64,987	28,085	93,072
Accrued liabilities	21,838	15,537	37,375
Unearned revenue	-	82,249	82,249
Total current liabilities	129,652	234,379	364,031
Noncurrent liabilities:			
Compensated absences	112,010	91,683	203,693
OPEB liability	29,948	13,169	43,117
Total noncurrent liabilities	141,958	104,852	246,810
Deferred Inflows-OPEB	1,185	521	1,706
Total liabilities	272,795	339,752	612,547
NET POSITION			
Net investment in capital assets	11,222	2,963,332	2,974,554
Unrestricted	3,425,965	872,271	4,298,236
Total net position	\$ 3,437,187	\$ 3,835,603	\$ 7,272,790

City of Palm Coast, Florida
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds		
	Building Permits Fund	Information Technology Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Charges for services:			
Building permit and inspection charges	\$ 2,330,705	\$ -	\$ 2,330,705
Information technology charges	-	2,725,670	2,725,670
Miscellaneous	-	5,421	5,421
Total operating revenues	2,330,705	2,731,091	5,061,796
OPERATING EXPENSES			
Building permits and inspections	1,794,554	-	1,794,554
Information technology	-	2,407,609	2,407,609
Depreciation	321	391,275	391,596
Total operating expenses	1,794,875	2,798,884	4,593,759
Operating income (loss)	535,830	(67,793)	468,037
NONOPERATING REVENUES (EXPENSES)			
Investment revenue	26,888	7,932	34,820
Total nonoperating revenues (expenses)	26,888	7,932	34,820
Income (loss) before capital contributions and transfers	562,718	(59,861)	502,857
TRANSFERS AND CONTRIBUTIONS			
Transfers out	(26,422)	(16,131)	(42,553)
Total transfers and contributions	(26,422)	(16,131)	(42,553)
Change in net position	536,296	(75,992)	460,304
NET POSITION			
Net position - beginning as previously reported	2,884,232	3,894,024	6,778,256
Restatement, GASB 75	16,659	17,571	34,230
Net position - beginning of year, as restated	2,900,891	3,911,595	6,812,486
Net position - ending	\$ 3,437,187	\$ 3,835,603	\$ 7,272,790

City of Palm Coast, Florida
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2018

	Business-type Activities-Nonmajor Enterprise Funds		
	Building Permits Fund	Information Technology Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 2,330,305	\$ 552,863	\$ 2,883,168
Cash received from interfund charges		2,107,594	2,107,594
Cash paid to suppliers	(808,915)	(1,729,967)	(2,538,882)
Cash paid to employees	(933,781)	(723,819)	(1,657,600)
Net cash provided by (used in) operating activities	587,609	206,671	794,280
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	(26,422)	(16,131)	(42,553)
Net cash provided by (used in) noncapital financing activities	(26,422)	(16,131)	(42,553)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Loan principal payments	-	(17,649)	(17,649)
Acquisition and construction of property, plant and equipment	(11,543)	(130,290)	(141,833)
Net cash provided by (used in) capital and related financing activities	(11,543)	(147,939)	(159,482)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	26,888	7,932	34,820
Net cash provided by (used in) investing activities	26,888	7,932	34,820
Net increase (decrease) in cash and cash equivalents	576,532	50,533	627,065
Beginning cash and cash equivalents	3,115,023	1,005,410	4,120,433
Ending cash and cash equivalents	\$ 3,691,555	\$ 1,055,943	\$ 4,747,498

(continued)

City of Palm Coast, Florida
Combining Statement of Cash Flows (continued)
Nonmajor Enterprise Funds
For the Year Ended September 30, 2018

	Business-type Activities-Nonmajor Enterprise Funds		
	Building Permits Fund	Information Technology Fund	Total Nonmajor Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 535,830	\$ (67,793)	\$ 468,037
Adjustment to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization	321	391,275	391,596
Change in assets and liabilities:			
Accounts receivable	(400)	(38,394)	(38,794)
Prepays	(1,491)	(867)	(2,358)
Accounts payable	22,120	(31,424)	(9,304)
Accrued liabilities	7,902	4,153	12,055
Customer deposits	-	(32,240)	(32,240)
Compensated absences	23,327	(18,039)	5,288
Net cash provided by (used in) operating activities	<u>\$ 587,609</u>	<u>\$ 206,671</u>	<u>\$ 794,280</u>
CASH AND CASH EQUIVALENTS CLASSIFIED AS:			
Equity in pooled cash and investments in current assets	<u>3,691,555</u>	<u>1,055,943</u>	<u>4,747,498</u>
Total cash and cash equivalents	<u>\$ 3,691,555</u>	<u>\$ 1,055,943</u>	<u>\$ 4,747,498</u>



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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Fleet Management Fund -This fund is used to account for the leasing of motor vehicles and heavy equipment to other departments as well as related maintenance and replacement costs.

Self Insured Health Fund -This fund accounts for the management and allocation of costs associated with the self-insured health benefits program for eligible employees and their dependents

City of Palm Coast, Florida
Combining Statement of Net Position
Internal Service Funds
September 30, 2018

	Internal Service Funds		
	Self Insured Health Fund	Fleet Fund	Total Internal Service Funds
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 4,386,221	\$ 9,378,641	\$ 13,764,862
Accounts receivable - net	-	2,032	2,032
Inventories	-	40,137	40,137
Prepaid items	-	23,922	23,922
Due from other governments	-	2,091	2,091
Total current assets	4,386,221	9,446,823	13,833,044
Noncurrent assets:			
Capital assets:			
Building and improvements other than buildings	-	1,097,144	1,097,144
Equipment	-	18,917,656	18,917,656
Less accumulated depreciation	-	(11,514,856)	(11,514,856)
Total noncurrent assets	-	8,499,944	8,499,944
Deferred Outflows-OPEB	-	358	358
Total assets	\$ 4,386,221	\$ 17,947,125	\$ 22,333,346
LIABILITIES			
Current liabilities:			
Accounts payable	\$ -	\$ 116,495	\$ 116,495
Claims payable	380,292	-	380,292
Due to other governments	8,000	600,000	608,000
Compensated absences	-	24,898	24,898
Accrued liabilities	-	10,133	10,133
Total current liabilities	388,292	751,526	1,139,818
Noncurrent liabilities:			
Compensated absences	-	48,941	48,941
OPEB liability	-	15,893	15,893
Total noncurrent liabilities	-	64,834	64,834
Deferred Inflows-OPEB	-	629	629
Total liabilities	388,292	816,989	1,205,281
NET POSITION			
Net investment in capital assets	-	8,499,944	8,499,944
Unrestricted	3,997,929	8,630,192	12,628,121
Total net position	\$ 3,997,929	\$ 17,130,136	\$ 21,128,065

City of Palm Coast, Florida
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2018

	Internal Service Funds		
	Self Insured Health Fund	Fleet Fund	Total Internal Service Funds
OPERATING REVENUES			
Charges for services:			
Risk management	\$ 4,334,862	\$ -	\$ 4,334,862
Fleet management	-	5,112,981	5,112,981
Total operating revenues	4,334,862	5,112,981	9,447,843
OPERATING EXPENSES			
Administrative	3,786,233	2,552,292	6,338,525
Depreciation	-	1,771,361	1,771,361
Total operating expenses	3,786,233	4,323,653	8,109,886
Operating income (loss)	548,629	789,328	1,337,957
NONOPERATING REVENUES (EXPENSES)			
Investment revenue	31,209	66,547	97,756
Other	-	193,304	193,304
Total nonoperating revenues (expenses)	31,209	259,851	291,060
Income (loss) before capital contributions and transfers	579,838	1,049,179	1,629,017
TRANSFERS AND CONTRIBUTIONS			
Transfers in	-	337,400	337,400
Total transfers and contributions	-	337,400	337,400
Change in net position	579,838	1,386,579	1,966,417
NET POSITION			
Net position - beginning as previously reported	3,418,091	15,728,290	19,146,381
Restatement, GASB 75	-	15,267	15,267
Net position - beginning of year, as restated	3,418,091	15,743,557	19,161,648
Net position - ending	\$ 3,997,929	\$ 17,130,136	\$ 21,128,065

City of Palm Coast, Florida
Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2018

	Internal Service Funds		
	Self Insured Health Fund	Fleet Fund	Total Internal Services Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ -	\$ 21,485	\$ 21,485
Cash received interfund charges	4,334,862	5,091,575	9,426,437
Cash paid to suppliers	(3,771,963)	(2,137,267)	(5,909,230)
Cash paid to employees	-	(419,738)	(419,738)
Net cash provided by (used in) operating activities	562,899	2,556,055	3,118,954
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer in from other funds	-	337,400	337,400
Net cash provided by (used in) noncapital financing activities	-	337,400	337,400
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of property, plant and equipment	-	(1,999,755)	(1,999,755)
Proceeds from the sale of capital assets	-	218,215	218,215
Net cash provided by (used in) capital and related financing activities	-	(1,781,540)	(1,781,540)
CASH FLOW FROM INVESTING ACTIVITIES			
Interest on investments	31,209	66,547	97,756
Net cash provided by (used in) investing activities	31,209	66,547	97,756
Net increase (decrease) in cash and cash equivalents	594,108	1,178,462	1,772,570
Beginning cash and cash equivalents	3,792,113	8,200,179	11,992,292
Ending cash and cash equivalents	\$ 4,386,221	\$ 9,378,641	\$ 13,764,862

(continued)

City of Palm Coast, Florida
Combining Statement of Cash Flows (continued)
Internal Service Funds
For the Year Ended September 30, 2018

	Internal Service Funds		
	Self Insured Health Fund	Fleet Fund	Total Internal Service Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 548,629	\$ 789,328	\$ 1,337,957
Adjustment to reconcile operating income to net cash provided by operating activities			
Depreciation and amortization	-	1,771,361	1,771,361
Change in assets and liabilities:			
Accounts receivable	-	79	79
Inventories	-	(12,059)	(12,059)
Prepays	-	(1,800)	(1,800)
Accounts payable	14,270	(7,106)	7,164
Accrued liabilities	-	4,628	4,628
Compensated absences	-	11,624	11,624
Net cash provided by (used in) operating activities	562,899	2,556,055	3,118,954
CASH AND CASH EQUIVALENTS CLASSIFIED AS:			
Equity in pooled cash and investments in current assets	\$ 4,386,221	\$ 9,378,641	\$ 13,764,862
Total cash and cash equivalents	\$ 4,386,221	\$ 9,378,641	\$ 13,764,862

Statistical Section

This section of the City of Palm Coast's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Contents	Page
Financial Trends	137
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Debt Capacity	146
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Revenue Capacity	150
These Schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes	
Demographic and Economic Information	151
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments	
Operating Information	153
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information related to the services the City's provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



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Schedule 1
City of Palm Coast, Florida
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011 (1)	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Invested in capital assets, net of related debt	\$ 291,330,417	\$ 307,069,337	\$ 306,530,353	\$ 303,986,665	\$ 298,779,350	\$ 298,494,964	\$ 315,591,311	\$ 317,474,371	\$ 330,790,898	\$ 325,234,671
Restricted	8,201,392	919,709	1,097,652	840,001	1,184,424	1,130,224	5,649,144	5,537,610	7,954,237	10,380,209
Unrestricted	19,321,526	11,141,460	11,900,257	8,897,658	20,677,222	25,117,904	14,936,982	16,599,453	15,460,677	18,980,907
Total governmental activities net position	\$ 318,853,335	\$ 319,130,506	\$ 319,528,262	\$ 313,724,324	\$ 320,640,996	\$ 324,743,092	\$ 336,177,437	\$ 339,611,434	\$ 354,205,812	\$ 354,595,787
Business-type activities										
Invested in capital assets, net of related debt	\$ 60,854,530	\$ 72,856,080	\$ 68,014,427	\$ 68,131,604	\$ 69,651,643	\$ 68,945,922	\$ 67,519,973	\$ 72,761,895	\$ 84,435,596	\$ 84,014,277
Restricted	6,051,501	4,024,083	13,716,132	13,833,001	6,755,775	11,786,243	12,845,451	14,009,367	15,456,945	21,774,289
Unrestricted	11,977,264	5,771,497	(1,025,888)	10,224,350	11,992,822	16,839,256	20,147,467	25,308,480	25,844,539	30,333,145
Total business-type activities net position	\$ 78,883,295	\$ 82,651,660	\$ 80,704,671	\$ 92,188,955	\$ 88,400,240	\$ 97,571,421	\$ 100,512,891	\$ 112,079,742	\$ 125,737,080	\$ 136,121,711
Primary government										
Invested in capital assets, net of related debt	\$ 352,184,947	\$ 379,925,417	\$ 374,544,780	\$ 372,118,269	\$ 368,430,993	\$ 367,440,886	\$ 383,111,284	\$ 390,236,266	\$ 415,226,494	\$ 409,248,948
Restricted	14,252,893	4,943,792	14,813,784	14,673,002	7,940,199	12,916,467	18,494,595	19,546,977	23,411,182	32,154,498
Unrestricted	31,298,790	16,912,957	10,874,369	19,122,008	32,670,044	41,957,160	35,084,449	41,907,933	41,305,216	49,314,052
Total primary government net position	\$ 397,736,630	\$ 401,782,166	\$ 400,232,933	\$ 405,913,279	\$ 409,041,236	\$ 422,314,513	\$ 436,690,328	\$ 451,691,176	\$ 479,942,892	\$ 490,717,498

Note:

(1) The City was required to fund a bond debt service reserve in the utility fund during the year.

Schedule 2
City of Palm Coast, Florida
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010 (1)	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
General government										
Public safety	\$ 9,089,652	\$ 7,291,611	\$ 6,910,244	\$ 5,867,359	\$ 6,683,303	\$ 5,898,666	\$ 5,380,359	\$ 3,471,694	\$ 5,435,785	\$ 5,956,629
Transportation and physical environment	9,558,547	11,029,379	10,653,813	10,144,341	10,874,585	11,032,501	10,522,359	11,013,862	11,332,196	12,187,040
Culture and recreation	12,035,335	11,552,570	13,325,228	13,333,183	13,932,669	14,212,159	15,752,135	17,579,791	21,427,067	20,049,609
Interest on long-term debt	2,710,434	2,874,115	2,904,535	3,072,489	3,092,100	3,191,985	5,462,980	6,136,059	6,202,008	7,000,755
Total governmental activities expenses	314,337	545,416	698,126	652,050	519,669	676,742	604,034	578,231	523,790	484,548
Business-type activities:										
Utility	\$ 33,708,305	\$ 33,293,091	\$ 34,491,946	\$ 33,069,422	\$ 35,102,326	\$ 35,012,053	\$ 37,721,867	\$ 38,779,637	\$ 44,920,846	\$ 45,678,581
Solid Waste	32,873,576	32,414,733	31,205,110	30,545,189	33,363,682	30,399,474	30,760,793	31,562,957	33,063,660	37,488,776
Stormwater	7,492,553	7,557,209	7,631,425	7,533,852	7,154,429	7,290,268	7,239,055	7,349,886	7,680,586	8,433,184
Building Permits & Inspections	3,654,793	4,339,649	4,216,027	3,904,173	4,206,765	4,646,249	4,842,145	6,473,450	5,554,569	6,659,088
Information Technology	-	1,787,281	1,463,027	1,286,637	1,225,965	1,275,472	1,284,030	1,516,413	1,592,586	1,759,634
Golf Course (a)	-	157,268	182,643	351,525	490,030	379,495	382,264	985,726	705,729	665,967
Tennis Center (a)	84,219	1,876,394	1,910,096	1,806,088	1,753,323	1,778,396	-	-	-	-
Total business-type activities expenses	242,969	284,483	353,796	267,918	295,279	309,891	-	-	-	-
Total business-type activities expenses	44,348,110	48,417,017	46,962,124	45,695,382	48,489,473	46,079,245	44,508,287	47,888,232	48,597,130	55,006,649
Total primary government expenses	\$ 78,056,415	\$ 81,710,108	\$ 81,454,070	\$ 78,764,804	\$ 83,591,799	\$ 81,091,298	\$ 82,230,154	\$ 86,667,869	\$ 93,517,976	\$ 100,685,230
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,409,425	\$ 1,147,521	\$ 666,875	\$ 971,403	\$ 967,910	\$ 838,828	\$ 820,158	\$ 687,827	\$ 1,013,720	\$ 1,201,790
Public safety	1,028,174	679,557	305,916	386,798	1,215,566	946,722	355,063	232,048	148,114	80,103
Transportation and physical environment	93,136	92,840	133,064	132,838	125,186	130,888	116,916	173,143	146,937	162,769
Culture and recreation	193,571	158,546	398,520	436,185	360,585	234,388	1,640,631	1,683,747	1,635,056	1,665,539
Operating grants and contributions	2,696,553	3,661,398	4,053,082	3,239,141	3,819,858	3,396,912	3,197,045	2,411,183	7,078,147	4,254,944
Capital grants and contributions	11,116,163	4,401,134	2,679,664	4,771,908	8,499,395	6,635,181	8,836,774	7,143,389	18,889,042	4,553,519
Total governmental activities program revenues	\$ 17,537,022	\$ 10,140,996	\$ 8,237,121	\$ 9,938,273	\$ 14,988,500	\$ 12,182,919	\$ 14,966,587	\$ 12,331,337	\$ 28,911,016	\$ 11,918,664
Business-type activities:										
Charges for services:										
Utility	27,690,432	27,771,725	29,190,836	29,518,612	30,730,934	33,943,464	35,038,243	37,357,134	38,085,170	38,381,854
Solid Waste	7,498,306	7,667,964	7,805,956	7,655,877	7,227,081	7,420,478	7,349,016	7,634,486	7,727,089	8,363,015
Stormwater	5,112,097	5,509,260	4,778,331	5,469,298	6,316,447	7,154,416	7,048,000	7,038,305	7,228,213	7,422,747
Building Permits & Inspections	-	201,626	225,099	273,784	1,152,945	1,608,821	1,717,303	2,031,003	2,291,570	2,330,705
Information Technology and Communication	-	246,094	322,337	659,065	639,557	677,563	669,141	584,703	706,236	623,497
Golf Course	-	1,213,334	1,501,459	1,479,063	1,364,274	1,226,184	-	-	-	-
Tennis Center	153,925	164,404	181,598	157,818	190,277	210,348	-	-	-	-
Operating grants and contributions	-	-	-	477,582	-	-	-	-	-	1,560,284
Capital grants and contributions	12,605,884	2,940,853	1,047,855	2,112,690	1,238,990	3,072,563	2,870,187	5,121,164	6,368,010	6,162,184
Total business-type activities program revenues	53,060,644	45,715,260	45,053,471	47,803,789	48,860,505	55,313,837	54,691,890	59,766,795	62,406,288	64,844,286
Total primary government program revenues	\$ 70,597,666	\$ 55,856,256	\$ 53,290,592	\$ 57,742,062	\$ 63,849,005	\$ 67,496,756	\$ 69,658,477	\$ 72,098,132	\$ 91,317,304	\$ 76,762,950
Net revenues										

	Fiscal Year									
	2009	2010 (1)	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Governmental activities	\$ (16,171,283)	\$ (23,152,095)	\$ (26,254,825)	\$ (23,131,149)	\$ (20,113,826)	\$ (22,829,134)	\$ (22,755,280)	\$ (26,448,300)	\$ (16,009,830)	\$ (33,759,917)
Business-type activities	8,712,534	(2,701,757)	(1,908,653)	2,108,407	371,032	9,234,592	10,183,603	11,878,563	13,809,158	9,837,637
Total primary government net expense	<u>\$ (7,458,749)</u>	<u>\$ (25,853,852)</u>	<u>\$ (28,163,478)</u>	<u>\$ (21,022,742)</u>	<u>\$ (19,742,794)</u>	<u>\$ (13,594,542)</u>	<u>\$ (12,571,677)</u>	<u>\$ (14,569,737)</u>	<u>\$ (2,200,672)</u>	<u>\$ (23,922,280)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 18,211,813	\$ 18,614,730	\$ 15,968,937	\$ 14,180,455	\$ 15,803,692	\$ 15,911,873	\$ 16,609,668	\$ 17,592,210	\$ 18,380,759	\$ 21,066,081
Sales and use taxes	2,422,436	2,495,167	2,579,899	2,730,209	2,403,052	2,392,638	2,587,863	2,749,805	2,878,973	3,111,226
Telecommunication services tax	2,726,666	2,748,010	2,685,140	2,696,547	2,608,306	2,522,865	2,529,845	2,390,508	2,221,345	2,297,782
Franchise taxes	58,423	744,353	660,354	651,129	661,438	784,758	683,099	731,563	790,697	839,511
Other local taxes	-	404,685	414,385	378,989	404,686	346,157	448,611	431,683	400,099	426,105
Intergovernmental revenue, non-program	3,310,696	3,253,543	3,405,849	3,649,676	3,841,166	4,047,545	4,200,163	4,299,085	4,463,316	4,704,629
Unrestricted investment earnings	1,244,703	888,531	388,707	461,968	287,289	82,174	17,896	245,858	172,268	287,570
Rental income	102,334	-	-	-	-	-	-	-	-	-
Miscellaneous	75,211	21,425	26,779	41,832	77,326	41,105	60,404	70,507	70,126	187,331
Gain on sale of capital assets	231,860	81,725	16,241	-	191,139	280,593	208,563	213,336	245,261	-
Transfers	5,756,982	(5,822,903)	506,290	(7,463,594)	752,404	521,522	7,983,567	1,157,742	981,364	832,828
Total governmental activities	<u>34,141,124</u>	<u>23,429,266</u>	<u>26,652,581</u>	<u>17,327,211</u>	<u>27,030,498</u>	<u>26,931,230</u>	<u>35,329,679</u>	<u>29,882,297</u>	<u>30,604,208</u>	<u>33,753,063</u>
Business-type activities:										
Property Taxes	-	-	-	1,686,100	245,750	275,133	316,403	363,863	418,442	502,590
Unrestricted investment earnings	833,213	647,219	467,954	224,542	6,552	182,978	409,685	460,402	411,102	612,838
Other income	524,881	-	-	1,641	-	-	15,346	21,765	-	-
Transfers	(5,756,982)	5,822,903	(506,290)	7,463,594	(752,404)	(521,522)	(7,983,567)	(1,157,742)	(981,364)	(832,828)
Total business-type activities	<u>(4,398,888)</u>	<u>6,470,122</u>	<u>(38,336)</u>	<u>9,375,877</u>	<u>(500,102)</u>	<u>(63,411)</u>	<u>(7,242,133)</u>	<u>(311,712)</u>	<u>(151,820)</u>	<u>282,600</u>
Total primary government	<u>\$ 29,742,236</u>	<u>\$ 29,899,388</u>	<u>\$ 26,614,245</u>	<u>\$ 26,703,088</u>	<u>\$ 26,530,396</u>	<u>\$ 26,867,819</u>	<u>\$ 28,087,546</u>	<u>\$ 29,570,585</u>	<u>\$ 30,452,388</u>	<u>\$ 34,035,663</u>
Change in Net Position										
Governmental activities	\$ 17,969,841	\$ 277,171	\$ 397,756	\$ (5,803,938)	\$ 6,916,672	\$ 4,102,096	\$ 12,574,399	\$ 3,433,997	\$ 14,594,378	\$ (6,854)
Business-type activities	4,313,646	3,768,365	(1,946,989)	11,484,284	(129,070)	9,171,181	2,941,470	11,566,851	13,657,338	10,120,237
Total primary government	<u>\$ 22,283,487</u>	<u>\$ 4,045,536</u>	<u>\$ (1,549,233)</u>	<u>\$ 5,680,346</u>	<u>\$ 6,787,602</u>	<u>\$ 13,273,277</u>	<u>\$ 15,515,869</u>	<u>\$ 15,000,848</u>	<u>\$ 28,251,716</u>	<u>\$ 10,113,383</u>

Note:

(1) The Building Permits and Information Technology departments were removed from the general fund and established as enterprise funds during the fiscal year.

(a) The Golf Course and Tennis Center Enterprise Funds were closed in FY 15, and those functions transferred to the General Fund and Governmental Activities.

Schedule 3
City of Palm Coast, Florida
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010 (1)	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 7,141,109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	10,033,713	-	-	-	-	-	-	-	-	-
Nonspendable	-	5,975,576	5,979,178	5,982,244	5,986,187	186,156	274,551	233,082	190,280	193,824
Restricted	-	-	-	55,221	55,221	55,221	55,221	33,918	11,596	11,695
Committed	-	2,171,614	2,183,984	2,205,117	2,204,711	2,173,669	2,200,605	2,244,922	2,826,717	2,744,058
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	2,393,217	3,049,181	4,485,999	5,900,427	5,505,193	6,191,196	6,398,133	6,784,518	7,943,802
Total general fund	\$ 17,174,822	\$ 10,540,407	\$ 11,212,343	\$ 12,728,581	\$ 14,146,546	\$ 7,920,239	\$ 8,721,573	\$ 8,910,055	\$ 9,813,111	\$ 10,893,379
All Other Governmental Funds										
Reserved	\$ 4,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Capital projects funds	7,517,095	-	-	-	-	-	-	-	-	-
Special revenue funds	(2,143,495)	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	919,709	1,097,652	784,780	1,129,203	1,075,003	5,593,923	5,503,692	7,942,641	10,368,514
Committed	-	14,908,303	14,879,097	6,370,050	10,249,998	16,640,546	4,760,593	5,432,117	2,139,299	2,992,575
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned, reported in:										
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Special revenue funds	-	(12,561,419)	(13,860,570)	(10,725,088)	(8,157,109)	(6,215,566)	(5,332,256)	(4,404,763)	(4,219,829)	(3,989,766)
Total all other governmental funds	\$ 9,873,600	\$ 3,266,593	\$ 2,116,179	\$ (3,570,258)	\$ 3,222,092	\$ 11,499,983	\$ 5,022,260	\$ 6,531,046	\$ 5,862,111	\$ 9,371,323

Note:

(1) The City adopted GASB 54 beginning with fiscal year 2010 and has elected to display this change prospectively.

Schedule 4
City of Palm Coast, Florida
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 26,307,061	\$ 27,046,608	\$ 24,340,358	\$ 22,637,658	\$ 23,997,162	\$ 23,996,049	\$ 24,896,379	\$ 25,987,934	\$ 26,835,224	\$ 30,010,630
Licenses and permits	1,147,673	391,479	160,742	210,196	229,590	252,150	221,940	211,822	196,332	179,458
Intergovernmental revenues	4,843,895	7,939,669	7,191,917	8,749,022	7,895,185	9,772,192	12,247,672	8,391,343	10,153,064	7,728,828
Charges for services	4,197,416	2,552,903	2,836,649	2,740,171	2,572,727	2,712,048	4,098,519	4,872,149	5,417,506	6,160,086
Special assessments	38,701	219,391	250,342	129,899	-	248,079	247,559	327,571	333,148	333,494
Fines and forfeitures	1,398,511	1,043,095	656,694	739,411	1,578,139	1,556,456	854,187	574,371	614,849	589,441
Impact fees	1,281,486	1,216,661	664,827	746,167	1,254,980	1,817,218	1,699,219	2,790,609	3,112,084	3,303,542
Contributions	21,295	14,348	6,603	58,949	2,217	4,801	5,739	5,492	-	-
Rental income	102,334	-	-	-	-	-	-	-	-	-
Investment Earnings	1,203,109	833,589	371,817	421,111	287,289	82,174	12,505	176,120	129,682	189,814
Miscellaneous	75,211	21,425	26,779	38,946	77,326	41,105	60,404	70,507	70,126	187,331
Total revenues	40,616,692	41,279,168	36,506,728	36,471,530	37,894,615	40,482,272	44,344,123	43,407,918	46,862,015	48,682,624
Expenditures										
Current:										
General government	11,642,333	9,413,906	9,131,441	8,171,546	8,491,303	7,978,014	7,118,556	8,459,094	9,608,481	10,311,850
Public safety	9,820,736	10,719,389	10,058,067	9,822,084	10,524,093	10,025,107	10,581,386	10,556,903	10,856,575	11,832,751
Transportation and physical environment	7,014,650	6,401,040	5,739,492	5,314,597	5,763,838	6,547,718	7,678,390	7,247,764	10,376,683	9,475,669
Culture and recreation	1,991,501	1,878,028	2,151,306	2,186,053	2,161,053	2,209,307	4,192,350	4,798,642	4,843,405	5,186,516
Capital outlay	27,990,100	25,166,275	9,432,633	6,821,805	4,589,433	16,501,044	20,819,038	10,231,758	10,537,734	7,302,868
Debt Service:										
Principal	36,150	267,623	225,930	210,000	393,000	605,000	623,000	641,000	660,000	680,000
Interest and Other	314,337	545,416	698,126	652,050	519,669	676,742	604,034	578,231	523,790	484,548
Total expenditures	58,809,807	54,391,677	37,436,995	33,178,135	32,442,389	44,542,932	51,616,754	42,513,392	47,406,668	45,274,202
Excess of revenues over (under) expenditures	(18,193,115)	(13,112,509)	(930,267)	3,293,395	5,452,226	(4,060,660)	(7,272,631)	894,526	(544,653)	3,408,422
Other Financing Sources (Uses)										
Sale of capital assets	2,903,420	1,827,280	11,961	-	-	-	-	-	8,000	685,630
Loan and capital lease proceeds	-	4,000,000	-	-	2,088,000	5,839,000	-	-	-	-
Transfers In	5,792,243	5,270,599	1,649,068	5,451,278	2,036,171	9,348,861	4,390,060	2,747,133	3,209,669	2,980,417
Transfers Out	(555,170)	(11,226,792)	(1,209,240)	(12,914,872)	(1,366,082)	(9,075,617)	(2,793,818)	(1,944,391)	(2,438,895)	(2,484,989)
Total other financing sources (uses)	8,140,493	(128,913)	451,789	(7,463,594)	2,758,089	6,112,244	1,596,242	802,742	778,774	1,181,058
Net change in fund balances	\$(10,052,622)	\$(13,241,422)	\$(478,478)	\$(4,170,199)	\$ 8,210,315	\$ 2,051,584	\$(5,676,389)	\$ 1,697,268	\$ 234,121	\$ 4,589,480
Debt Service as a percentage of noncapital expenditures	1.14	2.78	3.30	3.27	3.28	4.57	3.98	3.78	3.21	3.07

Schedule 5
City of Palm Coast, Florida
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Institutional Property	Governmental Property	Other Property	Less: Homestead Exemption (1)	Less: Save our Homes (2)	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2009	\$ 7,048,853,617	\$ 626,574,296	\$ 56,439,734	\$ 64,271,265	\$ 63,863,079	\$ 344,342,373	\$ 425,467,243	\$ 1,153,749,410	\$ 693,792,399	\$ 650,304,629	\$ 6,131,965,169	2.96
2010	5,810,369,969	640,358,943	57,394,160	81,593,288	79,017,915	363,209,622	413,135,467	1,178,584,144	325,396,383	692,916,836	5,248,182,001	3.50
2011	4,970,838,657	513,132,872	44,840,929	84,260,704	74,519,213	323,857,469	369,655,823	1,176,726,372	111,171,325	626,703,217	4,466,504,753	3.50
2012	4,421,050,448	449,685,207	40,410,099	84,665,638	71,488,036	304,706,672	367,156,410	1,056,115,106	123,622,919	667,830,359	3,891,594,126	3.99
2013	4,208,752,204	505,252,669	35,648,257	73,437,297	71,483,536	299,076,871	365,596,411	1,039,691,458	173,517,550	699,916,216	3,646,122,021	4.30
2014	4,308,692,800	415,174,623	34,777,555	73,143,976	66,178,054	292,896,119	348,777,295	1,038,983,230	125,014,902	685,329,433	3,690,312,857	4.27
2015	4,782,180,122	413,931,035	37,284,247	69,110,414	66,342,493	294,523,422	385,973,822	1,158,401,369	369,766,907	628,818,638	3,892,358,641	4.25
2016	5,195,256,265	417,305,032	37,886,100	75,675,112	78,792,636	286,319,548	393,689,080	1,071,794,657	535,411,197	748,098,804	4,129,619,115	4.25
2017	5,462,006,261	439,539,865	44,370,136	79,533,227	80,798,869	297,964,296	426,433,750	1,110,486,047	589,215,449	806,488,148	4,324,456,760	4.25
2018	5,462,006,261	439,539,865	44,370,136	70,138,267	80,798,869	297,964,296	426,433,750	1,143,964,957	738,528,052	802,592,939	4,136,165,496	4.59

Source: Flagler County Property Appraiser, based on final taxable values provided in October of each year.

Note: Property in the City is reassessed each year, and visited at least once every five years. Property is assessed at actual value, therefore the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

(1) Every person who has legal or equitable title to real property in the State of Florida, who resides on the property and makes it their permanent home is entitled to a \$25,000 exemption for the tax years 2003-2007. Starting in tax year 2008, the exemption was increased to \$50,000, with an additional \$25,000 for ages 65 and older.

(2) The Florida Constitution has been amended effective January 1, 1995 to limit any annual increase in the assessed value of residential property with a Homestead Exemption to 3 percent or the Consumer Price Index percent change, whichever is lower. This limitation does not include any change, addition or improvement to a homestead.

Schedule 6
City of Palm Coast, Florida
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rates (1)			Overlapping Rates (2)				
	General Purposes	Capital Purposes	Total	Flagler County	East Flagler Mosquito Control District	St. Johns River Water Management District	Florida Inland Navigation District	
2009	2,6123	0.3500	2,96230	4,54450	0.17300	0.41580	0.03450	
2010	3,1500	0.3500	3,50000	5,24790	0.20380	0.41580	0.03450	
2011	3,5000	-	3,50000	6,05500	0.20380	0.41580	0.03450	
2012	3,5400	0.4500	3,99000	6,78140	0.23900	0.33130	0.03450	
2013	4,1502	0.1456	4,29580	7,66200	0.25400	0.33130	0.03450	
2014	4,1932	0.0773	4,27050	8,57530	0.25330	0.32830	0.03450	
2015	4,1608	0.0842	4,24500	8,53900	0.24230	0.31640	0.03450	
2016	4,0828	0.1622	4,24500	8,46680	0.23760	0.30230	0.03200	
2017	4,1120	0.1330	4,24500	8,63170	0.23950	0.28850	0.03200	
2018	4,3461	0.2476	4,59370	8,61170	0.24030	0.27240	0.03200	

Source: Flagler County Tax Collector

Note:

- (1) The tax rate is limited to \$10.00 per thousand by the State of Florida. Any additional amount requires a majority vote of the city's residents.
- (2) Overlapping rates are those local and county governments that apply to property owners within the City of Palm Coast.

Schedule 7
City of Palm Coast, Florida
Principal Property Tax Payers,
Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
FLORIDA POWER & LIGHT COMPANY	\$ 85,947,051	1	1.863%	-	-	-
EBSCO INTEGRA WOODS	24,400,000	2	0.529%	-	-	-
KRG PALM COAST LANDING LLC	22,505,717	3	0.488%	-	-	-
BRANCH ISLAND WALK ASSOCIATES	19,183,000	4	0.416%	-	-	-
PINE LAKES ACQUISITIONS LLC	14,200,000	5	0.308%	-	-	-
PALM COAST MEDICAL SPECIALISTS	11,896,203	6	0.258%	-	-	-
FLORIDA LANDMARK COMMUNITIES	10,717,226	7	0.232%	-	-	-
BRIGHTHOUSE NETWORKS	10,540,835	8	0.229%	-	-	-
WAL-MART STORES EAST LP	10,348,455	9	0.224%	-	-	-
LVC TIMESHARE DEVELOPER	10,346,400	10	0.224%	-	-	-
CENTEX HOMES	-	-	-	\$ 29,790,131	1	0.425%
PALM COAST HOLDINGS INC	-	-	-	27,035,202	2	0.386%
HARBOR CLUB OWNERS ASSOCIATION	-	-	-	13,564,800	3	0.194%
SEAGATE HOMES INC	-	-	-	11,042,277	4	0.158%
THE GRAND CLUB LLC	-	-	-	10,896,445	5	0.155%
MCWR-RC-FL-PALM HARBOR LLC	-	-	-	10,754,327	6	0.153%
PALM COAST APARTMENTS LLC	-	-	-	10,427,527	7	0.149%
WAL-MART STORES, INC	-	-	-	9,478,622	8	0.135%
GINN-LA HAMMOCK BEACH LTD LLP	-	-	-	8,905,890	9	0.127%
INTERVEST CONSTRUCTION INC	-	-	-	8,710,496	10	0.124%
	<u>\$ 220,084,887</u>		<u>4.771%</u>	<u>\$ 140,605,717</u>		<u>2.006%</u>

Source: Flagler County Property Appraiser

Schedule 8
City of Palm Coast, Florida
Property Tax Levies and Collections,
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percentage of Levy (1)		Amount	Percentage of Levy
2009	\$ 18,164,720	\$ 17,521,094	96.46	\$ 117,912	\$ 17,639,006	97.11
2010	18,368,637	17,710,493	96.42	91,121	17,801,614	96.91
2011	15,632,767	15,090,032	96.53	86,923	15,176,955	97.08
2012	15,534,998	14,980,925	96.43	99,505	15,080,430	97.07
2013	15,650,967	15,093,036	96.44	35,983	15,129,019	96.67
2014	15,759,481	15,190,408	96.39	41,336	15,231,744	96.65
2015	16,523,062	15,937,197	96.45	37,803	15,975,000	96.68
2016	17,583,231	16,901,139	96.12	-	16,901,139	96.12
2017	18,449,374	17,680,005	95.83	-	17,680,005	95.83
2018	21,197,632	20,428,875	96.37	19,925	20,448,800	96.47

Source: Flagler County Property Appraiser

Note:

- (1) Taxes are levied on November 1 of each year. Taxes are due by March 31 of the following year. Taxes paid prior to March 31 receive discounts of up to 4%. See Note 1 of the financial statements for more details.
- (2) Details relating to collections in subsequent years is unavailable. Subsequent collections have been applied to fiscal years based on an estimate of collections.

Schedule 9

City of Palm Coast, Florida

Ratios of Outstanding Debt by Type,

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities					Total					Percentage			Percentage		
	CDBG Loan	SRF/Bank Loan (c)	Equipment Loan	Utility Revenue Bonds (a)	SRF Loan (b)	SRF/Bank Loan (b)	IT Capital Leases	Total Primary Government	Taxable Assessed Value of Property	Percentage Taxable Assessed Value of Property	Personal Income (thousands of dollars)	Estimated Population	Personal Income	Per Capita	Taxable Assessed Value of Property	Percentage Taxable Assessed Value of Property	Personal Income (thousands of dollars)	Estimated Population	Personal Income	Per Capita
2009	\$ 63,552	\$ -	\$ -	\$ 138,890,000	\$ 28,386,116	\$ 6,695,806	\$ -	\$ 174,035,474	\$ 6,131,965,169	2.84	\$ 2,832,191	\$ 73,910	\$ 2,832,191	6.14	\$ 6,131,965,169	2.84	\$ 2,832,191	73,910	\$ 2,832,191	6.14
2010	25,929	-	-	135,920,000	25,700,918	13,854,213	252,015	179,523,075	5,248,182,001	3.42	3,071,000	75,180	3,071,000	5.85	5,248,182,001	3.42	3,071,000	75,180	3,071,000	5.85
2011	-	-	-	132,860,000	24,466,247	15,291,698	447,645	176,635,590	4,466,504,753	3.95	3,229,939	75,617	3,229,939	5.47	4,466,504,753	3.95	3,229,939	75,617	3,229,939	5.47
2012	-	-	-	127,632,882	23,199,592	14,340,900	273,157	168,806,531	3,891,594,126	4.34	3,516,641	76,450	3,516,641	4.80	3,891,594,126	4.34	3,516,641	76,450	3,516,641	4.80
2013	-	-	-	142,624,496	21,899,999	13,346,756	191,770	183,118,021	3,646,122,021	5.02	3,673,655	77,068	3,673,655	4.98	3,646,122,021	5.02	3,673,655	77,068	3,673,655	4.98
2014	-	-	-	140,782,844	20,566,612	12,327,767	197,171	184,163,394	3,690,312,857	4.99	3,763,284	78,046	3,763,284	4.89	3,690,312,857	4.99	3,763,284	78,046	3,763,284	4.89
2015	-	-	-	136,396,216	19,198,551	11,282,686	118,941	176,662,394	3,892,358,641	4.54	4,230,393	79,821	4,230,393	4.18	3,892,358,641	4.54	4,230,393	79,821	4,230,393	4.18
2016	-	-	-	89,473,487	62,815,651	10,212,258	50,517	171,576,913	4,129,619,115	4.15	4,380,834	81,184	4,380,834	3.92	4,129,619,115	4.15	4,380,834	81,184	4,380,834	3.92
2017	-	-	-	86,078,817	81,854,682	9,115,226	33,546	185,447,271	4,324,456,760	4.29	-	82,760	-	-	4,324,456,760	4.29	-	82,760	-	-
2018	-	-	-	82,564,998	81,395,802	7,991,320	15,897	179,653,017	4,612,577,686	3.89	4,800,969	84,575	4,800,969	3.74	4,612,577,686	3.89	4,800,969	84,575	4,800,969	3.74

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Population estimates by the Bureau of Economic and Business Research, University of Florida.

(a) The City purchased the local water and wastewater utility on October 30, 2003, issuing revenue bonds to fund the purchase. During fiscal year 2007, the City issued an additional \$49,840,000 in bonds to fund a new water treatment plant. During fiscal year 2013, the City refinanced the 2003 utility revenue bonds, and issued an additional \$21 million in new bond debt.

(b) The City obtained an SRF and bank loans to fund the expansion of the wastewater treatment plant, water distribution infrastructure and stormwater system improvements.

(c) The City obtained a bank loan in the amount of \$4,000,000 during fiscal year 2010 to fund land purchases and improvements in the SR100 CRA. This loan was refinanced during fiscal year 2013, including an additional \$2,088,000 in new loan debt for improvements in the SR100 CRA. During fiscal year 2014, the City refinanced a SR100 CRA interfund loan with a local bank in the amount of \$5,839,000.

(d) Personal income data is for Flagler County. See Demographic and Economic Statistics on page 151 for personal income and population data. Personal income data is not available for 2017.

Schedule 10
City of Palm Coast, Florida
Ratios of General Bonded Debt Outstanding,
Last Ten Fiscal Years

General Bonded Debt Outstanding						
Fiscal Year	Local Government Pooled Loan	Total	Taxable Assessed Value of Property	Percentage Taxable Assessed Value of Property	Estimated Population	Per Capita
2009	-	-	\$ 6,131,965,169	-	73,910	-
2010	-	-	5,248,182,001	-	75,180	-
2011	-	-	4,466,504,753	-	75,617	-
2012	-	-	3,891,594,126	-	76,450	-
2013	-	-	3,646,122,021	-	77,068	-
2014	-	-	3,690,312,857	-	78,046	-
2015	-	-	3,892,358,641	-	79,821	-
2016	-	-	4,129,619,115	-	81,184	-
2017	-	-	4,324,456,760	-	82,760	-
2018	-	-	4,612,577,686	-	84,575	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Population estimates from the Bureau of Economic and Business Research, University of Florida.

Schedule 11
City of Palm Coast, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2018

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Flagler County General Obligation Bonds, Series 2015	\$ 22,690,000	58.53	\$ 13,280,209
Flagler County Refunding Limited Tax General Obligation Bonds, Series 2016	10,780,000	58.53	6,309,416
Flagler County Limited Tax General Obligation Bonds, Series 2005	-	58.53	-
Flagler County Limited Tax General Obligation Bonds, Series 2009	470,000	58.53	275,086
Other debt			
Flagler County School Board District Certificates of Participation	51,340,000	58.53	30,048,742
Flagler County School Board District State School Bonds	386,000	58.53	225,922
Flagler County School Board District Revenue Bonds	1,565,000	58.53	915,977
Flagler County Tourist Development Revenue Bonds, Series 2017	6,536,000	58.53	3,825,449
Flagler County Notes Payable	6,820,000	58.53	3,991,672
Flagler County Refunding Capital Improvement Revenue Bonds, Series 2016	39,800,000	58.53	23,294,506
Subtotal, overlapping debt			82,166,979
City Direct Debt			7,685,000
Total Direct and overlapping debt			<u>\$ 89,851,979</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Flagler County Property Appraiser. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Palm Coast. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental units' taxable value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This same formula is used for other overlapping debt.

The Constitution of the State of Florida,
Florida Statutes 200.181 and the City of Palm Coast Charter
sets no legal debt margin

Schedule 13
City of Palm Coast, Florida
Pledged-Revenue Coverage,
Last Ten Fiscal Years

Fiscal Year	Utility Revenue Bonds						
	Utility Service Charges (1)	Less: Operating Expenses (2)	Stabilization Transfers To/(From) (3)	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
2009	\$	28,044,523	\$	- \$	11,301,224	\$	1,35
2010		28,132,136		(10,200,000)	21,161,373		2,27
2011		29,245,334		-	13,630,768		1,46
2012		29,586,299		-	14,521,557		1,56
2013		30,735,592		-	15,517,059		1,67
2014		33,943,464		4,000,000	14,511,899		1,97
2015		35,444,145		1,000,000	18,793,092		1,92
2016		37,487,422		-	20,850,664		2,06
2017		38,188,199		-	19,803,839		2,16
2018		38,572,424		-	16,474,855		1,80

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City purchased the local water and wastewater utility on October 30, 2003, issuing revenue bonds to fund the purchase.

(1) Gross revenues include operating revenue of the system and interest earnings. Interest earnings from construction funds are excluded.

(2) Operating expenses include operating and administrative expenses of the system.

(3) Transfers to the rate stabilization account decrease net revenues, and transfers from the rate stabilization account increase net revenues, per the bond resolution.

Schedule 14
City of Palm Coast, Florida
Demographic and Economic Statistics,
Last Ten Calendar Years

Calendar Year	Population	Personal Income (a) (thousands of dollars)	Per Capita Personal Income (a)	School Enrollment	Unemployment Rate
2008	74,590	\$ 2,878,868	\$ 30,746	12,738	4.20%
2009	73,910	2,832,191	30,912	13,082	6.50%
2010	75,180	3,071,000	32,009	12,832	11.80%
2011	75,617	3,229,939	33,170	13,100	15.70%
2012	76,450	3,516,641	35,753	12,768	14.10%
2013	77,068	3,673,655	36,753	12,733	12.10%
2014	78,046	3,763,284	36,748	12,671	7.40%
2015	79,821	4,230,393	40,140	12,788	6.20%
2016	82,760	4,380,834	40,447	12,855	5.50%
2017	84,575	4,800,969	43,444	12,814	4.70%

Sources: Population estimates by the Bureau of Economic and Business Research, University of Florida. Personal income data per the U.S. Bureau of Economic Analysis. School enrollment data is from the Flagler County School Board. Unemployment rates are from the Bureau of Labor Statistics.

(a) Personal income data is for Flagler County.

Schedule 15
City of Palm Coast, Florida
Principal Employers,
Current Year and Nine Years Ago

Employer	2018			2009		
	Employees	Rank	Percentage of Total County Employment (a)	Employees	Rank	Percentage of Total County Employment (a)
Flagler County Schools	1,750	1	3.90%			
Florida Hospital-Flagler	1,115	2	2.48%	1,800	1	5.64%
Palm Coast Data	750	3	1.67%	645	3	2.02%
Hammock Beach Resort	505	4	1.13%	-	-	-
Publix Supermarkets	491	5	1.09%	976	2	3.06%
City of Palm Coast	452	6	1.01%	466	5	1.46%
Insurance Services Office, inc.	326	7	0.73%			
Walmart	300	8	0.67%	575	4	1.80%
Florida Healthcare	300	9	0.67%	392	6	1.23%
Flagler County Sheriffs Office	295	10	0.66%			
Albertson's	-	-	-	-	-	-
Kanthal Palm Coast	-	-	-	125	8	0.39%
Grand Oaks Health & Rehabilitation	-	-	-	105	10	0.33%
FAA - Center for Management Dev.	-	-	-	200	7	0.63%
	-	-	-	115	9	0.36%
Total	6,284		14.00%	5,399		16.92%

Source: Flagler County Chamber of Commerce, Florida Research and Economic database for civilian workforce, and Career Source.

Note:

(a) Statistics relating to total city employment are unavailable. The City of Palm Coast represents approximately 79% of the total population of Flagler County.

Schedule 16
City of Palm Coast, Florida
Full-time-Equivalent City Government Employees by Function/Program,
Last Ten Fiscal Years

Full-time-Equivalent Employees as of September 30,

Function/Program	2009	2010	2011 (b)	2012	2013	2014	2015	2016	2017	2018
General Government										
City Administration	22	15	15	15	13	15	15	15	15	17
City Attorney	1	1	1	1	1	1	1	1	1	1
City Clerk	-	-	1	1	2	2	2	2	2	2
Financial Services	9	8	8	8	8	8	8	8	9	9
Information Tech & Communications	15	12	-	-	-	-	-	-	-	-
Community Development	17	16	40	40	41	42	42	40	40	41
Building and Code Enforcement	45	41	-	-	-	-	-	-	-	-
Fire	67	66	62	62	59	59	58	58	58	58
Law Enforcement	1	-	-	-	-	-	-	-	-	-
Streets and Facilities	64	54	59	59	65	65	68	67	70	75
Engineering	17	9	7	7	6	6	4	-	-	-
Construction Management & Engineering	-	-	-	-	-	-	-	16	19	20
Recreation and Athletics	27	19	19	19	20	20	20	21	21	21
Water and Wastewater Utility (1)	116	113	115	115	118	118	121	120	125	128
Stormwater Management (2)	30	37	30	30	30	30	32	27	27	27
Golf Course	-	-	-	-	-	-	-	-	-	10
Building Permits	-	-	15	15	14	15	17	17	17	18
Information Technology	-	-	13	13	11	11	11	11	11	13
Tennis Center	3	3	-	-	-	-	-	-	-	4
Fleet Management	3	3	3	3	4	4	6	6	7	7
Facilities Management	-	-	-	-	-	-	-	4	2	2
Total	437	397	388	388	392	396	405	413	424	450

Source: City Budget

Notes: A full-time employee is scheduled to work 2,080 hours per year, including vacation and sick leave. Fire employees (not including administrative positions) are scheduled to work 2,756 hours per year, including vacation and sick leave. Full-time-equivalent employment is calculated by dividing total labor hours by 2,756 for Fire, and 2,080 for all other employees.

(1) The City purchased the local water and wastewater utility on October 30, 2003.

(2) The City and the Palm Coast Community Service Corporation (PCCSC) merged during fiscal year 2005 creating the Stormwater Management department.

(a) General government departments and functions were reorganized for the year ended September 30, 2008.

(b) Building Permits and Information Technology were established as enterprise funds. Code Enforcement merged with Community Development. The Tennis Center was contracted to a management company.

Schedule 17
City of Palm Coast, Florida
Operating Indicators by Function/Program,
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Building Permits Issued										
Residential	132	127	96	108	248	340	359	484	633	777
Commercial	17	26	15	12	145	370	531	114	84	66
Other	5,609	5,260	5,410	6,743	7,351	6,753	8,239	9,269	12,432	13,447
Total	5,758	5,413	5,521	6,863	7,744	7,463	9,129	9,867	13,149	14,290
Building Inspections	17,488	16,006	16,441	15,989	19,012	25,040	18,258	28,912	37,611	43,502
Code Violations										
Total Code Violations	18,775	23,749	21,261	23,201	22,287	19,123	17,632	16,135	17,079	17,769
Code Violations Cleared	13,028	16,500	19,995	22,907	20,671	18,516	17,321	15,473	16,677	17,372
Expenditures per Cleared Violation	\$ 143	\$ 125	\$ 105	\$ 143	\$ 104	\$ 118	\$ 125	\$ 129	\$ 145	\$ 143
Fire and Rescue										
Total Fire Calls (6)	222	186	278	213	179	149	185	166	737	772
Total EMS Calls	4,860	5,404	5,300	5,365	5,503	5,760	6,192	6,204	6,873	6,808
% Responses under 5 Minutes (5)	56%	61%	55%	56%	42%	41%	38%	-	-	-
% Responses under 7 Minutes (5)	-	-	-	-	-	-	-	66%	61%	61%
Public Works										
Refuse Collection (Annual Tons)	31,580	31,134	30,144	31,316	26,300	27,077	28,481	32,058	32,981	35,732
Recycle Collection (Annual Tons)(3)	3,969	3,982	3,960	4,038	4,840	5,857	11,453	5,188	5,037	4,735
Street Rehabilitation (Expenditures per capita)	\$ 55	\$ 52	\$ 70	\$ 66	\$ 68	\$ 70	\$ 68	\$ 69	\$ 72	\$ 40
Potholes Repaired	350	86	24	36	65	61	39	38	40	174
Parks and Recreation										
Developed Park Acres/1000 population	4.41	5.05	4.84	4.60	4.52	6.82	9.48	9.33	9.15	8.95
Recreation Program Expenditures/1000 population(4)	\$ 13,544	\$ 12,263	\$ 16,397	\$ 17,353	\$ 13,538	\$ 16,989	\$ 40,481	\$ 40,762	\$ 37,762	\$ 37,682
Total Recreation Revenues/1000 population(4)	\$ 3,769	\$ 2,145	\$ 2,271	\$ 2,277	\$ 2,152	\$ 2,153	\$ 20,554	\$ 20,741	\$ 19,061	\$ 19,082
Engineering and Stormwater (1)										
Freshwater Canal Maintenance -										
100% Annual Service Required	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Existing Swale Service -										
2% of Existing Swales Regraded Annually	2%	6%	-	-	-	-	5%	4%	4%	4%
Hazardous Drainage Conditions Resolved -										
100% Repaired in 24 Hours	-	85.70%	100%	100%	100%	100%	100%	100%	100%	100%
Water (2)										
New Connections	1,599	481	201	229	114	163	525	618	715	932
Peak Daily Water Demand (Million gallons per day)	10.9	10.4	10.1	9.7	11.1	9.4	9.4	10.25	9.22	9.71
Wastewater (2)										
Peak Daily Wastewater Treated	10.62	6.9	11.8	6.83	6.83	6.83	6.83	6.83	7.14	13.5
(Million gallons per day)										

Sources: Various City departments

Notes:

- (1) The City and the Palm Coast Community Service Corporation (PCCSC) merged during fiscal year 2005 creating the Stormwater Management department.
- (2) The City purchased the local water and wastewater utility on October 30, 2003.
- (3) Starting in 2015, yard waste is being recycled and included in these totals.
- (4) Starting in 2015, the golf course and tennis center were merged with the Parks and Recreation Department.
- (5) Starting in 2016 the response time reporting has been changed from 5 minutes to 7 minutes.
- (6) Starting in 2017 the Fire calls include all fire related calls.

Schedule 18
City of Palm Coast, Florida
Capital Asset Statistics by Function/Program,
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fire and Rescue										
Stations	5	5	5	5	5	5	5	5	5	5
Apparatus	15	17	16	20	20	20	20	20	20	20
Public Works										
Streets (miles)	1,102	1,138	1,169	1,169	1,169	1,169	1,169	1,169	1,176	1,176
Traffic Signals	47	47	50	52	52	54	50	53	53	53
Fleet Size	283	246	242	235	235	241	215	220	231	235
Parks and Recreation										
Acreage	746	746	1,278	1,265	1,265	1,275	1,275	1,275	1,275	1,302
Playgrounds	7	7	7	8	8	8	8	8	8	8
Athletic Fields	22	19	20	20	20	22	25	22	25	25
Community Centers	1	1	1	1	1	1	1	1	1	1
Stormwater (1)										
Swales (miles)	1,200	1,200	1,100	1,100	1,100	1,200	1,222	1,222	1,222	1,222
Drainage ditches (miles)	150	150	154	154	154	154	154	172	172	177
Canals (miles)	80	80	84	84	84	84	84	84	84	84
Water control structures	19	19	31	31	31	31	31	31	31	31
Water (2)										
Water Mains (miles)	679	679	714	714	714	714	716	721	721	734
Fire Hydrants	3,717	3,772	3,772	3,784	3,784	3,780	3,805	3,826	3,826	3,860
Capacity (millions of gallons per day)	15.38	15.38	15.38	15.38	15.38	15.38	15.38	15.38	15.38	16.58
Wastewater (2)										
Sewers (miles)	613	613	613	620	620	622	623	633	633	635
Treatment Capacity (millions of gallons per day)	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	6.83	8.83

Sources: Various City departments

Notes:

(1) The City and the Palm Coast Community Service Corporation (PCCSC) merged during fiscal year 2005 creating the Stormwater Management department.

(2) The City purchased the local water and wastewater utility on October 30, 2003.



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OTHER REPORTS



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

To the Honorable Mayor, City Council, and City Manager,
City of Palm Coast, Florida:

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Palm Coast, Florida as of and for the year ended September 30, 2018, and related notes to the financial statements, which collectively comprise the City of Palm Coast, Florida's basic financial statements and have issued our report thereon dated February 25, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Palm Coast, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Palm Coast, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Palm Coast, Florida's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

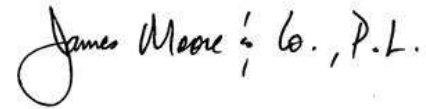
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Daytona Beach, Florida
February 25, 2019

CITY OF PALM COAST, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Federal Agency, Pass-Through Entity	CFDA Number	Contract / Grant Number	Program Expenditures
FEDERAL AWARDS			
U.S. Department of Housing and Urban Development			
Direct:			
Community Development Block Grants			
Total Entitlement Grants Cluster and U.S. Department of Housing and Urban Development	14.218	B-12-MC-12-0060	<u>\$ 389,951</u>
U.S. Department of Environmental Protection			
Passed Through Florida Department of Environmental Protection:			
Capitalization Grants for Clean Water State Revolving Funds			
Total Clean Water State Revolving Fund Cluster and U.S. Department of Environmental Protection	66.458	CS12000116-0 / WW180420	<u>2,527,234</u>
U.S. Department of Transportation			
Passed Through Florida Department of Transportation:			
Highway Planning and Construction	20.205	G0064	514,666
Highway Planning and Construction	20.205	G0U39	302,544
Total Highway Planning and Construction Cluster and U.S. Department of Transportation			<u>817,210</u>
U.S. Department of Homeland Security - Federal Emergency Management Agency			
Passed through State of Florida, Division of Emergency Management			
Disaster Grants - Public Assistance Hurricane Matthew Declaration	97.036	17-PA-U5-04-28-01-080	1,396,601
Disaster Grants - Public Assistance Hurricane Irma Declaration	97.036	17-PA-U5-04-28-01-346	860,121
Total Disaster Grants - Public Assistance			<u>2,256,722</u>
Hazard Mitigation Grant	97.039	4283-24-R	8,400
Total U.S. Department of Homeland Security			<u>2,265,122</u>
Total Expenditures of Federal Awards			<u><u>\$ 5,999,517</u></u>

The accompanying notes to the schedule of expenditures of federal awards are an integral part of this schedule.

CITY OF PALM COAST, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards includes federal awards activity of the City of Palm Coast, Florida. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

No amounts were passed through to subrecipients during the fiscal year ended September 30, 2018.

(3) **De Minimis Indirect Cost Rate Election:**

City of Palm Coast, Florida did not elect to use the 10% de minimis indirect cost rate as covered in §200.414, *Indirect (F&A) costs*, of the Uniform Guidance.

(4) **Deferred FEMA Expenditures:**

During the fiscal year ended September 30, 2017, the City incurred substantial costs related to Hurricane Matthew and Hurricane Irma. Per the OMB Compliance Supplement, any reimbursements from the Federal Emergency Management Agency (FEMA) under CFDA 97.036 are not to be recognized as expenditures for purposes of the Schedule of Expenditures of Federal Awards until the respective Project Worksheets (PW) have been approved. At September 30, 2018, only \$2,260,472 of the City of Palm Coast, Florida's PWs from these storms had been approved by FEMA. \$2,256,722 is recognized on the Schedule of Expenditures of Federal Awards for the year ended September 30, 2018 and \$3,750 was recognized on the Schedule of Expenditures of Federal Awards for the year ended September 30, 2017. \$4,083,665 of additional expenditures and the related revenues have been recorded for financial statement purposes and will be recognized on the Schedule of Expenditures of Federal Awards in future years once the PWs are approved by FEMA.

CITY OF PALM COAST, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? _____ yes X no

Identification of major Federal programs:

<u>CFDA Number</u>	<u>Program Name</u>
20.205	Highway Planning and Construction Cluster
97.036	Disaster Grants – Public Assistance

Dollar threshold used to distinguish between type A and type B Federal programs: \$750,000

Auditee qualified as low-risk auditee? X yes _____ no

II. Financial Statement Findings:

No financial statement findings were noted.

III. Federal Programs Findings and Questioned Costs:

None.

IV. Prior Audit Findings:

None.

V. Corrective Action Plan:

No corrective action plan as there were no findings for the year ended September 30, 2018.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Honorable Mayor, City Council, and City Manager,
City of Palm Coast, Florida:

Report on Compliance for Each Major Federal Program

We have audited the City of Palm Coast, Florida's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2018. The City of Palm Coast, Florida's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Palm Coast, Florida's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Palm Coast, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Palm Coast, Florida's compliance.

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Telephone: 386-738-3300

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850-386-6184

Opinion on Each Major Federal Program

In our opinion, the City of Palm Coast, Florida complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

Report on Internal Control over Compliance


Management of the City of Palm Coast, Florida is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Palm Coast, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Palm Coast, Florida's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Daytona Beach, Florida
February 25, 2019

A handwritten signature in black ink that reads "James Moore, Jr., P.L." The signature is written in a cursive style with a large, stylized initial 'J'.

**MANAGEMENT LETTER OF INDEPENDENT AUDITORS REQUIRED BY
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Mayor, City Council, and City Manager,
City of Palm Coast, Florida:

Report on the Financial Statements

We have audited the basic financial statements of the City of Palm Coast, Florida, as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 25, 2019.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 25, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings and recommendations existed in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Palm Coast,

Florida was incorporated on December 31, 1999 under Chapter 99-448, Laws of the State of Florida. There are no discretely presented component units related to the City as of September 30, 2018.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not City of Palm Coast, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City of Palm Coast, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City of Palm Coast, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

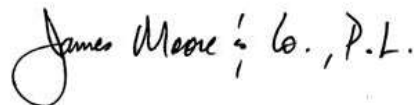
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Council, others within the City, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Moore, Jr., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida
February 25, 2019

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Mayor, City Council, and City Manager,
City of Palm Coast, Florida:

We have examined City of Palm Coast, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2018. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2018, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

Daytona Beach, Florida
February 25, 2019



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Telephone: 850-386-6184



city of
PALM COAST

160 Lake Avenue
Palm Coast, FL 32164
386-986-3700

AFFIDAVIT OF IMPACT FEE COMPLIANCE

The City of Palm Coast, Florida has complied with Section 163.31801, Florida Statutes, regarding accounting and reporting if impact fee collections and expenditures.

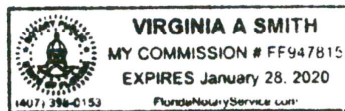
Beau Falgout, Interim City Manager

Helena Alves, Finance Director

STATE OF FLORIDA
COUNTY OF FLAGLER

I HEREBY CERTIFY, that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Beau Falgout, Interim City Manager and Helena Alves, Finance Director, whom I personally know and whom executed the foregoing instrument and acknowledged before me, that he executed the same.

WITNESS, my hand and official seal in the County and State last aforesaid this 4th day of March 2019.



Virginia A. Smith
Notary Public - State of Florida



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City of Palm Coast, Florida

Agenda Item

Agenda Date: 03/19/2019

Department Item Key	City Clerk	Amount Account
Subject	RESOLUTION 2019-XX APPROVING THE FIRST AMENDMENT TO INCREASE FUNDS FOR A FEDERALLY-FUNDED SUBGRANT AGREEMENT WITH FLORIDA DEPARTMENT OF EMERGENCY MANAGEMENT (FDEM) RELATING TO HURRICANE IRMA EXPENSES	
Background : The Department of Homeland Security Federal Emergency Management Agency has made available to the City, through the Florida Division of Emergency Management, a grant for debris removal, emergency protective measures and repair or replacement of damaged facilities related to the effects of Hurricane Irma. The grant needs to be approved by City Council and the Mayor or needs to be authorized by the Council to sign the agreement and subsequent agreement amendments. This initial agreement is for funds obligated to date in the amount of \$1,005, 523.82. City staff would like to propose the first amendments to increase funds by \$591,946.46. Total maximum amount payable under agreement \$1,671,463.59.		
Recommended Action : Adopt Resolution 2019-XX approving the first amendment to increase funds for a federally-funded subgrant agreement with Florida Department of Emergency Management (FDEM) relating to Hurricane Irma Expenses.		

RESOLUTION 2018 - ____
FLORIDA DEPARTMENT OF EMERGENCY MANAGEMENT
HURRICANE IRMA EXPENSES
MODIFICATION #Z0372-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING MODIFICATION TO THE SUBGRANT AGREEMENT BETWEEN THE DIVISION OF EMERGENCY MANAGER AND THE CITY OF PALM COAST RELATING TO HURRICANE IRMA EXPENSES; AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO EXECUTE SAID AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR IMPLEMENTING ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in October 2018, the Florida Department of Emergency Management, (FDEM), entered into an agreement with the City for reimbursement from Federal Emergency Management Agency (FEMA) relating to Hurricane Irma expenses; and

WHEREAS, FDEM has agreed to increase the funds for the federally-funded subgrant agreement with FDEM for Hurricane Irma related expenses.

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

SECTION 1. APPROVAL OF THE AGREEMENT. The City Council of the City of Palm Coast hereby approves the terms and conditions of the amendment to the federally-funded subgrant agreement with the Florida Department of Emergency Management, as attached hereto and incorporated herein by reference as Exhibit "A".

SECTION 2. AUTHORIZATION TO EXECUTE. The City Manager, or designee, is hereby authorized to execute the agreement as depicted in Exhibit "A".

SECTION 3. SEVERABILITY. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 4. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 5. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption by the City Council.

DULY PASSED and approved by the City Council of the City of Palm Coast, Florida,
on this 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Attachments: Exhibit A-Amendment to the Florida Department of Emergency Management
Subgrant Agreement

Approved as to form and legality

William E. Reischmann, Jr., Esquire
City Attorney

MODIFICATION # Z0372-1 TO SUBGRANT AGREEMENT

**BETWEEN THE DIVISION OF EMERGENCY
MANAGEMENT AND**

Palm Coast, City of

This Modification is made and entered into by and between the State of Florida, Division of Emergency Management ("the Division"), and Palm Coast, City of ("Sub-Recipient"), to modify Contract Number Z0372, which began on 9/04/2017 ("the Agreement").

WHEREAS, the Division and the Sub-Recipient have entered into the Agreement, pursuant to which the Division has provided a Subgrant to Sub-Recipient under the public assistance program of \$1,005,523.82 in funds; and,

WHEREAS, the Division and Sub-Recipient desire to modify the Agreement by increasing the Federal funding \$591,946.46 under the Agreement.


WHEREAS, the Division and the Sub-Recipient desire to modify the Scope of Work.

WHEREFORE, in consideration of the mutual promises of the parties contained herein, the parties agree as follows:


1. The Agreement is hereby amended to increase the Federal funding by \$591,946.46 and the State share by \$73,993.31 for the maximum amount payable under the Agreement to \$1,671,463.59.
2. The Scope of Work, Attachment A to the Agreement, is hereby modified as set forth in the 1st Revised Attachment A to this Modification, a copy of which is attached hereto and incorporated herein by reference.
3. All provisions of the Agreement being modified and any attachments thereto in conflict with this Modification shall be and are hereby changed to conform with this Modification, effective as of the date of the last execution of this Modification by both parties.
4. All provisions not in conflict with this Modification remain in full force and effect, and are to be performed at the level specified in the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Modification as of the dates set out below.

SUB-RECIPIENT: _____ Palm Coast, City of _____

By: _____ 

Name and Title: _____ Milissa Holland, Mayor _____

Date: _____ 

DIVISION OF EMERGENCY MANAGEMENT

By: _____

Name and Title: **Jared Moskowitz, Director**

Date: _____

Attachment A - 1st Revision

Budget and Project List

Budget:

The Budget of this Agreement is initially determined by the amount of any Project Worksheet(s) (PW) that the Federal Emergency Management Administration (FEMA) has obligated for a Sub-Recipient at the time of execution. Subsequent PWs or revisions thereof will increase or decrease the Budget of this Agreement. The PW(s) that have been obligated are:

DR-4337			Sub-Recipient: Palm Coast, City of								
PW #	Cat	Project Title	Federal Share	Fed %	State Share	State %	Local Share	Local %	Total Eligible Amount	POP Start Date	POP End Date
2522	B	EPM - On Going Pumping and Water Extraction	\$861,877.56	75.00%	\$143,646.26	12.50%	\$143,646.26	12.50%	\$1,149,170.08	9/04/2017	3/10/2018
3476	A	Debris Removal Activities 10/18/17 to 12/16/17	\$591,946.46	80.00%	\$73,993.31	10.00%	\$73,993.30	10.00%	\$739,933.07	9/04/2017	3/10/2018
Total:			\$1,453,824.02		\$217,639.57		\$217,639.56		\$1,889,103.15		



Attachment C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
and VOLUNTARY EXCLUSION**

Contractor Covered Transactions

- (1) The prospective subcontractor of the Sub-recipient, Palm Coast, City of, certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the Sub-recipient's subcontractor is unable to certify to the above statement, the prospective contract shall attach an explanation to this form.

CONTRACTOR

<u>True North</u>	
By: <u>Signature</u>	 <u>Palm Coast, City of</u>
<u>Name and Title</u>	<u>Sub-Recipient's Name</u>
<u>Street Address</u>	<u>Z0372-1</u>
<u>City, State, Zip</u>	<u>DEM Contract Number</u>
<u>Date</u>	<u>3476</u>
	<u>FEMA Project Number</u>
	


Attachment C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
and VOLUNTARY EXCLUSION**

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- (2) Where the Sub-recipient's subcontractor is unable to certify to the above statement, the prospective contract shall attach an explanation to this form.

CONTRACTOR

<u>Big Country Tree Service</u>	
By: <u>Signature</u>	 <u>Palm Coast, City of</u>
<u>Name and Title</u>	<u>Sub-Recipient's Name</u>
<u>Street Address</u>	<u>Z0372-1</u>
<u>City, State, Zip</u>	<u>DEM Contract Number</u>
<u>Date</u>	<u>3476</u>
	<u>FEMA Project Number</u>

Attachment C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
and VOLUNTARY EXCLUSION**

Contractor Covered Transactions

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- (2) Where the Sub-recipient's subcontractor is unable to certify to the above statement, the prospective contract shall attach an explanation to this form.

CONTRACTOR

CrowderGulf

By: 

Signature

Contractor
Signature

John Ramsay, President & CEO

Name and Title

5435 Business Parkway

Street Address

Theodore, AL 36582

City, State, Zip

02/1 9201 9

Date

Date

Palm Coast, City of

Sub-Recipient's Name

Z0372-1

DEM Contract Number

3476

FEMA Project Number

Attachment C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
and VOLUNTARY EXCLUSION**

Contractor Covered Transactions

- (1) The prospective subcontractor of the Sub-recipient, Palm Coast, City of, certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the Sub-recipient's subcontractor is unable to certify to the above statement, the prospective contract shall attach an explanation to this form.

CONTRACTOR

Waste Pro

By: [Signature]

Signature

TERRA LANCASTER-DIV MAG

Name and Title

8470 NW 168TH LANE

Street Address

CANINE SPRINGS, FL 32093

City, State, Zip

DECEMBER 4, 2018

Date

Contractor
SignaturePalm Coast, City of

Sub-Recipient's Name

Z0372-1

DEM Contract Number

3476

FEMA Project Number

Date

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6221	Account
		#
Subject	RESOLUTION 2019-XX APPROVING THE CONTRACT WITH MATTHEW MORTON, CITY MANAGER	
Background :	At the March 12, 2019 Special Meeting, City Council selected Matthew Morton as the next City Manager. Attached to this agenda item is a draft contract with Mr. Morton for Council's consideration. The final proposed contract will be provided to City Council prior to the business meeting.	
Recommended Action :	For Council consideration.	

RESOLUTION 2019-____
CITY MANAGER CONTRACT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING THE TERMS AND CONDITIONS OF THE CONTRACT WITH MATTHEW MORTON FOR CITY MANAGER; AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS, PROVIDING FOR IMPLEMENTING ACTIONS, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, at the March 12, 2019 Special Meeting, City Council selected Matthew Morton as the City Manager of the City of Palm Coast; and

WHEREAS, the Matthew Morton desires to enter into a contract with the City of Palm Coast to be the City Manager; and

WHEREAS, City Council of the City of Palm Coast desires to enter into a contract with Matthew Morton as the City Manager.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY OF PALM COAST, FLORIDA:

SECTION 1. APPROVAL OF CONTRACT. The City Council of the City of Palm Coast hereby approves the terms and conditions of the contract with Mr. Matthew Morton, as the City Manager, as attached hereto and incorporated herein as reference by Exhibit "A."

SECTION 2. AUTHORIZATION TO EXECUTE. The Mayor is hereby authorized to execute the necessary documents.

SECTION 3. SEVERABILITY. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution.

SECTION 4. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 5. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution.

SECTION 6. EFFECTIVE DATE. This Resolution shall become effective immediately upon its passage and adoption.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on the 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Attachment: Exhibit A –Contract with Matthew Morton as City Manager

Approved as to form and legality

William E. Reischmann, Jr., Esq.
City Attorney

PALM COAST CITY MANAGER EMPLOYMENT AGREEMENT

This Agreement is made and entered into on the _____ day of _____, 2019, by and between the CITY OF PALM COAST, a municipality and political subdivision of the State of Florida, by and through its City Council, hereinafter referred to as "City", and, Matthew Morton, hereinafter referred to as "City Manager", both of whom constitute the "Parties" hereto.

WITNESSETH:

WHEREAS, the City is desirous of obtaining the employment of Matthew Morton as its City Manager upon the terms and conditions, and with the compensation and benefits, set forth in this Agreement; and

WHEREAS, Matthew Morton has indicated his willingness to accept the responsibilities and render specific performance to the City as City Manager; and

WHEREAS, both Parties understand that it is mutually beneficial to have a contract of employment between the City and the City Manager setting forth agreements and understandings which: (1) provide the inducement for Matthew Morton to accept the job of City Manager, (2) make possible full work productivity by assuring Matthew Morton's morale and peace of mind with respect to future security, and (3) provide a just means for terminating the City Manager's services at such time as the City may desire to terminate his employment.

NOW, THEREFORE, in consideration of the mutual covenants and promises which the Parties set forth below, the City and the City Manager agree as follows:

1. **EMPLOYMENT OF CITY MANAGER.** The City hereby employs Matthew Morton as its City Manager and Matthew Morton hereby accepts such employment upon the terms and conditions set forth herein. Matthew Morton is not a current resident of Palm Coast, but agrees to make every effort to relocate, but no later than six months from the Effective Date.
2. **TERM OF AGREEMENT.** The term of the City Manager's employment is indefinite subject to the conditions herein.
3. **EFFECTIVE DATE.** The effective date is April 8, 2019.
4. **DUTIES.** The City Manager will perform all duties normal and customary for the position of a City Manager, plus all duties imposed on him by the City's Charter, applicable laws, ordinances, regulations, policies of the City Council, and all other proper and legally permissible duties as he may be directed to perform by the City Council. The City Manager agrees to perform the

functions of his office in a loyal, efficient, competent and professional manner at all times.

5. COMPENSATION.

- a. Beginning April 8, 2019, the City Manager shall receive an annual salary of \$145,000.00 ("Base Salary") which shall be paid in accordance with the City's pay schedule for all employees. Annual adjustments provided to all other employees as part of the budget process that are not merit based shall be provided at the same percentage as all other employees of City Manager's base salary.
- b. The City will contribute, immediately upon employment, on a per payroll basis, to the City's Defined Contribution compensation plan 401(a), for so long as the City Manager is employed by the City, a sum equal to thirteen percent (13%) of the City Manager's base salary, in accordance with the plan documents, as may be amended from time to time, not to exceed the maximum allowable by law. The City Manager shall be 100% vested in all funds contributed to the 401(a).
- c. In addition to the 401(a) plan, the City offers a 457(b) deferred compensation plan and provides for a 2% match of an employee's contribution provided the employee contributes a minimum of 2% of their salary. The City's retirement plans will be administered in accordance with the plan documents. In the event of a conflict between this Agreement and the plan documents, the plan documents shall govern.
- d. The City Manager's compensation shall include a monthly car allowance of \$400.00.
- e. The City Manager shall be provided a data/phone stipend, as may be amended from time to time in accordance with City policy. Current stipend amounts provided are: cellular-\$35/month and \$200 equipment reimbursement provided once every twenty-four months upon submission of appropriate documentation of purchase.

6. BENEFITS. Except as hereinafter provided, in accordance with City policy, the City Manager will be eligible to participate in the City's group health and benefits program (the Plan) beginning the first day of the month following 30-days of employment. This program will include the same benefits as is offered to all other City employees and may be subject to change. The Plan currently includes medical/health insurance plan, short-term disability, long-term disability, dental, life insurance, and vision insurance. The City agrees to pay the full premiums for the City Manager and his eligible dependents. Workers' compensation coverage is effective as of the date of employment. In the event of

a conflict between this Agreement and the respective plan documents, the plan documents, as may be amended from time to time, shall govern.

- a. Vacation leave is accrued, on a per pay period basis, at 15 days annually. Any hours accumulated over 320 hours is subject to the annual leave provisions of the Personnel Policies and Procedures. The City shall pay the City Manager for any accumulated and unused paid leave upon termination of this Agreement up to 320 hours.
- b. Sick leave is accrued, on a per pay period basis, at 12 days annually. Sick leave can continue to be accumulated. However, upon termination of this Agreement, the City will pay the City Manager up to a maximum of 320 hours.
- c. The City shall make a one-time initial credit of five (5) days to the City Manager's vacation leave bank, in addition to the regular accrual amount.

7. **TERMINATION OF EMPLOYMENT.** This Agreement may be terminated as follows:

- a. This Agreement may be terminated by the City Council for cause. In this Agreement, "Cause" is defined to mean a conviction of a felony; an intentional act of felonious embezzlement or theft from the City that occurs in the course of the City Manager's employment with the City; continued willful failure to substantially perform his duties as City Manager (other than as a result of incapacity due to physical or mental illness); or willful conduct that is determined to be materially injurious to the City by the City Council. For purposes of this Agreement, an act, or failure to act, shall not be deemed willful or intentional, as those terms are utilized herein, unless it is done, or omitted to be done, by the City Manager in bad faith or without a reasonable belief that his action or omission was in the best interest of the City. If the City Council terminates City Manager for cause pursuant to this paragraph 7a, the City Manager's sole remedy is an action in a court of appropriate jurisdiction and venue. If said court determines that the City Council did not properly terminate City Manager for cause under this Agreement, the Parties agree that such termination from employment shall be deemed a termination without cause, and the provisions of paragraph 8a will apply.
- b. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City to terminate the employment of the City Manager without cause at any time, subject to the Severance Pay provisions as set forth in this Agreement. The City Council may only terminate this Agreement in a manner prescribed by the City Charter.

- c. The City Manager may terminate this Agreement at any time, but only after providing written notice to the City of his intent to terminate, and delivering the notice to the City Council not less than thirty (30) days before the proposed date of termination.
- d. In the event that the City Manager is charged, by indictment or information, with a felony crime, the City, at its sole discretion, may suspend the City Manager from his duties with pay. Upon a conviction of any such charge, this Agreement, at the sole discretion of the City, may be terminated and the City Manager discharged from his duties consistent with the terms of this Agreement.

8. **SEVERANCE PAY.**

- a. In the event employment is terminated under Section 7.b. without cause, the City agrees to pay the City Manager as follows:
 - i. In accordance with City policy, time accrued by the City Manager, and other accrued benefits due the City Manager under the terms of this Agreement.
 - ii. The City shall pay severance in one lump-sum, inclusive of all forms of compensation, within forty-five (45) days from the date of separation if the City Manager agrees in writing to hold the City harmless and release the City from all liability relative to the termination of employment.
 - iii. Severance Salary Calculation. If terminated at any time after Effective Date of Agreement, the City pays the City Manager the equivalent of one hundred percent (100%) of twenty weeks base salary compensation minus all applicable taxes and deductions.
 - iv. In order to maintain health and dental insurance, the City will provide a lump sum, equivalent to the continuation cost of 12 (twelve) months of coverage at the premium rate in effect at the time of termination. The City Manager may elect to use the lump sum for the purchase of continuation under COBRA, or may elect to purchase other coverage of his choosing. Coverage offered under COBRA shall be equal to those offered by the City to full-time employees, and may be amended from time to time.

- v. All retirement benefits and the deferred compensation plan remain the property of the City Manager in accordance with the plan documents.
 - b. If this Agreement is terminated for "Cause" as defined in Paragraph 7.a., the City will have no obligation to pay Severance Salary as set forth in Paragraph 8.a.iii. However:
 - i. The City will pay, in accordance with City policy, accrued vacation, not to exceed 320 hours and up to 320 hours of accrued sick leave, plus all retirement benefits and other accrued benefits as are due to the City Manager under the terms of this Agreement;
 - ii. All retirement benefits and deferred compensation plan(s) shall remain the property of the City Manager.
 - c. Severance Salary Pay will not be paid if the City Manager voluntarily resigns or retires from employment. In those circumstances, the City Manager shall be entitled to:
 - i. In accordance with City policy, accrued vacation, not to exceed 320 hours for vacation and up to 320 hours for accrued sick leave, plus all retirement benefits and other accrued benefits as are due to the City Manager under the terms of this Agreement.
 - i. All retirement benefits and deferred compensation plans which remain the property of the City Manager.
 - ii. In the event of retirement, the City Manager shall be eligible for all such City programs as are available to other general-employee retirees of the City.
9. **PERFORMANCE EVALUATION.** The City, acting through the City Council, shall review and evaluate the performance of the City Manager annually on the anniversary date of the execution of this Agreement or shortly thereafter. The review and evaluation criteria will be based upon mutually agreed upon criteria and methods established by the City Manager and the City Council. The City's evaluation of the City Manager shall be provided to the City Manager in writing within 30 days of the review and evaluation of the City Manager's performance.

10. **PROFESSIONAL ASSOCIATIONS AND DEVELOPMENT.**

- a. The City agrees to budget and pay for ordinary professional dues and subscriptions of the City Manager which are necessary for his participation in national, regional, state and local associations, and organizations necessary and desirable for his continued professional participation, growth and advancement.
- b. The City agrees to budget and pay for travel expenses of the City Manager pursuant to City policy, as it may be amended from time to time, while on authorized City business or while attending functions as the representative of or on behalf of the City.
- c. The City agrees to budget and pay for travel and living expenses of the City Manager for short courses, institutes, and seminars that are necessary for his professional development and for the benefit of the City as budgeted, consistent with then-current City policy governing such travel expenses.

11. **MOVING AND RELOCATION EXPENSES**

- a. City Manager agrees to establish residence within the municipal boundaries of the City of Palm Coast within six months of April 8, 2019, and thereafter to maintain residence within the City of Palm Coast.
- b. City shall pay directly for the expenses of moving City Manager and his family and personal property, and one vehicle, from Duvall, Washington to Palm Coast. Said moving expenses include packing, moving, storage costs, unpacking, and insurance charges. City Manager shall obtain and provide the Employer three (3) written quotations for such expenses. The City shall pay the lowest bid for the moving expenses to move the City Manager to Palm Coast.
- c. City shall provide the City Manager \$6,000.00, in addition to moving expenses, to facilitate the relocation and other facets of the transition process.

12. **INDEMNIFICATION.** The City shall defend, hold harmless and indemnify the City Manager against any tort, professional liability claim, demand, or other legal action, whether groundless or otherwise, arising from any act, either alleged or real, or omission which may occur within the scope of the City Manager's employment and performance as City Manager to the extent allowed by law. The City may compromise and settle any claim or suit and pay the amount of any settlement or judgment rendered thereon, together with attorneys' fees associated therewith.

13. **BONDING.** The City shall bear the full cost of any fidelity or other bonds required of the City Manager under any law or ordinance.
14. **NO REDUCTION OF BENEFITS.** The City shall not, at any time during the term of this Agreement, reduce the salary, compensation, or other financial benefits of the City Manager, except to the degree an across-the-board reduction applies to all other employees of the City.
15. **SEVERABILITY.** All agreements and covenants herein are severable, and in the event that any of them shall be held invalid by a court of competent jurisdiction, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.
16. **COMPLETE AGREEMENT IN WRITTEN DOCUMENT.** This written Agreement embodies the whole Agreement between the Parties, and there are no inducements, promises, terms, conditions, or obligations made or entered into by either the City or the City Manager other than contained herein. This Agreement shall inure to the benefit of the estate of the City Manager.
17. **MODIFICATION AND AMENDMENT.** Except as otherwise provided herein, this Agreement may not be modified or waived unless in writing and duly executed by both Parties to this Agreement, and any amendments hereto or waiver of material requirements herein shall be binding against the City only if expressly approved by the City Council with the same formality as the adoption of this Agreement.
18. **GOVERNING LAW.** This agreement shall be governed by the laws of the State of Florida and by the Ordinances, Resolutions, and Policies of the City not prohibited thereby.
19. **VENUE.** For any actions concerning this agreement venue shall be in the Seventh Judicial Circuit in and for Flagler County, Florida.
20. **COSTS AND ATTORNEY'S FEES.** In the event the City or City Manager brings an action to enforce this Agreement by court proceeding or otherwise, then the prevailing party shall be entitled to recover from the other party all costs incurred, together with reasonable attorney's fees at all levels, including appeals.

THIS SPACE LEFT INTENTIONALLY BLANK
SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the Parties have made and executed this Agreement on the respective dates under each signature. Palm Coast, through its City Council, authorized the City to execute this Agreement on the ____ day of _____, 2019.

CITY OF PALM COAST, FLORIDA

By: _____
Milissa Holland, Mayor

Date: _____

ATTEST:

City Clerk

By: _____
Virginia A. Smith, City Clerk

Date: _____

CITY MANAGER (effective 4/8/2019)

By: _____
Matthew Morton

Date: _____

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6174	Account
		#
Subject	RESOLUTION 2019-XX APPROVING AN INTERLOCAL AGREEMENT WITH GRAND HAVEN CDD FOR CODE ENFORCEMENT SERVICES	
Background : <u>UPDATE FROM THE MARCH 12, 2019 WORKSHOP</u> This item was heard by City Council at their March 12, 2019 Workshop. There were no changes suggested to this item. <u>ORIGINAL BACKGROUND FROM THE MARCH 12, 2019 WORKSHOP</u> As authorized by Florida law, the Grand Haven CDD and the City have agreed, by and through the attached proposed Interlocal Agreement, to allow the CDD agents and staff to enforce the City's codes on CDD property regarding hazardous trees. The Agreement recognizes the St. John's River Water Management District's conservation easements, provides an obligation for the CDD to defend and indemnify the City, as necessary, and the Agreement is terminable upon 30 days notice.		
Recommended Action : Adopt Resolution 2019-XX approving an Interlocal Agreement with Grand Haven CDD for Code Enforcement Services.		

RESOLUTION 2018-____
INTERLOCAL AGREEMENT WITH GRAND HAVEN CDD
FOR CODE ENFORCEMENT SERVICES

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING AN INTERLOCAL AGREEMENT WITH GRAND HAVEN CDD FOR CODE ENFORCEMENT SERVICES; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR IMPLEMENTING ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the CITY is authorized, by home rule provisions contained in the Florida Constitution, statutory authority (in particular, the Local Government Code Enforcement Boards Act, Chapter 162, Florida Statutes) and by its Charter and Ordinances to establish a code enforcement process, including enforcement of regulations regarding hazardous trees; and

WHEREAS, the CDD is authorized by Section 190.012, Florida Statutes, to manage, maintain, and operate the property located within the CDD; and

WHEREAS, both the CITY and the CDD are empowered pursuant to their respective home rule powers, their respective Charters and by general law, in particular, Sections 163.01 and 190.011(12), Florida Statutes, to enter into Interlocal Agreements for the delegation of certain shared governmental powers; and

WHEREAS, the CITY and CDD deem it to be in the furtherance of fair, consistent and efficient government for the CITY to use and allow existing CDD agents and staff to enforce the CITY's codes regarding hazardous trees on property owned by CDD.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA:

SECTION 1. APPROVAL OF THE AGREEMENT. The City Council hereby approves the terms and conditions of the Interlocal Agreement with Grand Haven CDD for Code Enforcement Services, as attached hereto and incorporated herein by reference as Exhibit "A."

SECTION 2. AUTHORIZATION TO EXECUTE. The City Manager or designee is hereby authorized to execute the necessary documents.

SECTION 3. SEVERABILITY. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 4. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 5. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption by the City Council.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on this 19th day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Attachment: Exhibit A – Interlocal Agreement Grand Haven CDD Code Enforcement Services

Approved as to form and legality:

William E. Reischmann, Jr.
City Attorney

**INTERLOCAL AGREEMENT BETWEEN
CITY OF PALM COAST
AND
GRAND HAVEN COMMUNITY DEVELOPMENT
DISTRICT FOR
CODE ENFORCEMENT SERVICES**

THIS AGREEMENT (hereafter "Interlocal Agreement") is entered into by and between the City of Palm Coast, a Florida municipal corporation, with offices at 160 Lake Avenue, Palm Coast, Florida, 32164 (the "CITY"), and the Grand Haven Community Development District, a local unit of special purpose government created pursuant to Chapter 190, Florida Statutes (the "CDD"), with offices at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 and on behalf of itself and the gated community known as Grand Haven which is located within the city limits of Palm Coast.

WITNESSETH:

WHEREAS, the CITY is authorized, by home rule provisions contained in the Florida Constitution, statutory authority (in particular, the Local Government Code Enforcement Boards Act, Chapter 162, Florida Statutes) and by its Charter and Ordinances to establish a code enforcement process, including enforcement of regulations regarding hazardous trees; and

WHEREAS, the CDD is authorized by Section 190.012, Florida Statutes, to manage, maintain, and operate the property located within the CDD; and

WHEREAS, both the CITY and the CDD are empowered pursuant to their respective home rule powers, their respective Charters and by general law, in particular, Sections 163.01 and 190.011(12), Florida Statutes, to enter into Interlocal Agreements for the delegation of certain shared governmental powers; and

WHEREAS, the CITY and CDD deem it to be in the furtherance of fair, consistent and efficient government for the CITY to use and allow existing CDD agents and staff to enforce the CITY's codes regarding hazardous trees on property owned by CDD.

NOW THEREFORE, in consideration of the foregoing, and of the mutual covenants and conditions set forth below, the CITY and the CDD, intending to be legally bound, hereby agree as follows:

1. The recitals stated above are true and correct and by this reference are incorporated into and form a material part of this Interlocal Agreement.
2. The CDD agrees to provide to the CITY the services of its staff, agents and consultants to enforce Palm Coast §35-76(d)(1) on CDD's property described in Exhibit "A", attached hereto, regarding hazardous trees, as defined in §35-76(b). Trees so determined as hazardous shall not require a removal permit pursuant to Section 11.02.05 of the City's Land Development Code
3. The CITY agrees that the CDD staff, agents and consultants, shall be empowered to

exercise on CDD-owned property all powers and authority within and on behalf of the CITY as set forth in Paragraph No. 2 herein above.

4. This Interlocal Agreement shall remain in effect, unless sooner terminated as provided for herein.

5. This Interlocal Agreement may be terminated by either party with or without cause, upon thirty (30) days written notice to the non-terminating party.

6. For purposes of activities under this Interlocal Agreement, CDD staff, agents and consultants shall be deemed to be acting on behalf of the CDD, and not as agents or representatives of the CITY in any form or manner.

7. This Interlocal Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida. In any action or proceeding required to enforce or interpret the terms of this Agreement, venue shall be of the Seventh Judicial Circuit in and for Flagler County, Florida.

8. CITY and CDD acknowledge that certain portions of the property located within the CDD are subject to conservation easements held by the St. Johns Water Management District ("SJWMD") and that certain obligations of the CDD arising hereunder may require SJRWMD approval.

9. All notices given by one party to the other under this Interlocal Agreement shall be in writing and delivered personally or sent via email or overnight courier to the address provided below. Delivery shall be deemed to have been duly given on the day of delivery when personally delivered or on the business day following receipt when delivered by email or overnight carrier.

If to CITY: City of Palm Coast
Attn: City Manager
160 Lake Avenue
Palm Coast, FL 32164
Email: bfalgout@palmcoastgov.com

If to CDD: Grand Haven Community Development District
Attn: District Manager
2300 Glades Road, Suite 410W
Boca Raton, FL 33431
Email: mcgaffneym@whhassociates.com

With copy to: Clark & Albaugh, LLP
Attn: Scott D. Clark, Esq.
700 W. Morse Blvd., Suite 101
Winter Park, FL 32789
Email: sclark@winterparklawyers.com

10. The CDD shall indemnify, defend, and hold the CITY and its officers, employees, and agents harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to any property, or violation of any relevant federal, state or municipal law or ordinance, or other cause in

connection with the negligent, reckless, or intentional acts or omission of the CDD, its employees, subcontractors or agents, or on account of the performance or character of the services conducted hereunder, except for any such claim arising from the negligence or willful misconduct of the CITY, its officers, employees or agents. Nothing set forth in this paragraph shall create a waiver of rights by the CITY or CDD to the provisions of Fla. Stat. §768.28.

11. The CDD signatory hereto has the authority on behalf of both the CDD to enter into this Agreement.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Interlocal Agreement.

CITY OF PALM COAST, FLORIDA

**GRAND HAVEN COMMUNITY
DEVELOPMENT DISTRICT**

By: _____

By: _____

Name: Beau Falgout

Name: _____

Title: Interim City Manager

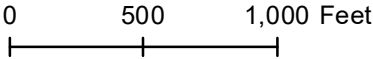
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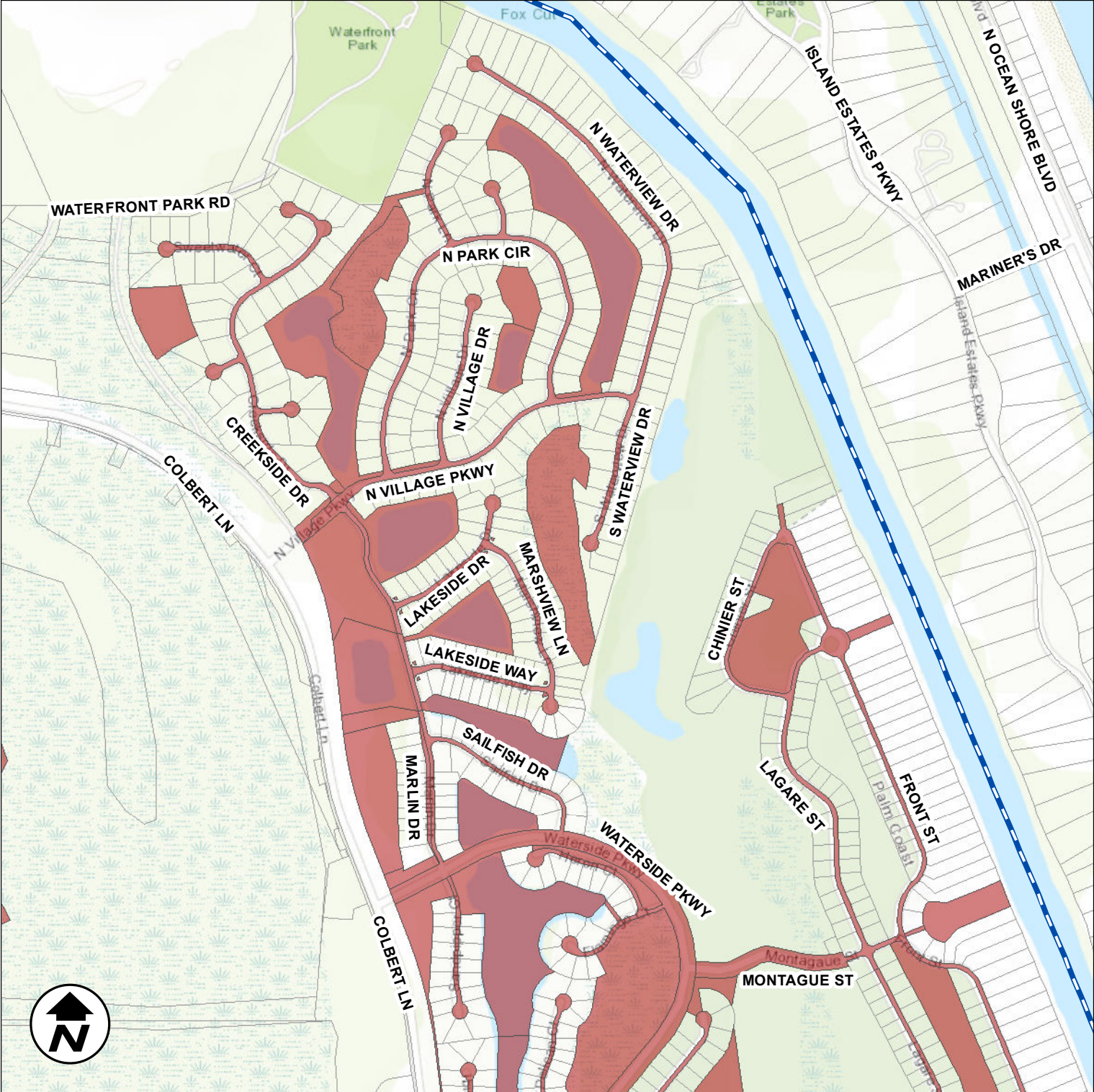
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Date: _____

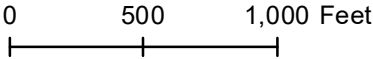


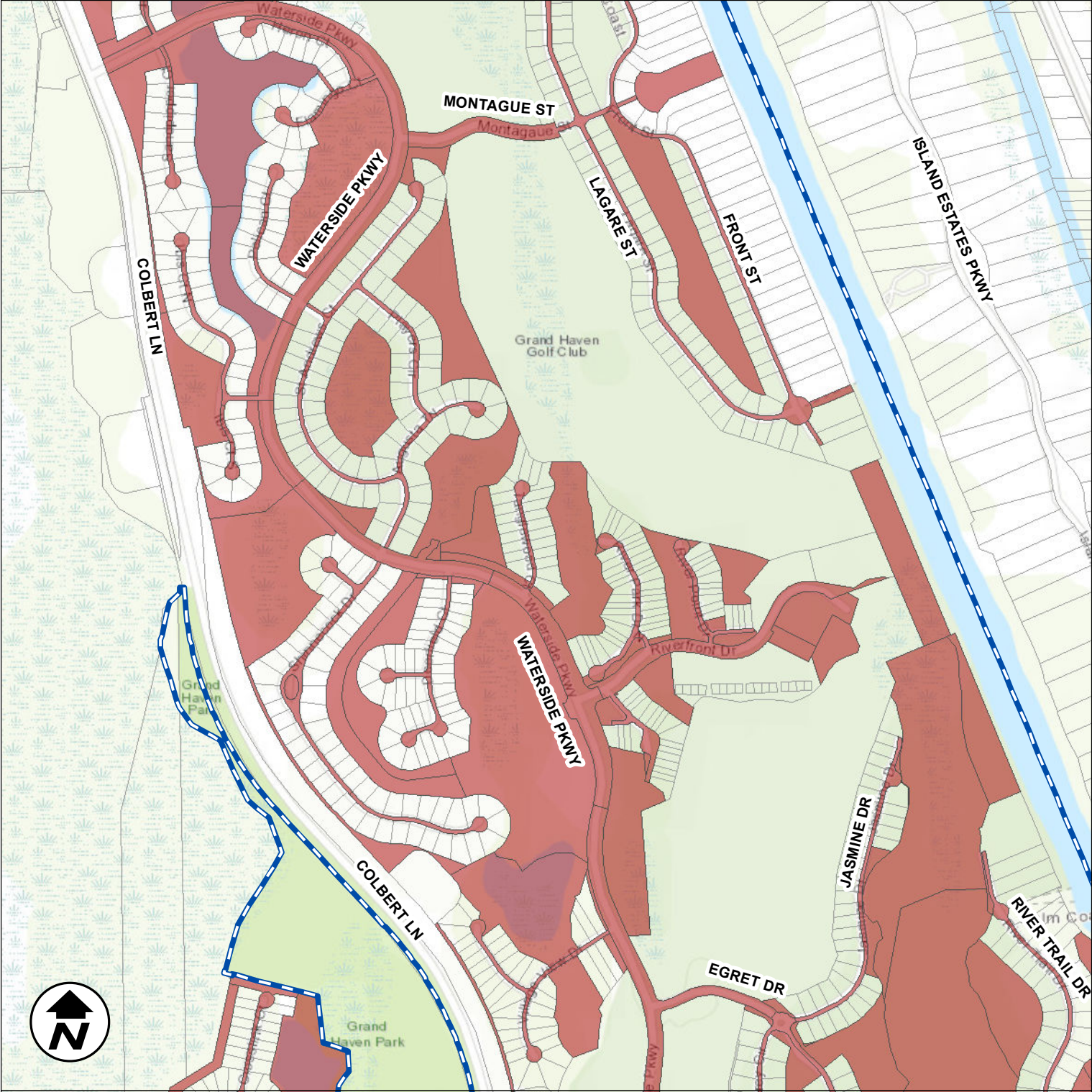
GRAND HAVEN COMMUNITY DEVELOPMENT DISTRICT



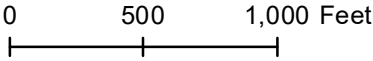


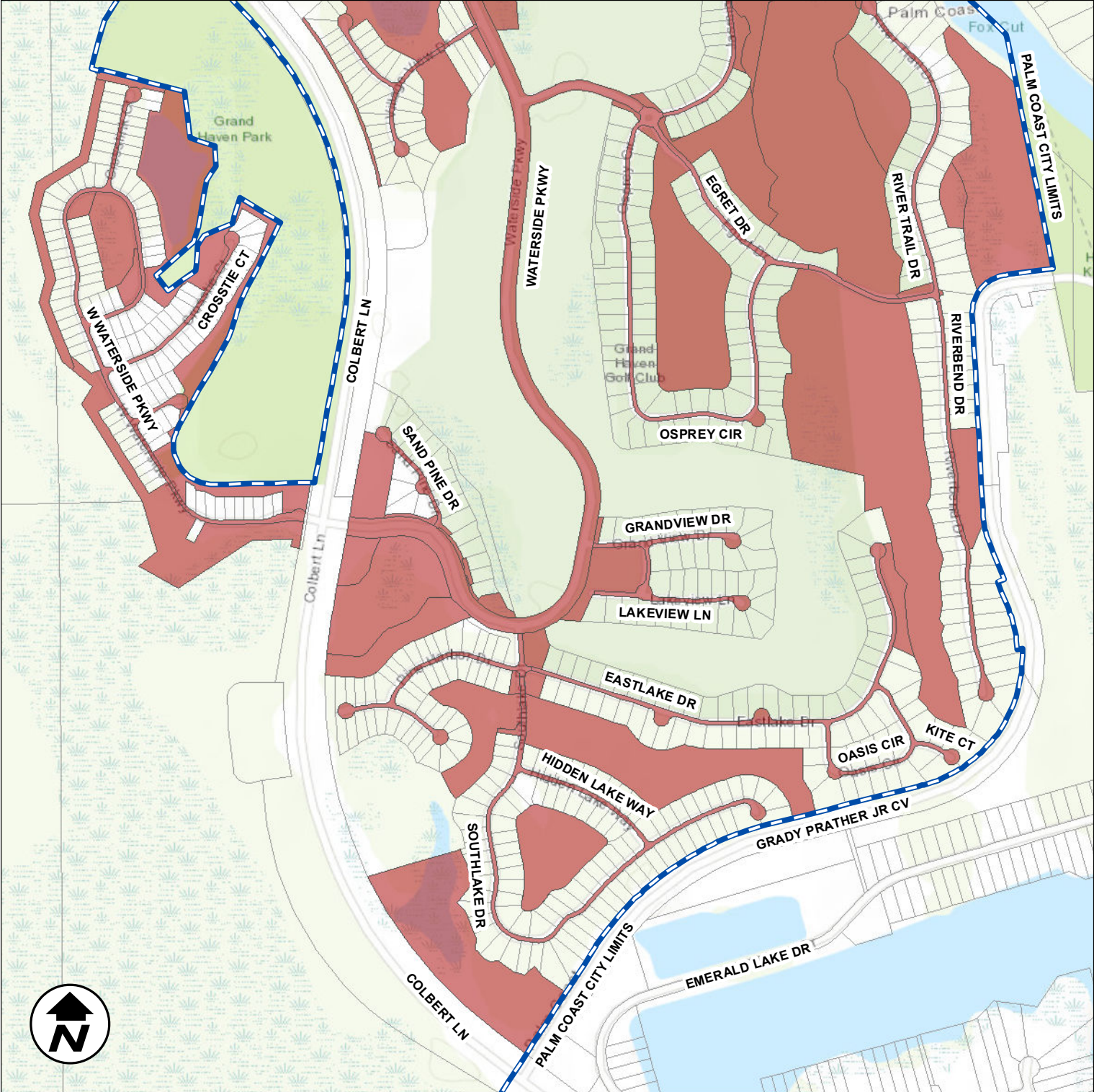
GRAND HAVEN COMMUNITY DEVELOPMENT DISTRICT



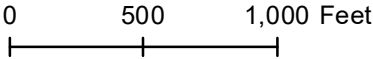


GRAND HAVEN COMMUNITY DEVELOPMENT DISTRICT





GRAND HAVEN COMMUNITY DEVELOPMENT DISTRICT



City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6178	Account
		#
Subject	RESOLUTION 2019-XX APPROVING A RIGHT-OF-WAY ACQUISITION FOR OLD KINGS ROAD N EXTENSION PHASE II WITH ROBERT W CONSER JR AND ANNA M GALLO FOR PROPERTY KNOWN AS PALM COAST PARCEL 2	
Background : <u>UPDATE FROM THE MARCH 12, 2019 WORKSHOP</u> This item was heard by City Council at their March 12, 2019 Workshop. There were no changes suggested to this item. <u>ORIGINAL BACKGROUND FROM THE MARCH 12, 2019 WORKSHOP</u> On February 7, 2017, City Council approved a Florida Department of Transportation agreement in the amount of \$40,000.00 for the right-of-way acquisition phase of the Old Kings Road Extension Phase II Project. FDOT approved additional funding in the amount of \$47,000 identified through purchase negotiations of property owned by Mr. Conser and Ms. Gallo for the Old Kings Road N Extension Phase II Project. City Council approved the additional funding on March 5, 2019. This item is to approve the purchase of the property known as Palm Coast Parcel 2 owned by Mr. Robert Conser and Ms. Anna Gallo for the Old Kings Road N Extension Phase II Project. The purchase amount negotiated through the City Attorney is \$61,000. for the acquisition of the last remaining right-of-way needed to complete the project.		
Recommended Action : Adopt Resolution 2019-XX approving a right-of-way acquisition for the Old Kings Road N Extension Phase II with Robert W Conser Jr and Anna M Gallo for property known as Palm Coast Parcel 2.		

RESOLUTION 2018-____
OLD KINGS ROAD NORTH
EXTENSION PROJECT
CONSER/GALLO-PALM COAST PARCEL 2

A RESOLUTION OF THE CITY OF PALM COAST, FLORIDA, APPROVING THE TERMS AND CONDITIONS OF AN EASEMENT FROM AK HOTELS LLC, FOR THE OLD KINGS ROAD NORTH WIDENING PROJECT; AUTHORIZING THE CITY MANAGER OR DESIGNEE, TO EXECUTE SAID CONTRACT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR IMPLEMENTATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Palm Coast is in the process of obtaining easements and additional rights-of-way related to the Old Kings Road North Extension Project; and

WHEREAS, the City desires to obtain Parcel 2 from Mr. Conser and Ms. Gallo for the Old Kings North Road Extension Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA:

SECTION 1. APPROVAL OF THE AGREEMENT. The City Council of the City of Palm Coast hereby approves the terms and conditions of the Right-of-Way purchase agreement with Mr. Conser and Ms. Gallo for their property known as Palm Coast Parcel 2, as attached hereto and incorporated herein by reference as Exhibit "A."

SECTION 2. AUTHORIZATION TO EXECUTE. The City Manager, or designee, is hereby authorized to execute the necessary documents as depicted in Exhibit "A."

SECTION 3. SEVERABILITY. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 4. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 5. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption by the City Council.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on this 19th of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Approved as to form and legality

William E. Reischmann, Jr., Esq.
City Attorney

Attachments: ROW purchase Conser/Gallo-PC Parcel 2 for OKR N Extension Project

OFFER AND PURCHASE AGREEMENT

575 30-07
RIGHT OF WAY
OGC 08/07
Page 1 of 2

ITEM/SEGMENT #: 435561-1
STATE ROAD #: N/A
COUNTY: Flagler
PARCEL #: 26-10-30-0000-01020-0050

Seller: Conser Robert W Jr & Anna M Gallo Jtwros

Buyer: City of Palm Coast, Florida

Buyer and Seller hereby agree that Seller shall sell and Buyer shall buy the following described property pursuant to the following terms and conditions:

I. Description of Property

(a) Real property described as: Parcel No 26-10-30-0000-01020-0050 (Sketch and Legal description Attached).

(b) Real Estate Purchased: 11,605 sq ft Deed

(c) Buildings, structures, fixtures, and other improvements: N/A

(d) Personal Property: N/A

(e) Outdoor advertising structure(s) permit number(s): N/A

Building, structures, fixtures and other improvements owned by others: N/A

These items are **NOT** included in this agreement. A separate offer is being, or has been made for these items.

II. Purchase Price

(a) Real Property

Land	1. \$	56,000.00
Improvements	2. \$	0.00
Real Estate Damages	3. \$	0.00
(Severance/Cost-to-Cure)		

Total Real Property 4. \$ 56,000.00

(b) Total Personal Property 5. \$ 0.00

(c) Fess and Costs

Attorney Fees	6. \$	0.00
Appraiser Fees	7. \$	0.00
_____ Fee(s)	8. \$	0.00

Total Fees and Costs 9. \$ 5,000.00

(d) Total Business Damages 10. \$ 0.00

(e) Total of Other Costs 11. \$ 0.00

List: _____

Total Purchase Price (Add Lines 4,5,9,10 and 11) \$ 61,000.00

(f) Portion of Total Purchase Price to be paid to Seller by Buyer at Closing \$ 61,000.00

(g) Portion of Total Purchase Price to be paid to Seller by Buyer upon surrender of possession \$ 0.00

III. Conditions and Limitations

(a) Seller is responsible for all taxes due on the property up to, but not including, the day of closing.

(b) Seller is responsible for delivering marketable title to Buyer. Marketable title shall be determined according to applicable title standards adopted by the Florida Bar in accordance with Florida Law subject only to those exceptions that are acceptable to Buyer. Seller shall be liable for any encumbrances not disclosed in the public records or arising after closing as a result of actions of the Seller.

(c) Seller shall maintain the property described in Section I of the agreement until the day of closing. The property shall be maintained in the same condition existing on the date of this agreement, except for reasonable wear and tear.

(d) Any occupancy of the property described in Section I of this agreement by Seller extending beyond the day of closing must be pursuant to a lease from Buyer to Seller.

(e) The property described in **Section I** of this agreement is being acquired by Buyer for transportation purposes under threat of condemnation pursuant to **Section 337.25 Florida Statutes**.

(f) Seller agrees that the real property described in **Section I** of the agreement shall be conveyed to Buyer by conveyance instrument(s) acceptable to Buyer.

(g) Seller and Buyer agree that a real estate closing pursuant to the terms of the agreement shall be contingent upon delivery by Seller of an executed Public Disclosure affidavit in accordance with **Section 286.26, Florida Statutes**.

(h) Seller and Buyer agree that this agreement represents the full and final agreement for the herein described sale and purchase and no other agreements or representations, unless incorporated into this agreement, shall be binding on the parties.

(i) Other: N/A

IV. Closing Date

The closing will occur no later than 60 days after Final Agency Acceptance.

V. Typewritten or Handwritten Provisions

Any typewritten or handwritten provisions inserted into or attached to this agreement as addenda must be initialed by both Seller and Buyer.


___ There is an addendum to this agreement. Page ___ is made a part of the agreement.

___ There is not an addendum to this agreement.

VI. Seller and Buyer hereby acknowledge and agree that their signatures as Seller and Buyer below constitute their acceptance of this agreement as a binding real estate contract.

It is mutually acknowledged that this Purchase Agreement is subject to Final Agency Acceptance by Buyer pursuant to **Section 119.0711(2), Florida Statutes**. A closing shall not be conducted prior to 30 days from the date this agreement is signed by Seller and Buyer to allow public review of the transaction. Final Agency Acceptance shall not be withheld by Buyer absent evidence of fraud, coercion, or undue influence involving this agreement. Final Agency Acceptance shall be evidenced by the signature of Buyer in **Section VII** of the agreement.

Seller(s)

 2/26/19
Signature Date

ROBERT W. CONSER JR.

Type or Print name under signature Date

 2/26/19

Signature Date

ANNA M. GALLO

Type or Print name under signature Date

Buyer

City of Palm Coast, Florida

BY: _____

Signature Date

Type or Print name under signature

VII. Final Agency Acceptance

The Buyer has granted Final Agency Acceptance this _____ day of _____.

By: _____

Signature

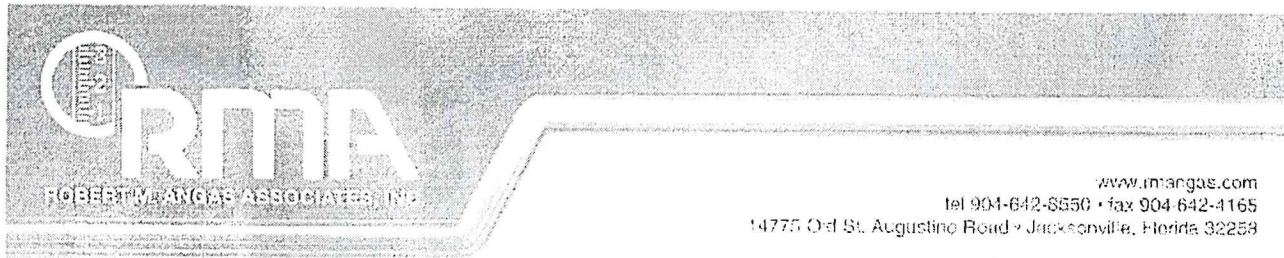
Type or Print name under signature

This document delivered by _____

Date

This document received by _____

Date



August 17, 2015
Old Kings Road

Work Order No. 14-084.00
File No. 123D-28.00B

Right of Way Parcel 2

A portion of Section 25, Township 10 South, Range 30 East, Flagler County, Florida, also being a portion of those lands described and recorded in Official Records Book 880, page 1128 of the Public Records of said county, being more particularly described as follows,

For a Point of Reference commence at the Northern most corner of those lands described and recorded in Official Records Book 1084, page 538 of said Public Records, said corner lying on the Southwesterly right of way line of Old Kings Road, a 200 foot right of way as presently established; thence North $31^{\circ}37'53''$ West, along said Southwesterly right of way line, 184.63 feet to the Point of Beginning.

From said Point of Beginning, thence Westerly, departing said Southwesterly right of way line and along the arc of a curve concave Southerly having a radius of 516.00 feet, through a central angle of $05^{\circ}03'18''$, an arc length of 45.53 feet to a point on said curve, said arc being subtended by a chord bearing and distance of North $71^{\circ}49'02''$ West, 45.51 feet; thence South $59^{\circ}24'52''$ West, 36.57 feet to a point on a curve concave Northwesterly having a radius of 824.00 feet; thence Southwesterly along the arc of said curve, through a central angle of $42^{\circ}52'02''$, an arc length of 616.49 feet to the point of tangency of said curve, said point lying on the Northwesterly line of said Official Records Book 1084, page 538, said arc being subtended by a chord bearing and distance of South $36^{\circ}56'06''$ West, 602.22 feet; thence South $58^{\circ}22'07''$ West, along said Northwesterly line, 43.21 feet to a point on a curve concave Northwesterly having a radius of 870.00 feet, said point lying on the Southeasterly line of Parcel "C", as described and recorded in Official Records Book 1463, page 477 of said Public Records; thence Northeasterly, along said Southeasterly line and along the arc of said curve, through a central angle of $50^{\circ}20'03''$, an arc length of 764.29 feet to a point lying on said Southwesterly right of way line of Old Kings Road, said arc being subtended by a chord bearing and distance of North $33^{\circ}12'05''$ East, 739.95 feet; thence South $31^{\circ}37'53''$ East, along said Southwesterly right of way line, 130.05 feet to the Point of Beginning.

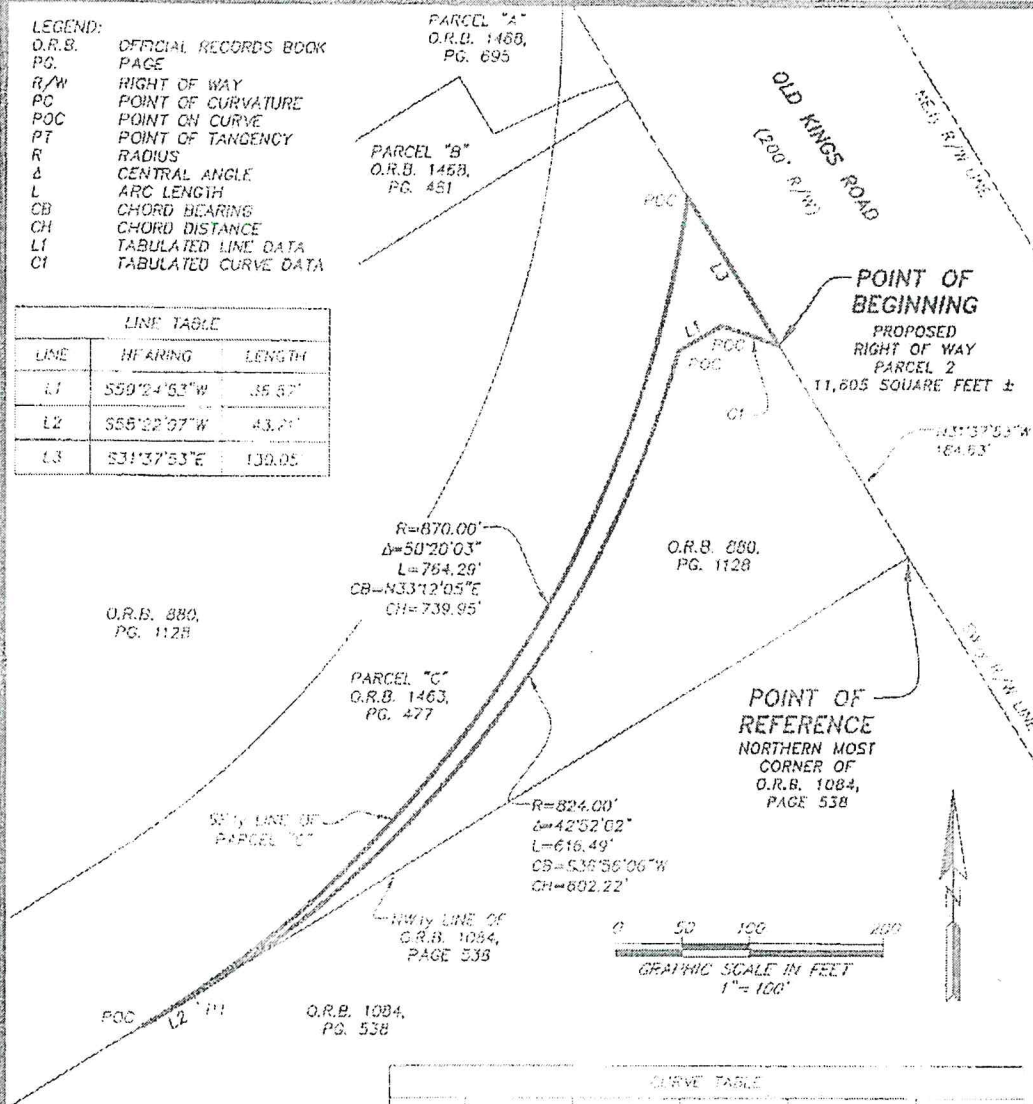
Containing 11.605 square feet, more or less.

SURVEYORS & PLANNERS, P.C., 2015
JACKSONVILLE, FLORIDA

**SKETCH TO ACCOMPANY DESCRIPTION OF
A PORTION OF SECTION 25, TOWNSHIP 10 SOUTH, RANGE 30 EAST,
FLAGLER COUNTY, FLORIDA, ALSO BEING A PORTION OF THOSE
LANDS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK
880, PAGE 1128, OF THE PUBLIC RECORDS OF SAID COUNTY,
BEING MORE PARTICULARLY DESCRIBED IN SEPARATE ATTACHMENT.**

LEGEND:
O.R.B. OFFICIAL RECORDS BOOK
PG. PAGE
R/W RIGHT OF WAY
PC POINT OF CURVATURE
POC POINT ON CURVE
PT POINT OF TANGENCY
R RADIUS
 Δ CENTRAL ANGLE
L ARC LENGTH
CB CHORD BEARING
CH CHORD DISTANCE
LI TABULATED LINE DATA
CI TABULATED CURVE DATA

LINE TABLE		
LINE	BEARING	LENGTH
L1	S59°24'53"W	35.57'
L2	S55°22'07"W	43.21'
L3	S31°37'53"E	130.05'



CURVE TABLE					
CURVE	RADIUS	CENTRAL ANGLE	ARC LENGTH	CHORD BEARING	CHORD DISTANCE
CI	516.00'	5°03'18"	45.53'	N71°49'02"W	45.51'

GENERAL NOTES:

- 1) THIS IS NOT A SURVEY.
- 2) BEARINGS BASED ON THE SOUTHWESTERLY RIGHT OF WAY LINE OF OLD KINGS ROAD AS BEING SOUTH 31°37'53" EAST.



ROBERT M. ANGAS ASSOCIATES, INC.
SURVEYORS • PLANNERS • CIVIL ENGINEERS
14775 Old St. Augustine Road, Jacksonville, FL 32258
Tel: (904) 642-8880 Fax: (904) 642-4185
Certificate of Authorization No. LB 3424

DATE: AUGUST 17, 2015

SCALE: 1"=100'

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.

SCOTT A. GRAHAM
PROFESSIONAL SURVEYOR AND MAPPER
STATE OF FLORIDA LS No. 3546

ORDER NO. 14-004-01 FILE NO. 1230-25.008 DRAWN BY: MCH SAY FILE: Survey\Map\1403 Kings Road\14 Parcel 2\14 Parcel 2.dwg

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
REQUEST FOR TAXPAYER IDENTIFICATION NUMBER

575-030-27
RIGHT OF WAY
08/09

February 20, 2018
Conser Robert W Jr & Anna M Gallo Jtwros
250 Palm Coast Pkwy NE
Ste # 607, 193

ITEM/SEGMENT NO.: 435561-1
MANAGING DISTRICT: 5
F.A.P. NO.: N/A
STATE ROAD NO.: N/A
COUNTY: FLAGLER
PARCEL NO.: 26-10-30-0000-01020-0050

Dear Property Owner(s):

The Florida Department of Transportation will be acquiring, or has acquired property owned by you for a transportation project or will be processing a payment to you related to the above referenced parcel. Federal regulations require that we report this transaction to the Internal Revenue Service (IRS), therefore we must obtain your correct Taxpayer Identification Number (TIN).

If you fail to furnish your correct TIN you may be subject to an IRS penalty. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

See the attached instruction for how to enter names and TINs. If you have any questions please let us know.

Name <u>ROBERT W. CONSER JR.</u>	Phone Number <u>386-986-7938</u>
Business Name, if different from above	Phone Number
Address (number, street, and apt. or suite no.) <u>250 PALM COAST PKWY NE #607193</u>	OWNERSHIP INTEREST
City, State, and ZIP Code <u>PALM COAST, FL 32137</u>	<input type="checkbox"/> Sole Owner
	<input checked="" type="checkbox"/> Part Owner with <u>50</u> % interest
	<input type="checkbox"/> Not Applicable (Vendor Only)

TAXPAYER IDENTIFICATION NUMBER (TIN)

For individuals, this is your social security number (SSN): 266-23-7580

For other entities, it is your employer identification number (EIN): _____

If you do not have a TIN, see attached instructions for How to get a TIN.

Below, choose one number that accurately describes the business or the individual.

- ☐ 1 - CORPORATION, PROFESSIONAL ASSOCIATION OR PROFESSIONAL CORPORATION
(A corporation formed under the laws of any state within the United States.)
- ☐ 2 - NOT FOR PROFIT CORPORATION (Section 501(c)(3) Internal Revenue Code)
- ☐ 3 - PARTNERSHIP, JOINT VENTURE, ESTATE, TRUST OR MULTIPLE MEMBER LLC
- ☐ 4 - INDIVIDUAL, SOLE PROPRIETOR, SELF EMPLOYED OR SINGLE MEMBER LLC
- ☐ 5 - NONCORPORATE RENTAL AGENT
- ☐ 6 - GOVERNMENTAL ENTITY (City, County, State or U.S. Government)
- ☐ 7 - FOREIGN CORPORATION OR ENTITY (A foreign entity formed under the laws of a country other than the United States.) If YES is marked below, complete and attach Form W-8ECI.
Is income effectively connected with business in the United States? ☐ YES ☐ NO
- ☐ 8 - NONRESIDENT ALIEN (An individual temporarily in the U.S. who is not a U.S. citizen or resident.)

Certification.

Under penalties of perjury, I certify that the number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me).

Sign Here [Signature] Date 2/26/2019
Title _____ Email (optional) _____

Instructions for Names and Taxpayer Identification Numbers

575-030-27
RIGHT OF WAY
08/09

1. **Individuals** should enter the name shown on your social security card. If you have changed your last name due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.
2. **Married couples** should give the name and SSN of either person.
3. **Custodian accounts (guardianship)** must give the ward's name and SSN. Do not furnish the TIN of the guardian.
4. For a **trust account that is not a legal or valid trust under state law**, give the name and SSN of the actual owner.
5. **Limited liability company (LLC)** - If a **single-member LLC** (including a foreign LLC with a domestic owner) disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line and enter the LLC name on the "Business name" line. You may use either your SSN or EIN. If the LLC is a corporation, partnership, etc., enter the entity's EIN.
6. For a **sole proprietor or a single-owner LLC** enter your **individual** name as shown on your social security card. You may enter your business, trade, or "doing business as (DBA) name on the "Business name" line. You may enter either your SSN or EIN (if you have one). The IRS prefers that you use your SSN.
7. For a **valid trust**, name the trust and give the EIN for the trust. Do not furnish the TIN of the trustee.
8. For an **estate**, the name should be shown as "The estate of (name of decedent)". Give the SSN of the decedent if he/she died in the calendar year of the closing. Give the EIN for the estate for any subsequent years following the death of the decedent. Do not furnish the TIN of the personal representative.
9. For an **association, club, religious, charitable, educational, or other tax-exempt organization**, give the name and EIN of the organization.
10. For a **partnership or multi-member LLC** give the name and EIN for the partnership, or LLC.

If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form. **Note:** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
REQUEST FOR TAXPAYER IDENTIFICATION NUMBER

575-030-27
RIGHT OF WAY
08/09

February 20, 2018
Conser Robert W Jr & Anna M Gallo Jtwros
250 Palm Coast Pkwy NE
Ste # 607, 193

ITEM/SEGMENT NO.: 435561-1
MANAGING DISTRICT: 5
F.A.P. NO.: N/A
STATE ROAD NO.: N/A
COUNTY: FLAGLER
PARCEL NO.: 26-10-30-0000-01020-0050

Dear Property Owner(s):

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If you fail to furnish your correct TIN you may be subject to an IRS penalty. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

See the attached instruction for how to enter names and TINs. If you have any questions please let us know.

Name <u>ANNA M. GALLO</u>	Phone Number <u>386-986-7912</u>
Business Name, if different from above	Phone Number
Address (number, street, and apt. or suite no.) <u>250 PALM COAST PKWY NE #607193</u>	OWNERSHIP INTEREST
City, State, and ZIP Code <u>PALM COAST, FL 32137</u>	<input type="checkbox"/> Sole Owner <input checked="" type="checkbox"/> Part Owner with <u>50</u> % interest <input type="checkbox"/> Not Applicable (Vendor Only)

TAXPAYER IDENTIFICATION NUMBER (TIN)

For individuals, this is your social security number (SSN): 064-60-3436

For other entities, it is your employer identification number (EIN): _____

If you do not have a TIN, see attached instructions for How to get a TIN.

Below, choose one number that accurately describes the business or the individual.

- ☐ 1 - CORPORATION, PROFESSIONAL ASSOCIATION OR PROFESSIONAL CORPORATION
(A corporation formed under the laws of any state within the United States.)
- ☐ 2 - NOT FOR PROFIT CORPORATION (Section 501(c)(3) Internal Revenue Code)
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- ☐ 7 - FOREIGN CORPORATION OR ENTITY (A foreign entity formed under the laws of a country other than the United States.) If YES is marked below, complete and attach Form W-8ECI.
Is income effectively connected with business in the United States? ☐ YES ☐ NO
- ☐ 8 - NONRESIDENT ALIEN (An individual temporarily in the U.S. who is not a U.S. citizen or resident)

Certification.

Under penalties of perjury, I certify that the number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me).

Sign Here Anna M. Gallo Date 2-26-19
Title Owner Email (optional) _____

Instructions for Names and Taxpayer Identification Numbers

575-030-27
RIGHT OF WAY
08/09

1. **Individuals** should enter the name shown on your social security card. If you have changed your last name due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.
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5. **Limited liability company (LLC)** - If a **single-member LLC** (including a foreign LLC with a domestic owner) disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line and enter the LLC name on the "Business name" line. You may use either your SSN or EIN. If the LLC is a corporation, partnership, etc., enter the entity's EIN.
6. For a **sole proprietor or a single-owner LLC** enter your **individual** name as shown on your social security card. You may enter your business, trade, or "doing business as (DBA) name on the "Business name" line. You may enter either your SSN or EIN (if you have one). The IRS prefers that you use your SSN.
7. For a **valid trust**, name the trust and give the EIN for the trust. Do not furnish the TIN of the trustee.
8. For an **estate**, the name should be shown as "The estate of (name of decedent)". Give the SSN of the decedent if he/she died in the calendar year of the closing. Give the EIN for the estate for any subsequent years following the death of the decedent. Do not furnish the TIN of the personal representative.
9. For an **association, club, religious, charitable, educational, or other tax-exempt organization**, give the name and EIN of the organization.
10. For a **partnership or multi-member LLC** give the name and EIN for the partnership, or LLC.

If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form. **Note:** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.



City of PALM COAST

Community Development Department
Construction Management & Engineering Division

160 Lake Avenue
Palm Coast, FL 32164
386-986-3794

Florida Statutes:
Chapter 517
Section 286.23

575-030-18
RIGHT OF WAY
OGC-02/06

Conser Robert W Jr& Anna M
Gallo Jtwros
250 Palm Coast Pkwy NE,
Ste # 607,193
Palm Coast, FL 32137

Item/Segment No: 435561-1
District: 5
F.A.P. No: N/A
State Road No: N/A
County: FLAGLER
Parcel No: 26-10-30-0000-01020-0050

Dear Property Owner.

Subject: Public Disclosure Notice

Section 286.23, Florida Statutes, (F.S.) requires persons or entities holding real property in the form of a partnership, limited partnership, corporation, trust or any form of representative capacity for others to disclose in writing, under oath, and subject to the penalties prescribed for perjury, his/her name and address and the names and addresses of every person having a beneficial interest in such property. The City must receive disclosure at least 10 days prior to the real estate closing by which the City acquires the property or within 48 hours after the City deposits the required monies into the registry of the court pursuant to an Order of Taking in condemnation. To assist you complying with the disclosure requirement, we have enclosed a copy of *Section 286.23, F.S.* and an affidavit for you to complete and return to this office at:

City of Palm Coast, 160 Lake Avenue, Palm Coast, FL 32164

Please Note:

Are not required to disclose a beneficial interest in an entity registered with the Federal Securities Exchange Commission or the Florida Department of Financial Services pursuant to *Chapter 517, Florida Statutes*, Whose interest is for sale to the general public.

If beneficial interests in the property are exempt from disclosure, please so indicate on the enclosed affidavit.

If you have any questions please contact: Alena Dvornikova, (386) 986-3740, advornikova@palmcoastgov.com.

Sincerely,

Virginia Smith, MMC, CP
City Clerk/Paralegal

Enclosures: Section 286.23, Florida Statutes, Public Disclosure Affidavit



please recycle

palmcoastgov.com

Section 286.23, Florida Statutes

286.23 Real property conveyed to public agency; disclosure of beneficial interests; notice; exemptions.--

(1) Any person or entity holding real property in the form of a partnership, limited partnership, corporation, trust, or any form of representative capacity whatsoever for others, except as otherwise provided in this section, shall, before entering into any contract whereby such real property held in representative capacity is sold, leased, taken by eminent domain, or otherwise conveyed to the state or any local governmental unit, or an agency of either, make a public disclosure in writing, under oath and subject to the penalties prescribed for perjury, which shall state his or her name and address and the name and address of every person having a beneficial interest in the real property, however small or minimal. This written disclosure shall be made to the chief officer, or to his or her officially designated representative, of the state, local governmental unit, or agency of either, with which the transaction is made at least 10 days prior to the time of closing or, in the case of an eminent domain taking, within 48 hours after the time when the required sum is deposited in the registry of the court. Notice of the deposit shall be made to the person or entity by registered or certified mail before the 48-hour period begins.

(2) The state or local governmental unit, or an agency of either, shall send written notice by registered mail to the person required to make disclosures under this section, prior to the time when such disclosures are required to be made, which written request shall also inform the person required to make such disclosure that such disclosure must be made under oath, subject to the penalties prescribed for perjury.

(3)(a) The beneficial interest in any entity registered with the Federal Securities Exchange Commission or registered pursuant to chapter 517, whose interest is for sale to the general public, is hereby exempt from the provisions of this section. When disclosure of persons having beneficial interests in nonpublic entities is required, the entity or person shall not be required by the provisions of this section to disclose persons or entities holding less than 5 percent of the beneficial interest in the disclosing entity.

(b) In the case of an eminent domain taking, any entity or person other than a public officer or public employee, holding real property in the form of a trust which was created more than 3 years prior to the deposit of the required sum in the registry of the court, is hereby exempt from the provisions of this section. However, in order to qualify for the exemption set forth in this section, the trustee of such trust shall be required to certify within 48 hours after such deposit, under penalty of perjury, that no public officer or public employee has any beneficial interest whatsoever in such trust. Disclosure of any changes in the trust instrument or of persons having beneficial interest in the trust shall be made if such changes occurred during the 3 years prior to the deposit of said sum in the registry of the court.

(4) This section shall be liberally construed to accomplish the purpose of requiring the identification of the actual parties benefiting from any transaction with a governmental unit or agency involving the procurement of the ownership or use of property by such governmental unit or agency.

History.--ss. 1, 2, 3, 4, 5, ch. 74-174; s. 1, ch. 77-174; s. 72, ch. 86-186; s. 7, ch. 91-56; s. 212, ch. 95-148.

Item/Segment No.: 435561-1
District: 5
F.A.P. No.: N/A
State Road No.: N/A
County: FLAGLER
Parcel No.: 26-10-30-0000-01020-0050

Public Disclosure Affidavit

I, the undersigned, under penalty of perjury, affirm that I hold the title for, or represent

in the capacity of

Name of corporation, trust, partnership, etc.

and; my full name

Affiant's Title (Pres., V.P., Trustee etc.)

and address is

ROBERT W. CONSER JR.

250 PALM COAST PKWY NE #607, 193, PALM COAST, FL 32137 ; and

Affiant's Name and Address

holds legal title

Name of corporation, trust, partnership, etc.

to the real estate described in Attachment "A" to this affidavit; and (select appropriate option)

☐ The names and addresses of all persons who hold a beneficial interest in the real estate are listed on Attachment "B" to this affidavit.

☐ All beneficial interests in the property are exempt from disclosure because the entity identified above as the owner of the real estate is an entity registered with the Federal Securities Exchange Commission or the Florida Department of Financial Services pursuant to Chapter 517, Florida Statutes, whose interest is for sale to the general public.

Robert W. Conser Jr.
Affiant's Signature

State of Florida
County of Flagler

ROBERT W. CONSER, JR.
Print or Type Name of Affiant

Sworn to and subscribed before me this 26 day of February, 2019
by Robert W. Conser Jr. who is personally known to me or who has produced
as identification.

Notary's Signature:

Isabel Garcia
(Print, type or stamp name of notary public)



Attachment A
Insert Legal Description

Book: 1856 Page: 1516

EXHIBIT "A"

A parcel of land lying in Section 25 and 26, Township 10 South, Range 30 East, Flagler County, Florida and being more particularly described as follows: From a point of reference being the Northwest corner of said section 25, also commonly being the Northeast corner of said Section 26, bear S00 degrees 21'08"E along the West line of Section 25, a distance of 2031.98 feet to the Point of Beginning; Thence N58 degrees 22'07"E, departing said West line a distance of 923.95 feet to the Southwest right-of-way line of Old Kings Road(200'R/W); thence S31 degrees 37'53"E along said southwest right-of-way line a distance of 400.00 feet; thence S58 degrees 22'07"W, departing Southwest right-of-way, a distance of 1089.00 feet; thence N31 degrees 37'53"W, a distance of 400.00 feet; thence N 58 degrees 22'07"E, a distance of 165.05 feet to a point of intersection with the East line of Section 26, also being the West line of Section 25 and the Point of Beginning.

Attachment "B"

Conser Robert W Jr & Anna M Gallo Jtwros

Item/Segment No.: 435561-1
District: 5
F.A.P. No.: N/A
State Road No.: N/A
County: FLAGLER
Parcel No.: 26-10-30-0000-01020-0050

Public Disclosure Affidavit

I, the undersigned, under penalty of perjury, affirm that I hold the title for, or represent

in the capacity of

Name of corporation, trust, partnership, etc.

and; my full name

Affiant's Title (Pres., V.P., Trustee etc.)

and address is

ANNA M. GALLO

250 PALM COAST PKWY NE #607, 193, PALM COAST, FL 32137 ; and
Affiant's Name and Address

holds legal title

Name of corporation, trust, partnership, etc.

to the real estate described in **Attachment "A"** to this affidavit; and (select appropriate option)

☐ The names and addresses of all persons who hold a beneficial interest in the real estate are listed on **Attachment "B"** to this affidavit.

☐ All beneficial interests in the property are exempt from disclosure because the entity identified above as the owner of the real estate is an entity registered with the Federal Securities Exchange Commission or the Florida Department of Financial Services pursuant to **Chapter 517, Florida Statutes**, whose interest is for sale to the general public.

ANNA M. GALLO
Affiant's Signature

ANNA M. GALLO
Print or Type Name of Affiant

State of FL
County of FLAGLER

Sworn to and subscribed before me this 26 day of FEB 2019
by ANNA M GALLO who is personally known to me or who has produced
as identification.

Notary's Signature:

Robert W Conser



ROBERT W CONSER
Commission # GG 171225
Expires April 25, 2022
Bonded Title Budget Notary Services

(Print, type or stamp name of notary public)

Attachment A
Insert Legal Description

Book: 1856 Page: 1516

EXHIBIT "A"

A parcel of land lying in Section 25 and 26, Township 10 South, Range 30 East, Flagler County, Florida and being more particularly described as follows: From a point of reference being the Northwest corner of said section 25, also commonly being the Northeast corner of said Section 26, bear S00 degrees 21'08"E along the West line of Section 25, a distance of 2031.98 feet to the Point of Beginning; Thence N58 degrees 22'07"E, departing said West line a distance of 923.95 feet to the Southwest right-of-way line of Old Kings Road(200'R/W); thence S31 degrees 37'53"E along said southwest right-of-way line a distance of 400.00 feet; thence S58 degrees 22'07"W, departing Southwest right-of-way, a distance of 1089.00 feet; thence N31 degrees 37'53"W, a distance of 400.00 feet; thence N 58 degrees 22'07"E, a distance of 165.05 feet to a point of intersection with the East line of Section 26, also being the West line of Section 25 and the Point of Beginning.

Attachment "B"

Conser Robert W Jr & Anna M Gallo Jtwros

Business Notice Questionnaire

FORM 575-030-33 - Questionnaire
RIGHT OF WAY - 07-05
Page 1 of 1

Item/Segment #: 435561-1
Sec/Job No.: _____
Managing District: 05
FAP No.: _____
State Road #: N/A - Old Kings Rd.
County: Flagler
Parcel #: 26-10-30-0000-01020-0050

Property Owner: _____

1. Name of Business: _____
2. Owner of Business: _____
3. How long have you been in business at this location? _____

Please Check One: () 5+ years () Whole Take

4. Business street address: _____

City, State, Zip: _____

Telephone Number: _____

5. Sole Proprietor () Partnership () Corporation () Franchise () Chain ()
6. Do you have a lease? _____ if yes, is it recorded? _____ if not, please provide a copy.
7. Additional Comments: _____

Business Owner's Signature

Printed Name & Title

Survey Date

Agent Signature

Date Notice Delivered

Method of Delivery

Is corporation listed on the corporation screen (sunbiz.org) Yes _____, NO _____ if available
printout must be attached with questionnaire?

02/2009, Updated. cissy

City of Palm Coast, Florida Agenda Item

Agenda Date: 03/19/2019

Department	STREETS & DRAINAGE	Amount	\$55,000.00
Item Key	6136	Account	10015011-052000
Subject	RESOLUTION 2019-XX APPROVING MASTER PRICE AGREEMENTS WITH OSBURN ASSOCIATES, INC, VULCAN INC, DBA VULCAN SIGNS, VULCAN ALUMINUM, MANDEL METALS, DBA U.S. STANDARD SIGN AND MODULEX ORLANDO, LLC FOR SIGN SHOP MATERIALS		
Background : <u>UPDATE FROM THE MARCH 12, 2019 WORKSHOP</u> This item was heard by City Council at their March 12, 2019 Workshop. There were no changes suggested to this item. <u>ORIGINAL BACKGROUND FROM THE MARCH 12, 2019 WORKSHOP</u> The Public Works Department is responsible for maintenance of all City signage and needs to purchase sign shop materials and supplies on an as-needed basis. City staff advertised and solicited bids for sign shop materials and supplies in accordance with the City's Purchasing Policy. City staff recommends that the City Council approve master price agreements with Osburn Associates, Inc., Vulcan Inc, dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Sign and Modulex Orlando LLC. The notice of intent to award and project bid overview are attached to this agenda item. Since these are price agreements, City staff will purchase items on an as-needed basis using budgeted funds appropriated by City Council. The Fiscal Year 2019 Budget includes \$55,000.00 within Public Works to purchase various sign materials and supplies.			
Recommended Action : Adopt Resolution 2019-XX approving master price agreements with Osburn Associates, Inc., Vulcan Inc, dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Signs and Modulex Orlando LLC for Sign Materials and Supplies.			

RESOLUTION 2019-____
SIGN SHOP MATERIALS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING THE PRICE AGREEMENT WITH OSBURN ASSOCIATES INC., VULCAN INC DBA VULCAN SIGNS, VULCAN ALUMINUM, MANDEL METELS, DBA U.S. STANDARD SIGN AND MODULEX ORLANDO, LLC., TO PURCHASE VARIOUS TYPES OF SIGN SHOP MATERIALS AND SUPPLIES; AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO EXECUTE SAID AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR IMPLEMENTING ACTIONS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Osburn Associates, Inc., Vulcan Inc, dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Signs and Modulex Orlando LLC., have expressed a desire to provide various types of sign shop materials to the City of Palm Coast; and

WHEREAS, the City Council of the City of Palm Coast desires to enter into a price agreement with Osburn Associates, Inc., Vulcan Inc, dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Signs and Modulex Orlando LLC., for the above referenced items.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY OF PALM COAST, FLORIDA, AS FOLLOWS:

SECTION 1. APPROVAL OF MASTER PRICE AGREEMENTS. The City Council of the City of Palm Coast hereby approves the terms and conditions of the master price agreements with Osburn Associates, Inc., Vulcan Inc, dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Signs and Modulex Orlando LLC., which are attached hereto and incorporated herein by reference as Exhibit “A.”

SECTION 2. AUTHORIZATION TO EXECUTE. The City Manager, or designee, is hereby authorized to execute the necessary documents.

SECTION 3. SEVERABILITY. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall

be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution.

SECTION 4. CONFLICTS. All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed.

SECTION 5. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution.

SECTION 6. EFFECTIVE DATE. This Resolution shall become effective immediately upon its passage and adoption.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on this 19TH day of March 2019.

CITY OF PALM COAST, FLORIDA

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Approved as to form and legality

William E. Reischmann, Jr., Esq.
City Attorney



Administrative Services & Economic Development
Central Services Division

160 Lake Avenue
Palm Coast, FL 32164
386-986-3730

NOTICE OF INTENT TO AWARD

Project: ITB-PW-19-14 - Sign Shop Materials – Price Agreement Contract

- Group 1 – Printed Signs
- Group 2 – Street Sign Blanks (Aluminum – no sheeting)
- Group 3 – Aluminum Blanks
- Group 4 – Posts
- Group 5 – Ink
- Group 6 – Misc. Materials

Date: 2/25/2019

Appeal Deadline: Appeals must be filed by 5:00 PM on 2/28/2019

Firm	Bid – Group 1
Osburn Associates, Inc. St. Petersburg, FL, State	\$21,818.25
Vulcan Inc, dba as Vulcan Signs, Vulcan Aluminum Foley, AL	\$22,059.65
Modulex Orlando, LLC Miami, FL	\$40,767.40
Mandel Metals, Inc. dba U.S. Standard Sign Franklin Park, IL	No Bid
Florida Transcor, Inc. Jacksonville, FL	No Bid

The intent of the City of Palm Coast is to award ITB-PW-19-14, **Group 1** to Osburn Associates, Inc. and Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum.

Firm	Bid – Group 2
Vulcan Inc, dba as Vulcan Signs, Vulcan Aluminum Foley, AL	\$8,052.00
Mandel Metals, Inc. dba U.S. Standard Sign Franklin Park, IL	\$8,486.00
Osburn Associates, Inc. St. Petersburg, FL, State	\$8,522.00
Modulex Orlando, LLC Miami, FL	\$22,050.00
Florida Transcor, Inc. Jacksonville, FL	No Bid

The intent of the City of Palm Coast is to award ITB-PW-19-14, **Group 2** to Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Sign and Osburn Associates, Inc.

Firm	Bid – Group 3
Vulcan Inc, dba as Vulcan Signs, Vulcan Aluminum Foley, AL	\$29,955.50
Mandel Metals, Inc. dba U.S. Standard Sign Franklin Park, IL	\$31,312.00
Osburn Associates, Inc. St. Petersburg, FL, State	\$31,435.50
Modulex Orlando, LLC Miami, FL	\$55,255.00
Florida Transcor, Inc. Jacksonville, FL	No Bid

The intent of the City of Palm Coast is to award ITB-PW-19-14, **Group 3** to Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum, Mandel Metals, dba U.S. Standard Sign and Osburn Associates, Inc.

Firm	Bid – Group 4
Modulex Orlando, LLC Miami, FL	\$11,400.00
Vulcan Inc, dba as Vulcan Signs, Vulcan Aluminum Foley, AL	\$27,037.50
Florida Transcor, Inc. Jacksonville, FL	\$27,290.00
Mandel Metals, Inc. dba U.S. Standard Sign Franklin Park, IL	No Bid
Osburn Associates, Inc. St. Petersburg, FL, State	No Bid

The intent of the City of Palm Coast is to award ITB-PW-19-14, **Group 4** to Modulex Orlando, LLC.

Firm	Bid – Group 5
Modulex Orlando, LLC Miami, FL	\$7,375.00
Vulcan Inc, dba as Vulcan Signs, Vulcan Aluminum Foley, AL	No Bid
Florida Transcor, Inc. Jacksonville, FL	No Bid
Mandel Metals, Inc. dba U.S. Standard Sign Franklin Park, IL	No Bid
Osburn Associates, Inc. St. Petersburg, FL, State	No Bid

The intent of the City of Palm Coast is to award ITB-PW-19-14, **Group 5** to Modulex Orlando, LLC.

Firm	Bid – Group 6
Osburn Associates, Inc. St. Petersburg, FL	\$29,241.00
Modulex Orlando, LLC Miami, FL	\$61,260.00
Vulcan Inc, dba as Vulcan Signs, Vulcan Aluminum Foley, AL	Non-Responsive
Florida Transcor, Inc. Jacksonville, FL	No Bid
Mandel Metals, Inc. dba U.S. Standard Sign Franklin Park, IL	No Bid

The intent of the City of Palm Coast is to award ITB-PW-19-14, **Group 6** to Osburn Associates, Inc.

Cc: Contract Coordinator, Project Manager, ASED Director, Department Director

Bid protests arising under City Bidding Documents or Procedures shall be resolved under the City of Palm Coast Central Service Division's Bid Protest procedures.

A proposer may protest matters involving the award of this Bid within three (3) business days from the posting of this recommendation to award. Failure to protest to the City's Administrative Services and Economic Development Director, Beau Falgout (bfalgout@palmcoastgov.com) shall constitute a waiver of the protest proceedings.



ITB-PW-19-14 - Sign Shop Materials

Project Overview

Project Details	
Reference ID	ITB-PW-19-14
Project Name	Sign Shop Materials
Project Owner	Jesse Scott
Project Type	ITB
Department	Procurement
Current Spend	\$159490.00
Target Savings	4%
Budget	\$0.00 - \$0.00
Project Description	This Invitation to Bid is issued for the purpose of establishing a one-year contract with a vendor(s) capable of supplying sign shop materials and supplies. Includes: Stop Signs, Street Sign Blanks, Aluminum Blanks – no sheeting, Posts, Inks and other Materials.
Open Date	Jan 30, 2019 8:00 AM EST
Intent to Bid Due	Feb 14, 2019 1:00 PM EST
Close Date	Feb 14, 2019 2:00 PM EST

Highest Scoring Supplier	Score
Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum	0 pts



Osburn Associates, Inc	0 pts
Florida Transcor Inc.	0 pts
Modulux Orlando	0 pts
Mandel Metals, Inc. dba US Standard Sign	0 pts

Seal status

Requested Information	Unsealed on	Unsealed by
Required Forms (1-4)	Feb 14, 2019 2:01 PM EST	Jesse Scott
Price Schedule	Feb 14, 2019 2:02 PM EST	Jesse Scott
Addenda Signed and Dated (if issued)	Feb 14, 2019 2:01 PM EST	Jesse Scott
References	Feb 14, 2019 2:01 PM EST	Jesse Scott

Conflict of Interest

Declaration of Conflict of Interest You have been chosen as a Committee member for this Evaluation. Please read the following information on conflict of interest to see if you have any problem or potential problem in serving on this committee. ## Code of Conduct All information related to submissions received from Suppliers or Service Providers must be kept confidential by Committee members. ## Conflict of Interest No member of a Committee shall participate in the evaluation if that Committee member or any member of his or her immediate family: * has direct or indirect financial interest in the award of the contract to any proponent; * is currently employed by, or is a consultant to or under contract to a proponent; * is negotiating or has an arrangement concerning future employment or contracting with any proponent; or, * has an ownership interest in, or is an officer or director of, any proponent. Please sign below acknowledging that you have received and read this information. If you have a conflict or potential conflict, please indicate your conflict on this acknowledgment form with information regarding the conflict. I have read and understood the provisions related to the conflict of interest when serving on the Evaluation Committee. If any such conflict of interest arises during the Committee's review of this project, I will immediately report it to the Purchasing Director.



Name	Date Signed	Has a Conflict of Interest?
Renee Shevlin	Feb 19, 2019 9:39 AM EST	No
Tyler Gibson	Feb 18, 2019 9:12 AM EST	No
Jesse Scott	Feb 14, 2019 2:03 PM EST	No
CJ Johnston	Feb 19, 2019 7:34 AM EST	No



Project Criteria

Criteria	Points	Description
Required Forms and References	Pass/Fail	Admin review for completeness
Required Forms	Pass/Fail	Technical Review
Price Schedule	Pass/Fail	Technical Review
References	Pass/Fail	Technical Review
Price Sheet - Signs Group 1	0 pts	Admin Review
Price sheet - Blanks Group 2	0 pts	Admin Review
Price Sheet - Blanks Group 3	0 pts	Admin Review
Price Sheet - Posts Group 4	0 pts	Admin Review
Price Sheet - Ink Group 5	0 pts	Admin Review
Price Sheet - MISC Material 6	0 pts	Admin review



Total	0 pts	
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Scoring Summary

Active Submissions

	Total	Required Forms and References	Required Forms	Price Schedule	References
Supplier	/ 0 pts	Pass/Fail	Pass/Fail	Pass/Fail	Pass/Fail
Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum	0 pts	Pass	Pass	Pass	Pass
Osburn Associates, Inc	0 pts	Pass	Pass	Pass	Pass
Florida Transcor Inc.	0 pts	Pass	Pass	Pass	Pass
Modulex Orlando	0 pts	Pass	Pass	Pass	Pass
Mandel Metals, Inc. dba US Standard Sign	0 pts	Pass	Pass	Pass	Pass



	Price Sheet - Signs Group 1	Price sheet - Blanks Group 2	Price Sheet - Blanks Group 3	Price Sheet - Posts Group 4	Price Sheet - Ink Group 5
Supplier	/ 0 pts	/ 0 pts	/ 0 pts	/ 0 pts	/ 0 pts
Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum	0 pts (\$22,059.65)	0 pts (\$8,052.00)	0 pts (\$29,955.50)	0 pts (\$27,037.50)	0 pts (\$999,999.99)
Osburn Associates, Inc	0 pts (\$21,818.25)	0 pts (\$8,522.00)	0 pts (\$31,435.50)	0 pts (\$999,999.99)	0 pts (\$999,999.99)
Florida Transcor Inc.	0 pts (\$999,999.99)	0 pts (\$999,999.99)	0 pts (\$999,999.99)	0 pts (\$27,290.00)	0 pts (\$999,999.99)
Modulex Orlando	0 pts (\$40,767.40)	0 pts (\$22,050.00)	0 pts (\$55,255.00)	0 pts (\$11,400.00)	0 pts (\$7,375.00)
Mandel Metals, Inc. dba US Standard Sign	0 pts (\$999,999.99)	0 pts (\$8,486.00)	0 pts (\$31,312.00)	0 pts (\$999,999.99)	0 pts (\$999,999.99)



	Price Sheet - MISC Material 6
Supplier	/ 0 pts
Vulcan Inc., dba Vulcan Signs, Vulcan Aluminum	0 pts (\$999,999.99)
Osburn Associates, Inc	0 pts (\$29,241.00)
Florida Transcor Inc.	0 pts (\$999,999.99)
Modulex Orlando	0 pts (\$61,260.00)
Mandel Metals, Inc. dba US Standard Sign	0 pts (\$999,999.99)

City of Palm Coast, Florida Agenda Item

Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6232	Account
		#
Subject	CALENDAR/WORKSHEET	
Background :		
Recommended Action :		

#	File #	Item	Title	Staff
			Workshop 03/26/2019	
1		Resolution	Piggyback St. Johns Contract - liquid aluminum sulfate	Adams/Ashburn
2		Resolution	IA Supplemental - OKR S	Adams/Flanagan
3		Ordinance	Vol. FF Pension-Amendment	Alves
4		Presentation	SAP Evaluation 1	Bevan
5		Resolution	Pump Station 24-2 Force Main Improvements	Blake/Kronenberg
6		Resolution	Work Order- Fiber connection along Belle Terre	Burkhart
7		Presentation	10 year CIP	Cote
8		Resolution	Holland Park GMP	Cote
9		Resolution	Project Price is Right Incentive Agreement	Newingham
			Business 04/02/2019	
1		Resolution	Piggyback St. Johns Contract - liquid aluminum sulfate	Adams/Ashburn
2		Resolution	IA Supplemental - OKR S	Adams/Flanagan
3		Ordinance	Vol. FF Pension-Amendment	Alves
4		Resolution	Pump Station 24-2 Force Main Improvements	Blake/Kronenberg
5		Resolution	Work Order- Fiber connection along Belle Terre	Burkhart
6		Proclamation	Sexual Assault Awareness Month	Lane
7		Proclamation	National Crime Victims Rights Week	Lane
8		Proclamation	Gopher Tortoise Day	Lane
9		Resolution	Holland Park GMP	Cote
			Workshop 04/09/2019	
1		Presentation	Annual Investment	Alves
2		Presentation	SAP Evaluation 2	Bevan
3		Resolution	Contract VOIP	Burkhart
4		Resolution	Florida Park Drive Work Order	Cote
5		Ordinance	Animal Control amendment	Grossman
6		Resolution	Project Price is Right Incentive Agreement	Newingham
			Business 04/16/2019	
1		Ordinance	Vol. FF Pension-Amendment	Alves
2		Resolution	SAP adoption	Bevan
3		Resolution	Contract VOIP	Burkhart
4		Resolution	Florida Park Drive Work Order	Cote

5		Ordinance 1st	Animal Control amendment	Grossman
6		Proclamation	Volunteer Recognition Month	Smith
			Workshop 04/23/2019-SPECIAL TRAINING	
			Ethics/Sunshine and Public Records Training	Reischmann/Smith
			Workshop 04/30/2019	
1			Year to Date Budget Review	Alves/Williams
			Future	
1		Resolution	Annual Fire Inspection Fees	Alves
2		Presentation	Budget-Fund Accounting and Long Term Planning -5/14	Alves/Williams
3		Presentation	Budget-Property Tax and Other Revenue- 6/25	Alves/Williams
4		Resolution	Permit compliance with NECGA (MOU and Conservation easement)	Bevan
5		Presentation	July 9 Council Priority Update	Bevan
6		Presentation	October 15 Council Priority Update Presentation	Bevan
7		Resolution	FEMA Generators	Blake/Kronenberg
8		Resolution	Pine Lakes Pkwy Forcemain and Lift Station Improvements	Blake/Kronenberg
9		Resolution	Equip 3 Wells and Raw Water Main, PH 3	Blake/Kronenberg
10		Resolution	WO WWTP Blair Castle Dr design project	Blake/Kronenberg
11		Resolution	FiberNet to WTP 2	Burkhart



Meeting Calendar for 3/20/2019 through 4/30/2019

3/20/2019 5:30 PM

Planning & Land Development Regulation Board
City Hall

3/26/2019 9:00 AM

City Council Workshop
City Hall

3/28/2019 5:00 PM

Beautification and Environmental Advisory Committee
City Hall

4/2/2019 6:00 PM

City Council
City Hall

4/3/2019 10:00 AM

Code Enforcement Board
City Hall

4/9/2019 9:00 AM

City Council Workshop
City Hall

4/16/2019 9:00 AM

City Council
City Hall

4/17/2019 5:30 PM

Planning & Land Development Regulation Board
City Hall



Meeting Calendar for 3/20/2019 through 4/30/2019

4/25/2019 5:00 PM

Beautification and Environmental Advisory Committee

City Hall

City of Palm Coast, Florida Agenda Item

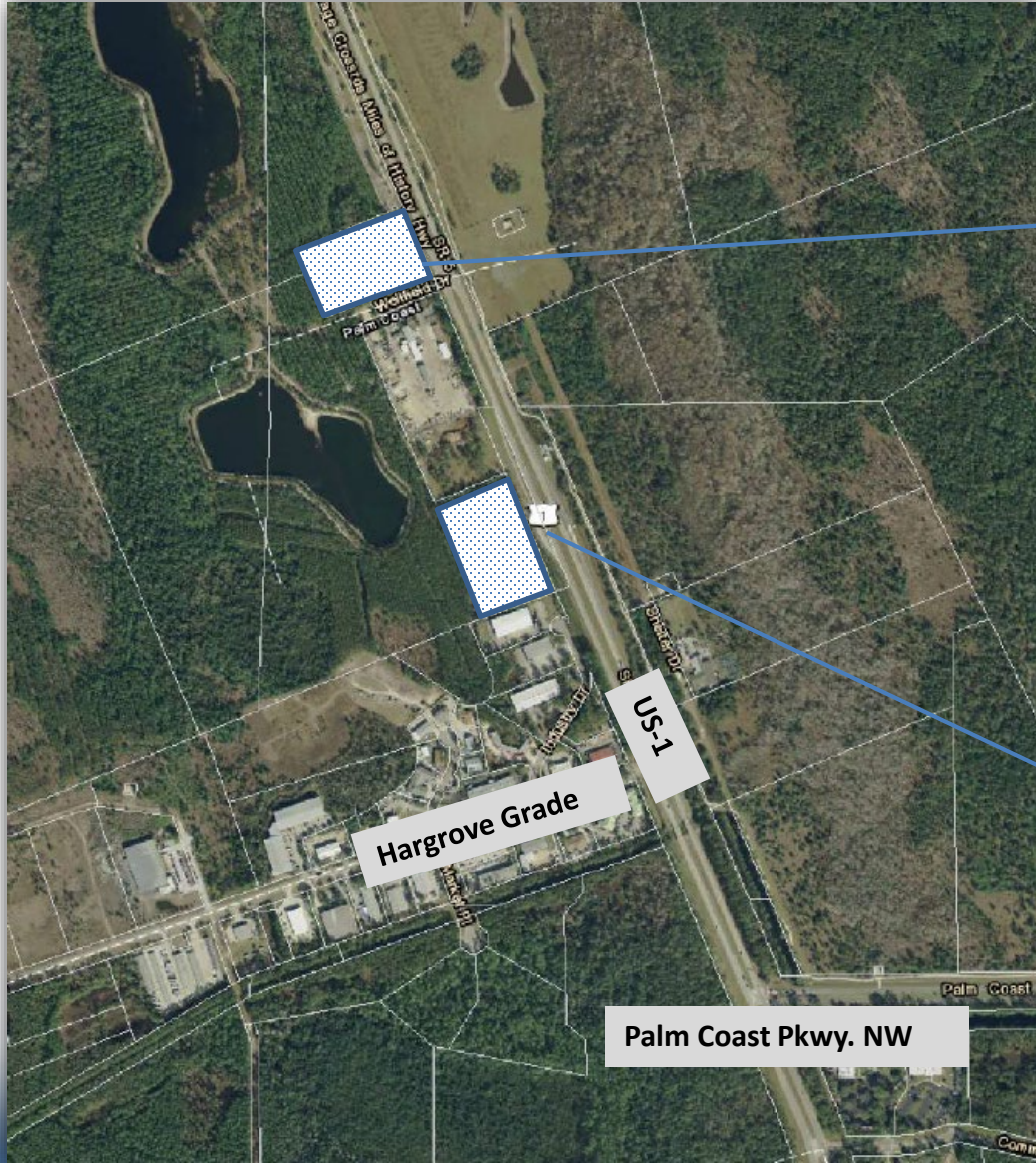
Agenda Date : 03/19/2019

Department	CITY CLERK	Amount
Item Key	6233	Account
		#
Subject	ATTACHMENTS TO MINUTES	
Background :		
Recommended Action :		



Land Use Items Summary

Summary – Land Use Changes



- 5 acre parcel
- Rezoning from PSP to COM-2

- 6 acre parcel
- FLUM amendment from DRI-MU to Institutional
- Rezoning from MPD to PSP



Questions?

Presentation To: The City of Palm Coast, Florida



Annual Audit for the Year Ended September 30,
2018

Presented by James Halleran, CPA



Providing Tax, Audit, Accounting & Controllershship, HR Solutions, Technology Solutions,
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www.jmco.com | info@jmco.com

Auditors' Reports

- Unmodified Opinion (pages 5-6)
- Internal Control and Compliance Reports (pages 159-160)
 - Internal Control Over Financial Reporting – No material weaknesses in internal control
 - No material instances of noncompliance



Auditors' Reports

- Federal Single Audit Report (pages 164-165)
 - No material instances of noncompliance
 - No material weaknesses in internal control
- Management Letter Required by 10.550 Rules of the Auditor General and Examination Report on Investment Statute Compliance (pages 166-168)
 - No comments



Financial Health

- All funds are in compliance or exceed the fund balance policy. See Note 18.
- Overall financial condition assessment is inconclusive (*Average*).



Highlights For This Year

- General Fund's increased by approximately \$1.1M.
- Capital Project Fund increased \$853k.
- Transportation Impact Fee increased \$1.5M
- Property taxes increased by \$2.8M.
- Capital grants and contributions decreased by \$14.5M (donated infrastructure).
- Operating grants decreased \$1.3M. (primarily FEMA)
- Expenses increased \$7.2M (Hurricane Irma pumping costs, WWTP2 start-up costs, Stormwater projects).
- \$4M deficit in OKR Special Assessments Fund.



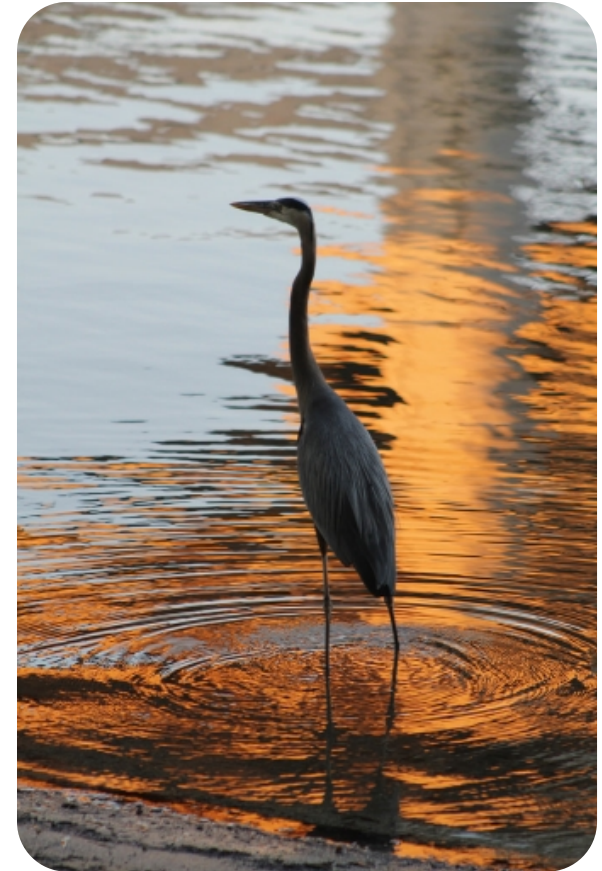
Highlights For This Year

- **Utility fund unrestricted net position increased \$2.9M**
(planned rate increase and increase in customers).
- **Advances to other funds – Note 8**
 - Utility Fund \$4.6M to OKR Special Assessment.
- **Long-Term Debt – Note 10**
 - Overall debt of the City decreased \$6.4M.
- **Hurricane Irma \$2.6M revenue for debris and clean up costs expected to be reimbursed by FEMA (\$4.2M in AR).**
- **The Disaster Reserve funded \$1.5M of Hurricane costs.**



Highlights For This Year

- **Retirement Plans – Note 11**
 - Volunteer Firefighters'
 - Net Pension Asset - \$1.3M
 - Florida Retirement System
 - 14 Employees
 - Net Pension Liability - \$3.3M
 - Defined Contribution Plan
 - All other Employees
 - **Zero** Net Pension Liability



Where You're At Today

General fund unassigned fund balance	\$ 7,943,802
As a % of FY 2018 expenditures	<u>23%</u>
As a % of FY 2018 expenditures and transfers	<u>22%</u>
As a % of FY 2019 budgeted exp. & transfers	<u>21%</u>
Fund Balance Policy between 10% - 20% of following year's budgeted expenditures	

Government Services

Audit & Assurance
CAFR & Audit Preparation
Peace of Mind Services
Revenue Enhancement Services
Technology Solutions
HR Solutions

Retirement Plan Advisory Services
Operational Excellence
Strategic Planning
Transition Planning & Leadership
Development
Business Advisory

Questions?





FCSO 2019 UPDATE

Presented to the
Palm Coast City Council
March 19, 2019

RICK STALY, SHERIFF

"An honor to serve, a duty to protect."



RICK STALY, SHERIFF

2017 BEGAN A NEW DIRECTION

IN 2017 WE CHANGED HOW WE PROTECT & SERVE OUR COMMUNITY

CREATED 3 NEW POLICING DISTRICTS TO OPTIMIZE EFFECTIVENESS & EFFICIENCY

IMPLEMENTED THE CRIME MAPS STRATEGY — DATA-DRIVEN POLICING — ANALYTICS TO IDENTIFY TRENDS, PATTERNS, AND CAREER OFFENDERS — WE FOCUS MOST OF OUR TIME ON THOSE WHO COMMIT MOST OF THE CRIME

STRONG NEW PARTNERSHIP WITH CITIZENS

HERE'S JUST SOME OF THE ACHIEVEMENTS THIS HAS PRODUCED

"An honor to serve, a duty to protect."



How Palm Coast residents feel about FCSO

In your 2018 survey of residents of Palm Coast, 82% of your residents felt safe in your neighborhood and 82% felt that the Sheriff's Office was doing an excellent or good job.



Source: 2018-2019 Palm Coast Citizen Survey

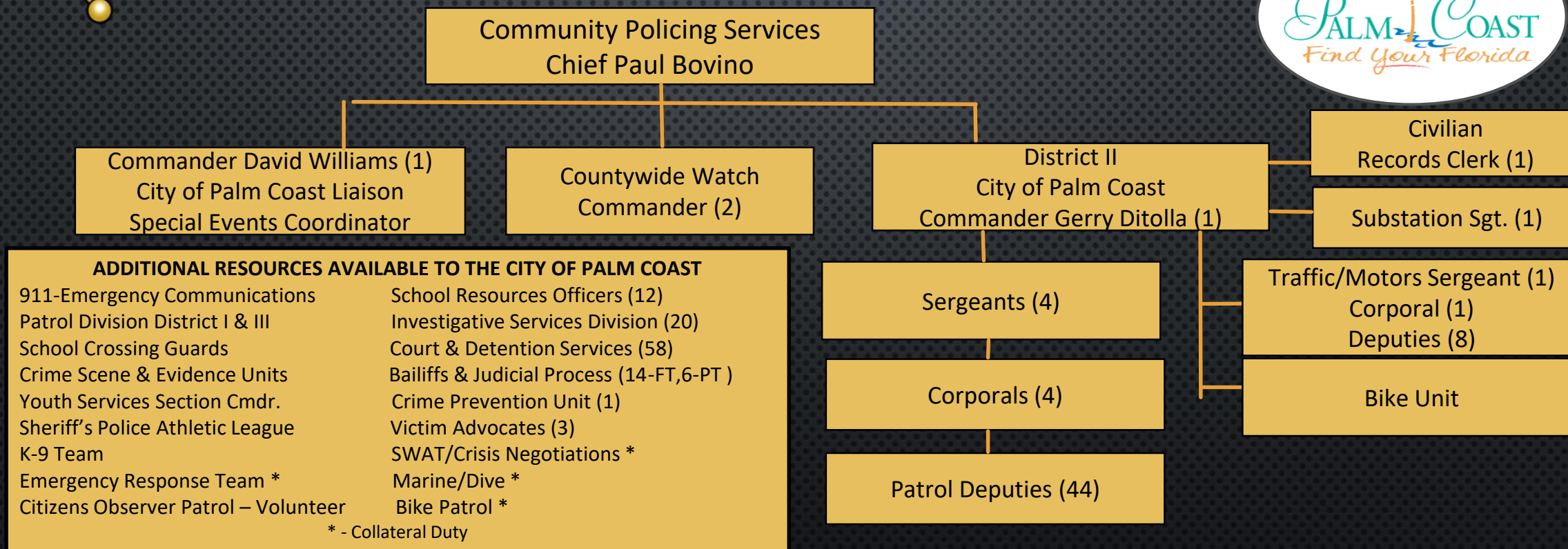
"An honor to serve, a duty to protect."



RICK STALY, SHERIFF

A look at services being provided.

City of Palm Coast Contractual Services



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A look back on 2018 – Lowest crime rate since 2005.

- ★ Violent crime down -16.3% in 2018
- ★ Property crime down -24.7% in 2018
- ★ Overall crime down -22% in 2018
- ★ *Statewide, crime decreased by -8% in the latest available report. In Flagler County, crime decreased by almost 3 times that rate.*
- ★ Arrests are up +15%
- ★ Clearance rate increased by +32% in 2018
- ★ Crime reduction on the Big Four (2018 vs. 2017 UCR data)
 - 34.92% reduction in burglary
 - 35.87% reduction in auto theft
 - 87.5% reduction in robbery.
- ★ Traffic fatalities – down 42% in 2018



RICK STALY, SHERIFF

A look back on 2018 – Agency Accreditation

FCSO became a 4 Diamond Accredited Law Enforcement Agency.



Law Enforcement Accreditation



Corrections Accreditation



Communications Accreditation



National Institute of Ethics



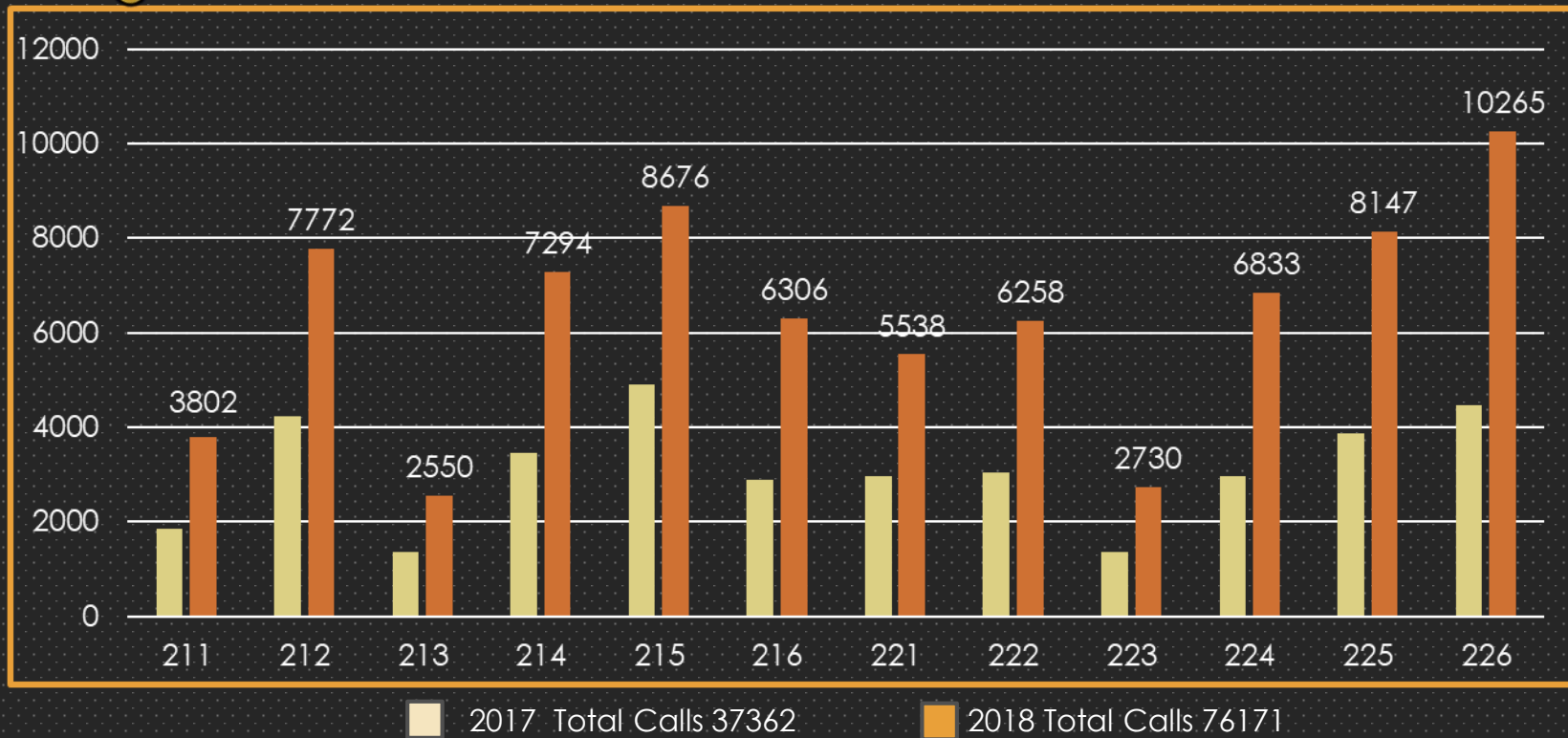
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RICK STALY, SHERIFF

A look back on 2018

Calls for Law Enforcement Service City of Palm Coast by Zone



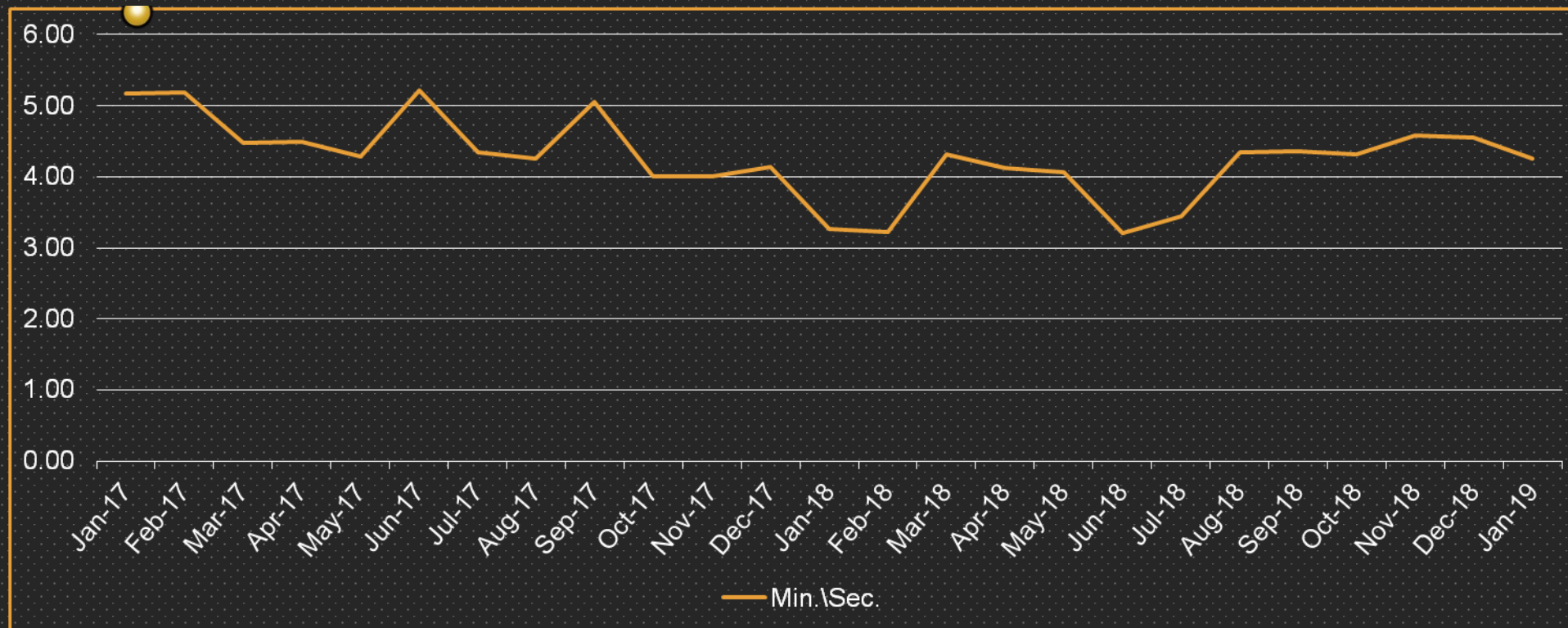
Z-211	Palm Harbor "C"
Z-212	Palm Harbor "F"
Z-213	Matanzas Woods & West of US 1
Z-214	Indian Trails North & East
Z-215	Business West
Z-216	Business East
Z-216	Woodlands/Grand Haven
Z-221	Pine Lakes "W" Section
Z-222	Leigh Woods "R" Section
Z-223	Quail Hollow
Z-224	Seminole Woods
Z-225	Belle Terre/ Pine Grove "P" Sections
Z-226	Cypress Knolls

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A look back on 2018 Response Time

Response Time Code 3 Emergency Calls



	Min.\Sec.
Jan-17	5.17
Feb-17	5.19
Mar-17	4.48
Apr-17	4.50
May-17	4.29
Jun-17	5.21
Jul-17	4.34
Aug-17	4.25
Sep-17	5.05
Oct-17	4.00
Nov-17	4.00
Dec-17	4.14
Jan-18	3.27
Feb-18	3.23
Mar-18	4.31
Apr-18	4.13
May-18	4.06
Jun-18	3.21
Jul-18	3.44
Aug-18	4.35
Sep-18	4.36
Oct-18	4.31
Nov-18	4.58
Dec-18	4.55
Jan-19	4.25

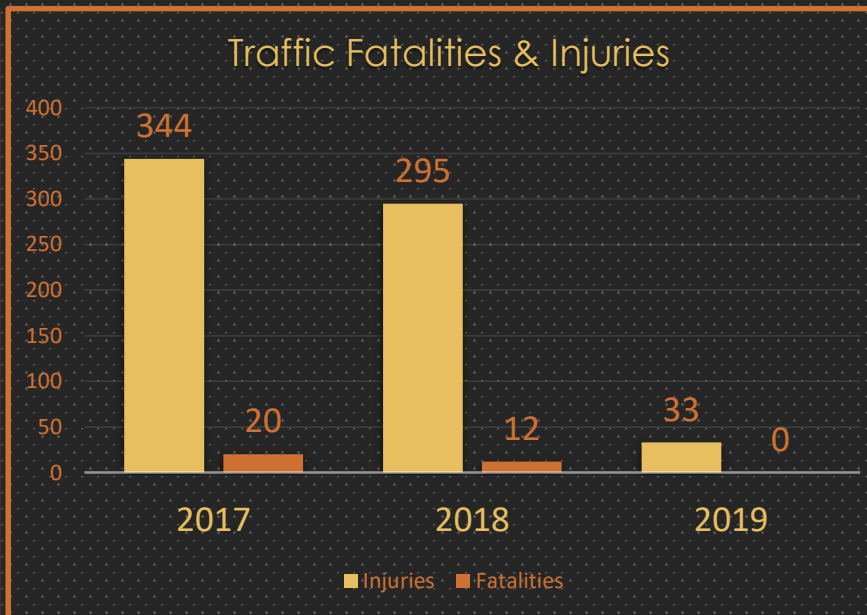
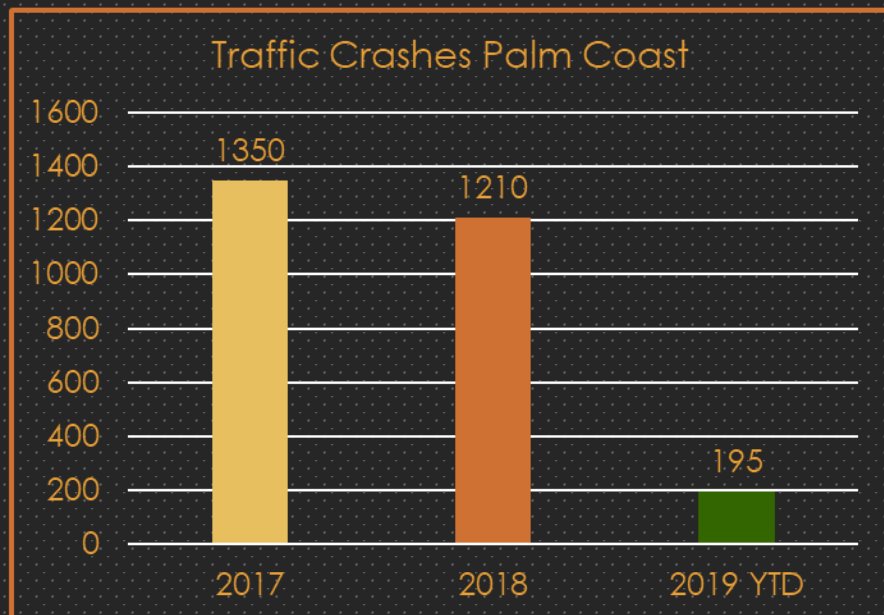
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RICK STALY, SHERIFF

A look back on 2018

Traffic Statistics City of Palm Coast Motor Vehicle Fatalities



2017 – 2018 saw a -10.4% drop in the total number of motor vehicle crashes occurring in Palm Coast.

Traffic fatalities in the City dropped 40%.

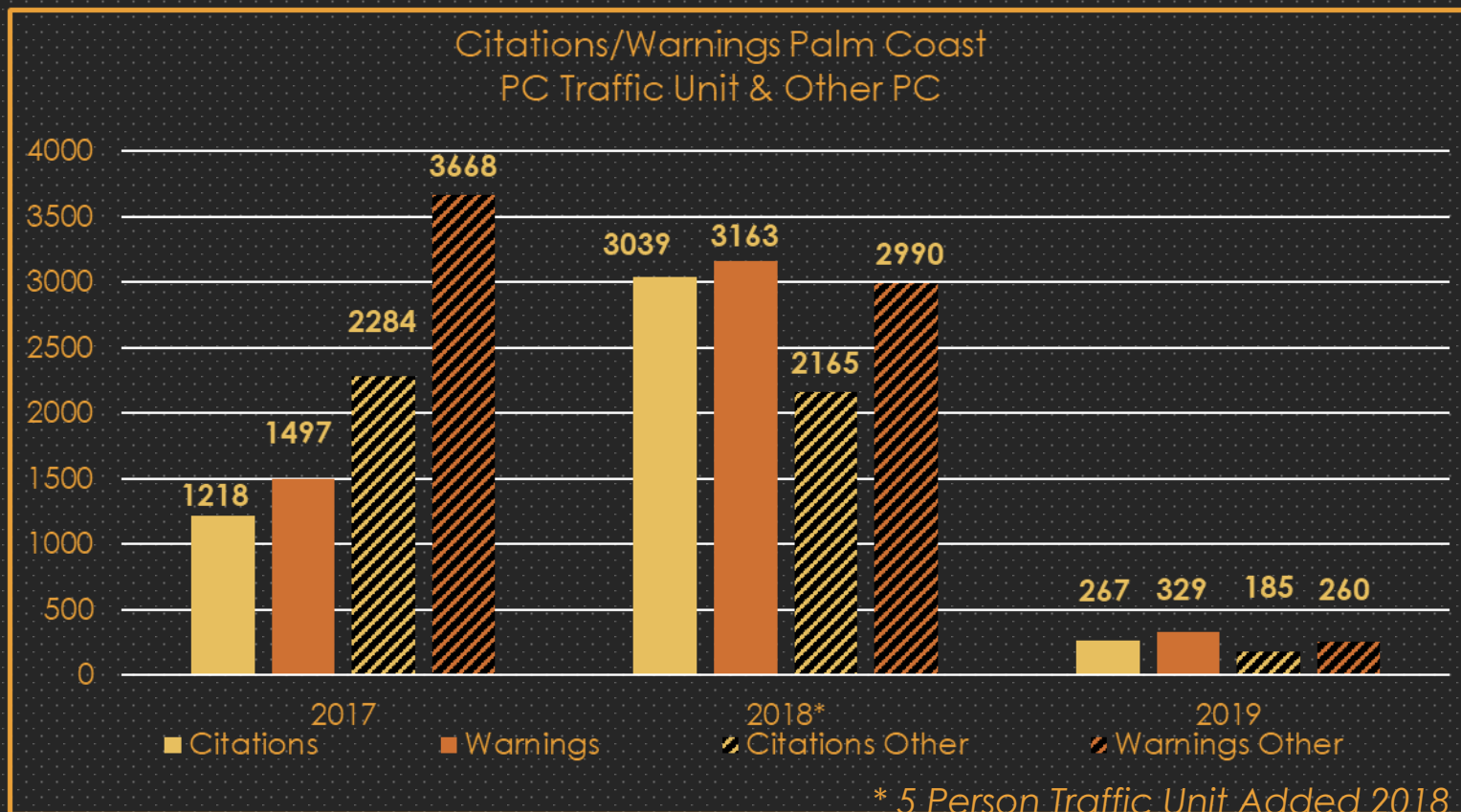
Traffic crashes with injuries dropped -14.2 % in the City.

There have been no fatal accidents in either the city or county in 2019.

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A look back on 2018 – Traffic Statistics



Dedicated 5 person PC Traffic Unit created 2018.

From 2017 to 2108 there was a 138% increase in traffic stops conducted by the PC Unit resulting in a 128% increase in action taken.

Note: Citations Other/Warning Other reflects the activity of all other units assigned to the City of Palm Coast.

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C.O.P.'s - Our Volunteers

In 2018 our C.O.P.s worked a total of: **26,024 Hours**

Based on an rate of \$24.69 per hour saved \$642,532.

Source: <https://independentsector.org/news-post/value-of-volunteer-time-release/>

In 2018 Our Traffic Crash Investigators (TCI) conducted 866 motor vehicle crash investigations freeing up patrol deputies for other duties. Based on an average investigation lasting 1.5 hours this kept deputies on the road for 1299 additional hours saving an additional \$64,988.

<https://www.bls.gov/news.release/pdf/ecec.pdf>

We started to phase-in hybrid C.O.P. patrol cars averaging 40mpg



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A look back on 2018 – Community Outreach

Community Outreach had a busy year providing Incident Survival training to over 2676 students and educators as well as an additional 27 Active Incident training presentations to various church and community groups, county and city employees, Judges and courthouse staff.

During the year Community Outreach conducted 13 Women's Self Defense classes providing instruction to 226 women on how to avoid becoming a victim and how to defend themselves in the event they were to be attacked. The program is designed to help attendees become more aware of their surroundings and to avoid placing themselves in situations where they could be harmed.

Community Outreach also conducted 48 Neighborhood Watch meetings, 10 Senior Safety and 9 Realtor Safety program throughout the community.

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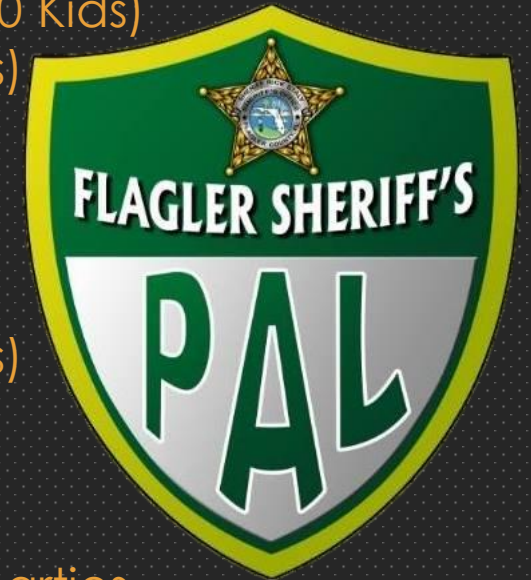


RICK STALY, SHERIFF

A look back on 2018 – Sheriff's PAL

Serving almost 1,000 children

Bandits Baseball - Boys 14U league (20 kids), & Bandits competitive cheerleading - girls 6-14 (16 Kids)
Mc Gruff Mentoring Group- coed 8-12 (60 Kids), Crime Scene Camp- coed 9-12 (30 Kids)
Middle School Sports: Volleyball, Basketball, Track, Cross Country, Soccer, (280 Kids)
Swim League- coed 11-13 (20-25 Kids), 1 mile race series- coed 10-14 (17 Kids)
Warriors Football & Warriors Cheerleading- coed 6-14 - (Approximately 270 Kids)
Warriors Softball- 12u, 14u, 16u (50 Kids), Core martial arts- coed 6-16 (15 Kids)
Explorers- coed 14-17 (20 Kids), Jr Police Academy- coed 11-14 (20 Kids)
Middle School Sports: Volleyball, Basketball, Track, Cross Country, Soccer, (280 Kids)
Personal Empowerment- coed 8-12 (20 Kids),
Leadership Academy- coed 12-14 (15-20 Kids)
PAL is also involved in special Olympics, Polar Plunge, Tip-a-Cop,
PAL works with School resource deputies with safety presentations and Mc Gruff parties.



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RICK STALY, SHERIFF

A look back on 2018 - MHS "Law & Justice" Flagship

This criminal justice program consists of criminal justice classes where students learn about law enforcement and criminal justice system.

Students hear from guest speakers on topics such as patrol, report writing, criminal prosecution. Among the list of guest speakers who have shared their experiences are; Sheriff Staly, FCSO General Counsel Kayla Hathaway, SWAT, K-9, Traffic Unit, Marine and Dive Unit, Crime Scene Investigation, Victim's Advocate, DUI Investigation, Defensive Tactics and the State Attorneys Office Florida Wildlife Commission.

The Flagship program worked with MHS students on building a "courtroom" for use in mock trials.



Matanzas High Courtroom

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A look back on 2018

Flagler Sheriff's School Resource Program



Following enactment of the Marjorie Stoneman Douglas High School Public Safety Act FCSO working with school district, City of Palm Coast and County Commissioners provided for one School Resource Deputy in each school and two in the high schools. These specially trained deputies provide security on campus as well as interact with the students, faculty and staff throughout the school year.

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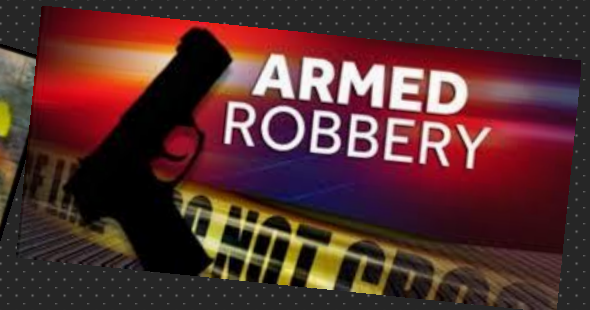


RICK STALY, SHERIFF

A look back on 2018 – PACE Team

Problem Area Crime Enforcement - PACE Team

The **PACE** Team focuses on addressing recurring criminal activity that has been identified through crime analysis. Their efforts can be focused on a specific location, a particular day of the week or time of day, a type of location, or a repeat offender, victim or any other intelligence based indicators.



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Partial List of 2018 Achievements

- FCSO launched new mobile application so citizens can access a wide range of public safety information from the FCSO
- FCSO implemented cost recovery program to require criminal defendants upon conviction to repay taxpayers
- FCSO partnered with the 7th Judicial Circuit to utilize GPS tracking devices to reduce re-offending by domestic violence offenders
- FCSO wins Agency of the Year for InVest and the Domestic Violence Summit at the National Crime Victim's Rights Week Breakfast

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Partial List of 2018 Achievements

- FCSO equips all patrol and Fugitive Unit Corporals with new Rapid ID technology to successfully identify criminals who give a false name to law enforcement
- Fugitive Friday Bingo – we a 55% apprehension rate with fugitives featured on FFB – It's resulted in almost 3 times more fugitives from justice being caught.
- Implemented an Inmate Work Crew Program to benefit taxpayers
- FCSO launched the S.W.E.A.T. program to break the cycle of youthful offenders
- Launched a new full-time Marine Unit to ensure greater safety on our waterways

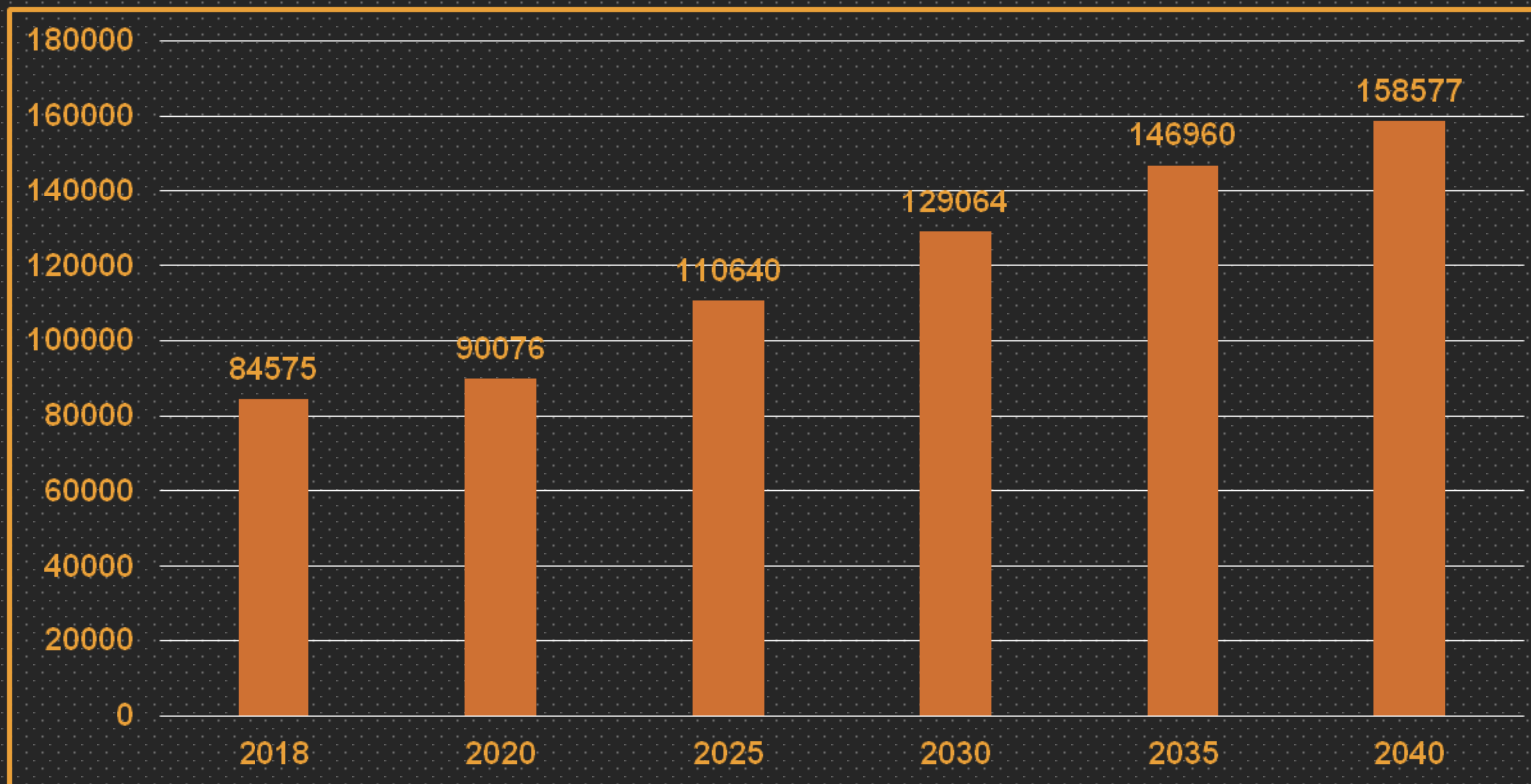
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RICK STALY, SHERIFF

A look into the future

City of Palm Coast Populations Trends



The City of Palm Coast's population will double to **158,577 by 2040**. Source: UF BEBR 29017

"Over the last ten years, Flagler County has consistently been one of the fastest growing counties in America." (Source: Flagler County Department of Economic Opportunity/JAXUSA, 2019)

17,804 residents were added to the county between 2010 and 2020 – that's an 18.6% growth rate. The county will grow from 107,511 in 2018 to 137,524 in 2030 adding 30,013 residents – **a 27.9% growth rate. The population is expanding and the rate of that growth is accelerating** (UF BEBR, 2019).

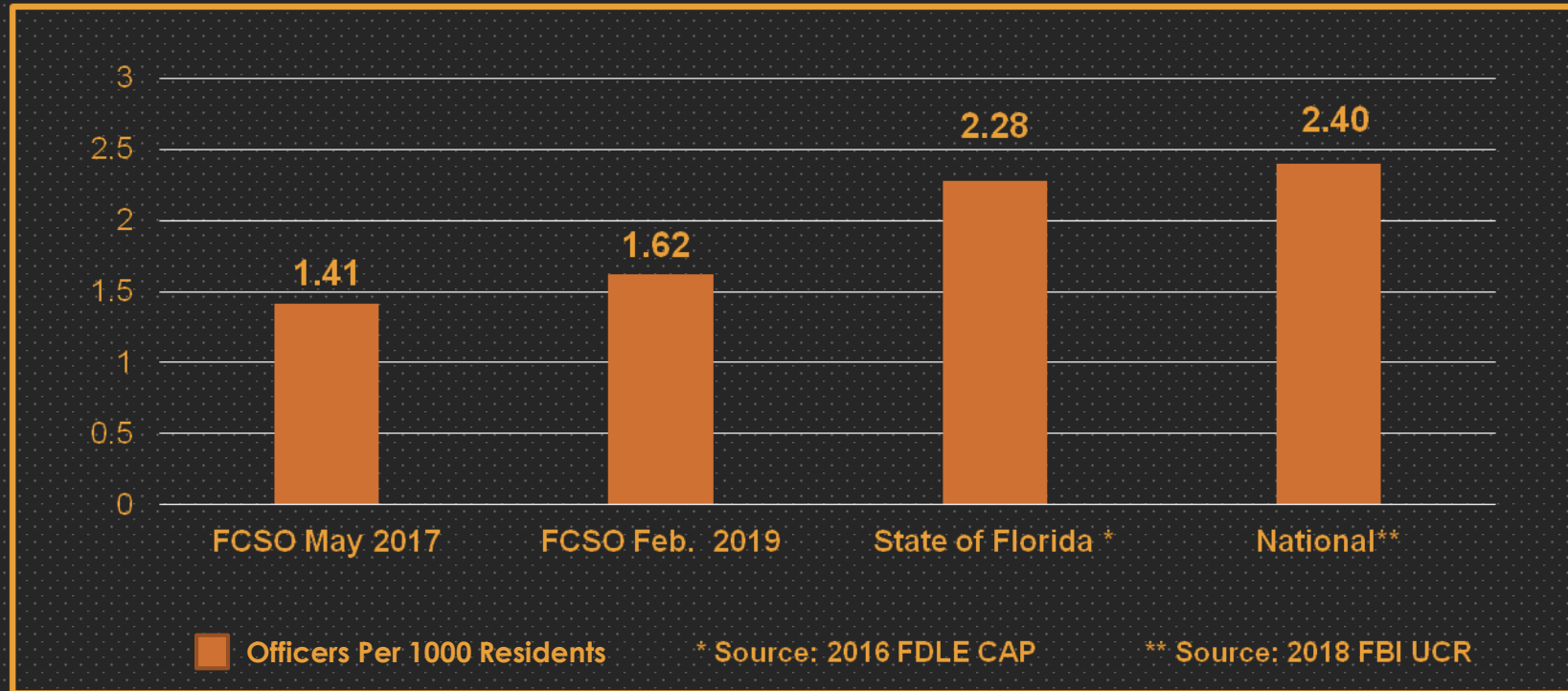
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RICK STALY, SHERIFF

A look into the future

Law Enforcement Officers per 1000 Residents



1.62 Officers per 1000 places your Sheriff's Office significantly below the state and national averages.

1.62 Officers per 1000 places your Sheriff's Office in the bottom 1/3 or 47th out of 67 Sheriff's Offices in the State of Florida. (Source: ACSO 2018 manpower study)

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RICK STALY, SHERIFF

New District II Offices – City of Palm Coast



Sheriff's District II Offices

14 Palm Harbor Village Way
Palm Coast, FL 32137

Community Policing Division
Palm Coast Traffic Unit
Sheriff's Records Office
Citizens on Patrol

Projected Opening Fall 2019

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Looking forward into 2019

Automated License Plate Readers (ALPR's) – City of Palm Coast



Fixed LPR / ANPR

We are seeking to enhance our crime fighting ability through the use of fixed license plate readers (LPR's). LPR's continuously monitor and gather data through the use of location specific cameras. Collected information is processed through local, state and federal databases and then sent to units in the field.

This technology provides actionable information to our deputies in the field on a daily basis. We expect that as our capabilities are enhanced we will be able to have a greater impact on reducing crime.

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RICK STALY, SHERIFF

Looking forward into 2019

Automated License Plate Readers (ALPR's) – City of Palm Coast One Recent Success

Previously on 'America's Most Wanted' fugitive from Virginia arrested Using LPR Technology



PALM COAST, Fla. (AP) — A Virginia fugitive who was featured on "America's Most Wanted" two decades ago was arrested after a three-hour standoff with deputies in Palm Coast, Florida.

Flagler County Sheriff's Office arrested 46-year-old Michael Eugene Moore on a fugitive warrant from Virginia. Moore was featured on the TV show, accused by authorities of stabbing his wife repeatedly and abducting their 5-year-old daughter in March of 1996. Weeks later, the girl was found in Miami and returned to her mother in Richmond, Virginia, after the child's photo appeared on the show. Moore later served 16 years in prison.

A license plate reader detected a stolen vehicle taken during a violent armed robbery when it exited I-95/Palm Coast Pkwy. Deputies stopped the driver but it took a SWAT team to convince Moore to surrender.

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Looking forward into 2019

Real-Time Crime Center

We are currently in the process of developing a Real-time Crime Center (RTCC) and Intelligence Unit which will enable us to provide real-time critical information directly to responding deputies on high-priority calls for service.

The unit will be provide data analysis in an effort to enhance crime analytics (CRIMEMAPS). The unit will look at historical data and predictive analytics for directing the deployment of resources to obtain maximum impact on crime. We are seeking to implement a system of real-time dashboards and maps, that are accessible through the Internet, that will give deputies important insight into events, patterns, and performance. The Intelligence Unit will analyze data and information to create actionable intelligence to share and communicate with local, state and federal agencies and fusion centers.

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Reminder

JOIN US

SATURDAY- APRIL 13

10 a.m. – 2 p.m.

FCSO Safety Expo

European Village

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QUESTIONS



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