

**CITY OF WEST PARK, FLORIDA
AUDITED FINANCIAL STATEMENTS
For the Year Ended September 30, 2014**

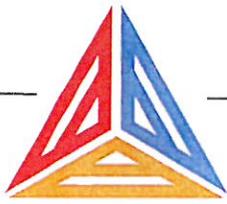


S. DAVIS & ASSOCIATES, P.A.

Certified Public Accountants & Consultants

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of Commissioners
City of West Park, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of West Park, Florida (the "City"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

HOLLYWOOD

2521 Hollywood Boulevard
Hollywood, Florida 33020
(954) 927-5900
(954) 927-5927 Fax

MIAMI

1031 Ives Dairy Road, Suite 228
Miami, Florida 33179
(305) 628-1510
(305) 628-1595 Fax

PALM BEACH

8144 Okeechobee Boulevard, Suite B
West Palm Beach, Florida 33411
(561) 547-0545
(561) 253-2747 Fax

TALLAHASSEE

400 N. Adams Street
Tallahassee, Florida 32301
(800) 678-6091

MEMBER

Florida Institute of Certified Public Accountants
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INDEPENDENT AUDITOR'S REPORT – Continued

for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the City of West Park, Florida, as of September 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 14 and 43 through 47 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2015, on our consideration of the City of West Park, 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 City of West Park, Florida's internal control over financial reporting and compliance.

S. Davis & Associates, P.A.

Hollywood, Florida
May 7, 2015

CITY OF WEST PARK, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL MANAGEMENT DISCUSSION AND ANALYSIS

As management of the City of West Park, Florida, we offer readers of the City of West Park's financial statements this narrative overview and analysis of the financial activities of the City of West Park, Florida, for the year ended September 30, 2014. Readers are encouraged to consider all of the information presented in this report. The responsibility of preparing this report is the responsibility of the management of the City of West Park, Florida.

The City of West Park, Florida, (the "City") 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 year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the City's financial statements (beginning on page 15).

The City was incorporated March 1, 2005, following a vote of residents in the formerly unincorporated Broward County. The City operates under a Commission/Administrator form of government. The Commission is elected by seat, with the exception of Mayor. Those candidates receiving the highest votes are elected to individual seats. The Mayor is elected separately and the candidate for Mayor who receives the most votes is elected. Florida Law determines the City's fiscal year. The fiscal year begins October 1st of each year and ends September 30th of the next year.

Financial Highlights

- The assets of the City of West Park exceeded its liabilities and deferred inflows of resources at September 30, 2014, by \$86,821,140 (the "net position"). Of this amount, \$7,044,314 (the "unrestricted net position") may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$1,421,527. Of that amount, \$1,511,894 was capital outlay in excess of depreciation expense for the year, with nearly all of the depreciation being for infrastructure. An additional \$111,472 resulted from an excess of revenues over expenditures in the City's operating funds, resulting from a combination of extra revenues and savings in budgeted expenditures. The balance resulted from increased long-term liabilities, of which \$229,670 was booked for other postemployment benefits. Compensated absences liabilities increased by \$342.

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

Financial Highlights - Continued

- At the close of fiscal year 2014, the City's General Fund reported \$7,643,235 in fund balance, an increase over the previous year of \$111,472. Of the total fund balance, \$1,015,960 represents non-spendable assets comprised of property held for resale and prepaid expenses and should be considered illiquid. The City's Twin Lakes Water Control District special revenue fund ended with a fund balance of \$61,302 a decrease of \$658 over 2013. The City's Stormwater Utility Fund had a final fund balance of \$270,054, a decrease over the prior year of \$152,474 that represented significant stormwater capital improvements budgeted and undertaken during the year.
- The City's General Fund Committed Fund Balance was \$255,601 and represents the amount of outstanding encumbrances, all of which were outstanding purchase orders.
- The City had \$255,894 of General Fund Restricted Fund Balance, all of which is for Law Enforcement Trust Fund related expenditures.
- The City's General Fund Assigned Fund Balance of \$276,838 is designated for use in the 2014 fiscal year.
- The City's General Fund Unassigned Fund Balance of \$5,838,942 represents immediately available resources that can be used for any lawful purpose. This is an increase from fiscal year 2013 of about 4%. Total Fund Balance also increased and total revenues were 16% greater than last year's revenue, but much of that came from grants for infrastructure.
- The City's General Fund Unassigned fund balance represents about 50% of the year's total expenditures for that fund, net of unusual and substantial capital outlay, or about six month's worth of expenditures, a slight increase from the prior year's balance. Including the unusual capital outlay activity, the unassigned fund balance was about 43% of total expenditures. The City's policy is to maintain at least a three-month level of unassigned fund balance and should strive to maintain a six-month balance. The City is within its goals.
- The City's long-term debt, comprised of accrued leave time for employees and other postemployment benefits ("OPEB" and entirely comprised of an implicit subsidy for retiree health care), increased by \$48,700 to a total outstanding amount owed of \$343,371
- The City's current assets exceeded its current liabilities by more than 12 times and has more than sufficient liquid assets to cover its immediate needs.

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

City Achievements

- Accepted the grant award of \$980,807.00 from Broward Redevelopment Program for the Complete Street Improvement project along Martin Luther King, Jr. Boulevard (SW 56th Avenue) from Countyline Road to Pembroke Road. The funding would provide much needed drainage system upgrade along the corridor; construction of bike lanes; new sidewalk; installation of traffic calming devices; asphalt resurfacing; pavement marking with the installation of regulatory signs; landscaping and irrigation system installation.
- Worked with a new business owner to authorize a new business in the City – “Bee Creative Day Care Center” at 4009 West Hallandale Beach Boulevard.
- Accepted the grant award of \$462,800 from Broward Redevelopment Program for the acquisition and interior build-out of the property located at 1901 South State road 7 (former Post Office property. With the awarded funding, the City would be able to seek development that would create new jobs; and create increased tax base for the community.
- Accepted grant award from the Florida Department of Juvenile Justice in an amount of \$17,697 for After School Program at the Mary Saunders Park.
- Completed the McTyre Park Parking Lot Improvement construction project. The improvement to the parking lot includes, new drainage system; properly aligned parking stalls to conform to the City’s Code; installation of traffic calming devices; asphalt resurfacing; landscaping with irrigation; pavement marking and signage. The parking lot was opened, with ribbon cutting ceremony, on Saturday, March 1, 2014.
- Accepted the Edward Byrne Memorial Justice Assistance grant from the Florida Department of Law Enforcement. The funds will be used for the purpose of reducing crime and enhancing public safety at a public facility.
- Completed the Audited Financial Statements for the Year Ended September 30, 2013. The Independent Audited Report states that the financial statements was presented fairly, in all material respects, the respective financial position of the government activities and each major fund of the City and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

City Achievements - Continued

- Established the South Broward Explorer Program. The program is open to high school to college aged young adults from West Park and Pembroke Park who may be thinking about a career in law enforcement. Explorers receive educational training on the purposes, mission and objectives of law enforcement along with an opportunity to get involved with community service activities. It provides a unique opportunity to interact with law enforcement personnel and community advisors in scenarios where students are able to exercise their own personal initiative. Explorers receive diverse training in the areas of self-defense; patrol procedures; traffic stops; report writing; domestic violence; Florida law; and arrest procedures. These real world activities will allow young Explorers to make an informed decision about whether they wish to pursue law enforcement as a career.
- Completed the largest roadway infrastructure improvement project since the City's incorporation on SW 56 Avenue / Dr. Martin Luther King Jr. Boulevard. This \$2.3 million improvement project provided much needed traffic calming along the 1.5 mile corridor; improved the drainage system; resurfaced streets and bike lanes; marked pavements with regulatory signs, landscaped medians and swales and improved the irrigation system.
- Constructed and unveiled the Dr. Martin Luther King, Jr. Monument to memorialize and officially recognize the co-naming of SW 56 Avenue as Dr. Martin Luther King Jr. Boulevard.
- Launched a free Community Bus Shuttle Service for the benefit of residents. This free shuttle service will increase the number of destinations and connections that can be reached through public transit.
- With funding support from the Children's Services Council we successfully completed the City's annual summer camp (Juvenile Crime Prevention Program). Since its inception over 150 children have been serviced as we end the program's second year of existence.
- The City was awarded the first State Legislative Appropriation award in the amount of \$700,000. With the assistance of State Senator Oscar Braynon and State Representative Shevrin Jones, the City was able to receive this award for SW 40 Avenue improvements and for development initiatives along State Road 7.

- The City secured funding and implemented the “Earn A Bike” program through community partners such as Florida Introduces Physical Activities and Nutrition to Youth (FLIPANY), Urban Health Solutions, Broward Regional Planning Council, and Transforming Our Community’s Health (TOUCH). This hands-on learning and earning program allowed youth to learn the basics of bicycle repair, maintenance and safe riding while refurbishing an abandoned bike.
- The City presented the annual academic achievement awards to students from Lake Forest Elementary School, Watkins Elementary School, McNicol Middle School and Stranahan High School. The students were nominated by their principals based on outstanding academic performance, overall GPA and community involvement. The City also awarded college scholarships to three local high school students who reside in West Park.
- We received the Community Development Block Grant award in the amount of \$89,301 for SW 56 Avenue / Dr. Martin Luther King Jr. Boulevard improvements.
- We received a grant from the Florida Department of Elder Affairs Communities for a Lifetime Program to provide free smoke detectors and carbon monoxide detectors for residents 60 years and older. This keep our senior residents safe initiative provides early detection of fire in homes and could mean the difference between life and death.
- Made great strides in bringing several abandoned properties into compliance through the Lien Amnesty Program. From October 2013 through September 2014 the City generated \$112,004 in revenue, while improving property value citywide.
- Completed storm water drainage system maintenance.
- Commenced street sweeping program along the business area.
- Successfully implemented all the City’s events and programs, to include:
 - Mary Kendrick Thanksgiving Feed The Needy Feast
 - Holiday Toy Drive
 - Earth Day / Recycling Program
 - Mother’s Day Breakfast
 - Father’s Day Celebration
 - Relay for Life
 - Bahamian Independence / Goombay Festival
 - Summer Camp (Camp Bravery)
 - Senior Program
 - West Park Youth Football Program

- Submitted funding request to FDEP for McTyre Park Improvement in an estimated improvement cost of \$400,000. The much needed improvement will include the construction of multipurpose field, that could be used for activities such as, tackle football, flag football and soccer programs.
- Submitted funding request to FDEP for Mary Saunders Park Improvement in an estimated improvement cost of \$120,000. The much needed improvement will include the leveling and grading of the playing fields, installation of all-purpose field light fixtures and the construction of a picnic area.
- Submitted funding request to the County's 40th Year Community Development Block Grant for the traffic calming initiative at the intersection SW 20th Street and SW 57th Avenue. The intent is to prepare the needed construction plans for traffic calming device that would control the traffic intrusion and slow down vehicles traveling through the intersection.
- Submitted funding request to the County's 40th Year Community Development Block Grant for the Complete Street Improvement along SW 40th Avenue from Countyline Road to Pembroke Road. The proposed improvement will include upgrading of the drainage system along the corridor; construction of bike lanes; new sidewalk; installation of traffic calming devices; asphalt resurfacing; pavement marking with the installation of regulatory signs; landscaping and irrigation system installation.
- Submitted funding requests in response to the Governor's Fiscal Year 2014-15 Water Projects grants to aid in funding of drainage improvement projects along the City's streets, to include, SW 40th Avenue; and other retrofits / upgrades needed per the City' Storm Water Management Master Plan.
- Submitted funding request to the State Legislator for the following priority list:
 - Citywide Drainage Improvements \$2,900,000
 - (Preparation Retention Ponds for Redevelopment)
 - SW 40th Avenue Complete Street Improvement \$1,650,000
 - (Pembroke Road to Countyline Road)
 - State Road 7 Pedestrian Lights \$650,000
 - State Road 7 Entrance Sign \$300,000

- McTyre Park Master Plan – Phase I - III \$16,000,000
 - (Building Construction)
 - Traffic Calming – Plan - Phase I \$500,000
 - (Study Areas A, B, & C)
 - Senior Programing \$150,000
- Submitted funding request in response to the Governor’s Fiscal Year 2014-15 Water Projects grants to aid in funding of the drainage system enhancement and economic development initiative for preparing the retention ponds along State Road & corridor for development. Using the proposed storm trap structures with the existing high performance hydrodynamic separators, the properties will be ready for development with the following estimated cost requested for funding:
 - Pond 1 - South State Road 7 & Hallandale beach Blvd - \$1,031,202
 - Pond 2 - 3151 South State Road 7 - \$799,369
 - Pond 3 - South State Road 7 & S.W. 36th Street - \$979,361
 - Continued dedicated services to the residents and businesses, successfully increasing the number of businesses in the City, thus generating 7.6% increase in businesses tax revenue.
 - During a period of tremendous economic contraction which saw the City’s tax base decline to a point lower than it was when the City was first incorporated, the City’s financial health has been maintained through tough decision making and a commitment to keeping the City’s financial health sound. During the periods of rapid tax base growth, the City opted to set aside those increased funds so that its finances could be sustained during any economic downturn. Even with the nation’s very difficult financial circumstances, the City found creative ways to increase revenue and reduce expenses, thus maintaining the City’s very good financial position for the near term.

Overview of the Financial Statements

The financial statement focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to assess the particulars of the City’s financial operations and also provide for annual comparisons of the City’s financial performance. The statements can also facilitate comparisons with other units of government.

Government-wide Financial Statements

The Government-wide Financial statements (see pages 15 to 16) are designed to be corporate-like in that all governmental and business-type activities (though the City as yet does not operate any business-type activities) are consolidated into columns that add up to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates government funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities (see page 16) is focused on both the gross and net cost of various activities (including governmental, component units and business-type), which are supported by the City's taxes and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities and/or components.

The Government Activities reflect the City's services, which reflect the full range of municipal services. The City provides police and fire rescue services through an interlocal agreement with the Broward Sheriff's Office (BSO). The Broward County Board of County Commissioners approves BSO's budget. The City provides solid waste services to residential properties of 10 dwelling units or less under a franchise agreement with a private company. Commercial waste streams are provided by licensed waste haulers under open market conditions with a franchise fee paid to the City by each hauler based upon the billings of each hauler. Finance, Development Services and Code Enforcement services are provided through contracts with various vendors. Employees hired by the City provide administration and Parks and Recreation services.

Fund Financial Statements

Traditional users of government financial statements will find the Fund Financial Statement presentations more familiar. The focus in those statements is on Major Funds.

The City's Major Fund presentation (see pages 17 to 19) is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

Fund Financial Statements - Continued

Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith (beginning on page 18).

The Government Major Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) that is reflected on the entity-wide statement (see pages 17 and 19 for the reconciliation). The flow of current financial resources will reflect interfund transfers and other financial sources, as well as capital expenditures. The reconciliation will eliminate these transactions and incorporate the capital asset and long-term obligations into the Government Activities column (in the Government-wide statements).

Capital Assets

Historically, a government's largest group of assets (infrastructure, buildings, roads, curbs, and sidewalks) have not been reported nor depreciated in government financial statements. Pronouncements in governmental accounting require that these assets be valued and reported within the Government column of the Government-wide Statements. The City has \$79,196,294 of net capital assets, none of which was financed with debt. Of that amount, \$54,790,434 represents land and \$23,394,586 is the net value of infrastructure assets such as roads and sidewalks, which is being depreciated annually.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The largest portion of the City's non-capital total assets is cash deposits. The City also holds an estimated \$1,010,720 in property held for resale, all of which is land. The remainder is largely receivables due from other governments for shared revenues and grants accrued but not received by year-end. Cash accounted for almost 70% of these non-capital assets and deferred outflows of resources, representing no significant change from the prior year.

The Unrestricted Net Asset balance is intended to be a corporate-style measurement of well-being (or a bottom line) for the City and its related governmental and business-type activities.

The following table reflects the condensed Statement of Net Position. The City has no business-type activities; therefore, totals have been eliminated from the presentation:

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

City of West Park's Net Position

	Governmental Activities		Percent Change
	2014	2013	
Assets			
Cash and Equivalents	\$ 5,922,529	\$ 6,670,621	-11.2%
Accounts Receivable	1,676,084	742,754	125.7%
Prepaid Expenses	5,240	1,740	201.1%
Property Held For Resale	1,010,720	1,010,720	-
Capital Assets, Net of Depreciation	79,196,294	77,684,752	1.9%
Total Assets	<u>87,810,867</u>	<u>86,110,587</u>	2.0%
Liabilities			
Accounts Payable	590,964	351,674	68.4%
Compensated Absences	113,701	113,339	.3%
Other Post Employment Benefits	229,670	181,332	26.7%
Total Liabilities	<u>934,335</u>	<u>646,345</u>	
Deferred Inflows of Resources			
Business Tax Receipts and Cost Recovery	48,674	57,912	-16%
Total Liabilities and Deferred Inflows of Resources	<u>1,039,591</u>	<u>704,257</u>	47.6%
Net Position			
Net Invested In Capital Assets	79,196,294	77,684,752	1.9%
Restricted for:			
Water Control District	61,302	61,960	-1.0%
Stormwater	270,053	422,527	-36.1%
Law Enforcement Trust	255,894	252,782	1.2%
Unrestricted	7,044,314	6,984,309	0.8%
Total Net Position	<u>\$ 86,827,857</u>	<u>\$ 85,406,330</u>	1.7%

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

Current Year Impacts

Statement of Activities

The following schedule presents a comparative Statement of Activities for the current and prior fiscal years. The City has no business-type activities; therefore, totals have been eliminated from the presentation. Further, the significant capital outlay in the General Fund financial statement is not included in the entity-wide full accrual presentation:

City of West Park's Changes In Net Position			
	Governmental Activities		
	2014	2013	Percent Change
Revenues:			
Program Revenues			
Charges for Services	\$ 5,190,876	\$ 4,957,675	4.7%
Operating Grants and Contributions	157,339	159,452	-1.3%
Capital Grants and Contributions	1,712,032	108,134	1,583.3%
General Revenues			
Taxes	5,244,139	5,144,842	1.9%
Other	1,824,635	1,882,819	-3.1%
Total Revenues	<u>14,129,021</u>	<u>12,252,922</u>	15.3%
Expenses			
General Government	2,068,073	1,805,336	15.6%
Public Safety	6,889,004	6,863,245	0.4%
Public Works	2,971,907	2,924,503	1.6%
Parks and Recreation	778,510	781,851	-.4%
Total Expenses	<u>12,707,494</u>	<u>12,374,935</u>	2.7%
Change in Net Position	<u>\$ 1,421,527</u>	<u>\$ (122,013)</u>	

Conditions and Impacts That Can Affect The City's Financial Operations

Many factors and conditions can influence the current and long-term finances of the City:

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

Conditions and Impacts That Can Affect The City's Financial Operations - Continued

Limits On Tax Base Growth. Under Florida's Constitution, residential properties that are owner-occupied and have a homestead exemption are limited to annual assessment increases of 3% or less. The effect of this limitation burdens the City's tax base by exempting from taxation, large portions of residential properties. Typically, municipalities in the South Florida market experience increases in annual expenditures well in excess of this 3% cap. Consequently, the City will be challenged to diversify its tax base while keeping its expenditures under control. The City has the ability to tax property up to 10 mills, or \$1 for each \$1,000 of taxable value. It is likely that the City will edge near this cap unless substantial tax base growth occurs, expenditures are retarded, or other revenues are found to cover the growing public safety needs. The City has already used about 89% of its taxing power on property taxes.

Economic Conditions. The City is located in South Florida. Demand for residential and commercial property has historically been very strong, but the effects of the recent recession have sent property tax values to a point less than when the City was first incorporated. Recent valuations have seen this trend start to reverse and activity suggests that more property is being bought and sold, indicating stronger investment in property within the City. The City is largely built-out and its tax base growth will likely need to come from redevelopment. The State of Florida Department of Transportation ("FDOT") has undertaken a road-widening project on the US-441 corridor. As part of that project, FDOT has taken, through condemnation or other means, some of the frontage of business properties located along this corridor. A large portion of the City's housing stock was constructed over 30 years ago. Prior to incorporation, the County had undertaken a program of repairs to the infrastructure in the City and Management believes that the infrastructure that has been inherited is in good shape and should not need any significant capital for many years.

Introduction of New Programs. One of the impetuses for creating the City was the dearth of responsive services in the Community. Code enforcement and recreational opportunities have been particular areas of local concern and the City has increased its efforts in this area. The additional programs, though increasing fixed costs of City operations, are helping to bolster property values.

Personnel Costs and Stresses. The cost of attracting and keeping experienced and competent personnel in South Florida has dramatically increased over the last two decades. The City will have to compete with the roughly 90 municipalities that exist in Miami-Dade, Broward, and Palm Beach counties. The level and amount of benefits offered to employees in this market is substantial and the employer contributions for these benefits are typically very high. As the City expands its services, it will face continual pressure on these costs. The City currently contracts for many of its services and expects to do so for some time in an effort to hold down costs.

**CITY OF WEST PARK, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

Conditions and Impacts That Can Affect The City's Financial Operations - Continued

Inflation. While overall inflation continues to be extremely low, the City is and will be exposed to certain costs that have historically been much higher than the consumer price index typically used to measure inflation. Chief among these costs are insurances and wages. Reduced inflation rates generally mirror reduced interest rates. Currently, investment options available to the City pay minimal amounts toward investment income. The monetary policy of the federal government may create a situation where interest rates rise, but at a rate below the inflation rate. Should this situation arise, the City will find its finances severely stressed.

THE CITY FUNDS

Governmental Funds

As of the year-end, the Governmental Funds (as presented on the balance sheet) reported a total fund balance of \$7,974,591 of which \$5,838,942 is unassigned.

Business Type Funds

Currently, the City does not have any Business-type funds.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the City had \$79,196,294 in capital assets, net of related depreciation. Of that amount, \$54,790,434 was invested in land and \$23,394,586 was invested in infrastructure, net of depreciation.

Debt

The City had \$343,371 in compensated absences and other post employment benefits owed to employees and retirees of the City. This was \$48,700 more, or 16.5% greater, than in fiscal year 2013.

FINANCIAL INFORMATION CONTACTS

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have any questions about the report or need additional financial information, contact the City's Finance Director at 1965 S. SR-7, West Park, Florida 33083.

**CITY OF WEST PARK, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

Assets	Governmental Activities
Cash and Cash Equivalents	\$ 5,922,529
Accounts Receivable	1,676,084
Prepaid Expenses	5,240
Property Held For Sale	1,010,720
Capital Assets Not Being Depreciated:	
Land	54,790,434
Capital Assets Net of Related Depreciation:	
Infrastructure	23,394,586
Buildings	130,358
Improvements Other than Buildings	354,544
Equipment	526,372
Total Assets	87,810,867
Liabilities	
Account Payable and Accrued Expenses	590,964
Compensated Absences	113,701
Other Post Employment Benefits	229,670
Total Liabilities	934,335
Deferred Inflows of Resources	
Business Tax Receipts and Cost Recovery	48,674
Net Position	
Net Invested in Capital Assets	79,196,294
Restricted for:	
Water Control District	61,302
Stormwater	270,053
Law Enforcement Trust	255,894
Unrestricted	7,044,314
Total Net Position	\$ 86,827,857

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

CITY OF WEST PARK, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Program Revenues				Net (Expense) Revenue And Change In Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental Activities:						
General Government	\$ 2,068,073	348,501	-	-	(1,719,572)	(1,719,572)
Public Safety	6,889,004	2,566,837	5,731	-	(4,316,436)	(4,316,436)
Public Works	2,971,907	2,218,125	46,184	1,712,032	1,004,434	1,004,434
Parks and Recreation	778,510	57,413	105,424	-	(615,673)	(615,673)
Total Governmental Activities	\$ 12,207,494	5,190,876	157,339	1,712,032	(5,647,247)	(5,647,247)
General Revenues:						
Property Taxes					\$ 3,191,518	3,191,518
Franchise and Utility Taxes					1,763,073	1,763,073
Communications Services Tax					289,548	289,548
Intergovernmental					1,655,867	1,655,867
Unrestricted Investment Income					12,592	12,592
Miscellaneous Revenues					156,176	156,176
Total General Revenues					7,068,774	7,068,774
Change in Net Position					1,421,527	1,421,527
Net position, beginning					85,406,330	85,406,330
Net position, ending					\$ 86,827,857	\$ 86,827,857

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

CITY OF WEST PARK, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	General Fund	Twin Lakes Fund	Stormwater Fund	Totals
Assets				
Cash and Cash Equivalents	\$ 5,720,894	\$ 61,302	\$ 140,332	\$ 5,922,529
Accounts Receivable	1,546,363	-	129,720	1,676,084
Prepaid Expenses	5,240	-	-	5,240
Property Held For Sale	1,010,720	-	-	1,010,720
Total Assets	<u>\$ 8,283,217</u>	<u>\$ 61,302</u>	<u>\$ 270,053</u>	<u>\$ 8,614,573</u>
Liabilities				
Accounts Payable and Accrued Expenses	\$ 590,964	\$ -	\$ -	\$ 590,964
Total Liabilities				
Deferred Inflows of Resources				
Business Tax and Cost Recovery	48,674	-	-	48,674
Total Liabilities and Deferred Inflows of Resources	<u>639,638</u>	<u>-</u>	<u>-</u>	<u>639,638</u>
Fund Balances:				
Nonspendable	1,015,960	-	-	1,015,960
Committed	255,601	-	-	255,601
Restricted	255,894	61,302	270,053	587,249
Assigned	276,838	-	-	276,838
Unassigned	5,838,942	-	-	5,838,942
Total Fund Balances	<u>7,643,235</u>	<u>61,302</u>	<u>270,053</u>	<u>7,974,591</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,288,147</u>	<u>\$ 61,302</u>	<u>\$ 270,053</u>	

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, including a \$344 adjustment	79,196,638
Long-term liabilities, including compensated absences and other post-retirement benefits, are not due and payable in the current period and, therefore, are not reportable in the funds.	(343,371)
Net Assets of governmental activities	<u>\$ 86,827,857</u>

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

CITY OF WEST PARK, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General Fund	Twin Lakes Fund	Stormwater Fund	Totals
Revenues				
Taxes				
Property Taxes	\$ 3,191,518	\$ -	\$ -	\$ 3,191,518
Motor Fuel Taxes	247,336	-	-	247,336
Franchise Taxes	831,005	-	-	831,005
Utility Taxes	932,068	-	-	932,068
Communications Services Tax	289,548	-	-	289,548
License and Permits	441,148	-	-	441,148
Intergovernmental	3,276,294	-	-	3,276,294
Charges For Services	709,127	-	-	709,127
Fines and Forfeitures	378,325	-	-	378,325
Interest	12,592	-	-	12,592
Special Assessments	3,445,284	8,415	325,194	3,778,893
Miscellaneous	40,967	-	-	40,967
Total Revenues	<u>13,795,412</u>	<u>8,415</u>	<u>325,194</u>	<u>14,129,021</u>
Expenditures				
General Government	1,413,699	-	-	1,413,699
Public Safety	6,889,004	-	-	6,889,004
Public Works	1,862,921	9,073	164,604	2,036,597
Parks and Recreation	684,808	-	-	684,808
Non Departmental	552,388	-	-	552,388
Capital Outlay	2,281,119	-	313,063	2,594,182
Total Expenditures	<u>13,683,939</u>	<u>9,073</u>	<u>477,667</u>	<u>14,170,679</u>
Net Change in Fund Balances				
	111,472	(658)	(152,472)	(41,657)
Fund balances, beginning	7,531,763	61,960	422,526	8,016,249
Fund balances, ending	<u>\$ 7,643,235</u>	<u>\$ 61,302</u>	<u>\$ 270,054</u>	<u>\$ 7,974,592</u>

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

**CITY OF WEST PARK, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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

Net change in fund balances - Total Governmental Funds	\$	(41,657)
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Governmental funds report capital outlays as expenditures;
however, in the Statement of Activities, the cost of capital assets
is allocated over their estimated useful lives and reported as
depreciation expense. This is the amount by which capital outlays
exceed depreciation in the current period. The details of the
difference are as follows:

Capital Outlay Expenditures	\$	2,594,182	
Depreciation Expense		<u>(1,082,288)</u>	1,511,894

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. The details of
the difference are as follows:

Compensated Absences	\$	(362)	
Other Post Employment Benefits (Retiree Healthcare Implicit Subsidy)		<u>(48,348)</u>	(48,710)

Changes in Net Assets of governmental activities	\$	<u>1,421,527</u>
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The notes to the financial statements are an integral part of this statement.

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of West Park, Florida (“the City”), located in Broward County, Florida, is a municipal corporation in the State of Florida. The City, which was incorporated on March 1, 2005, operates under a Commission/Administrator form of government. In addition to the general government function, the City provides its residents and businesses with parks and recreational services. Through contractual arrangements, the City also provides public works, development services (building, planning and zoning, code enforcement) and financial management services. Through interlocal agreements and arrangements, the City also receives Police and Fire/Rescue services from Broward County. Through franchise agreements, a private contractor who pays a franchise fee to the City provides solid waste services. The City sets the rates for solid waste services.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below:

A. Financial Reporting Entity

The financial statements were prepared in accordance with government accounting standards that establish standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization’s governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

Blended Component Unit

The Twin Lakes Water Control District (“the District”) provides drainage and waterway management services to select properties located within the City of West Park. Created by Broward County (“the County”) as a special purpose unit of local government, the

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. Financial Reporting Entity – Continued

County transferred control of and responsibility for the District to the City of West Park on October 15, 2007. The District serves 217 properties and levies an annual special assessment to pay for the costs of maintenance within the District. The District is governed by the Board, which is also the City Commission, and is advised by an appointed volunteer group. The City Commission sets the rates and charges to the affected properties and the legal liability for the District remains with the City of West Park. The District is reported within these financial statements as the Twin Lakes Special Revenue Fund.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the *Statement of Net Position* and the *Statement of Activities*) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these 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 for support. The City does not have any business-type activities.

The *Statement of Activities* demonstrates the degree to which the direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges or assessments 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. The City maintains three funds - the General Fund, the Twin Lakes Special Revenue Fund and the Stormwater Fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The governmental-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

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 City considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting, with the exception of debt service payments of principal and interest, when they are recorded and due.

Property taxes, franchise fees, and other taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds. The City also has elected to consider its Twin Lakes Special Revenue Fund as a major fund:

The *General Fund* is the City'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 *Twin Lakes Special Revenue Fund* accounts for all financial resources associated with the operations of the Twin Lakes Water Control District, a special purpose unit of local government controlled by the City and shown as a blended component unit within the financial statements. The assessments and other revenues collected are legally restricted and can only be used for costs associated with the activities of the District.

The *Stormwater Special Revenue Fund* accounts for all financial resources associated with the operations of the stormwater operations of the City. The activities within this fund are paid for through user charges levied on improved property within the City. The revenues of this fund are legally restricted and can only be used for costs associated with the construction and maintenance of stormwater systems throughout the City.

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Amounts reported as *program revenues* include 1) charges or assessments to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

D. New Accounting Pronouncement

During the year, the City implemented Governmental Accounting Standards Board Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which establishes guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position. Statement 63 established a framework detailing how these elements should be reported, standardizing their presentation of deferred balances and their effects on a government's net position. The Statement encourages the use of the *Net Position* format utilized by the City. Statement 63 became effective for the City's 2013 fiscal year.

E. Assets, Liabilities, and Net Position or Equity

1. Deposits

The City's cash and cash equivalents include cash on hand and demand deposits.

2. Receivables and Payables

The City has three funds and there was no interfund activity between these three funds during the fiscal year. The City uses pooled cash and each fund has accounted for its share of the pooled cash.

All receivables are shown net of any allowance for uncollectibles and are generally recorded as the amounts actually received subsequent to and for the reported fiscal period. No estimates of the amounts owed at year-end were required.

All payables are recorded at the amounts that were subsequently paid.

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities, and Net Position or Equity - Continued

3. Capital Assets

Capital assets, which include property, plant and equipment, and certain infrastructure assets (e.g., utility plant, roads, bridges, sidewalks, and similar items) are reported in the applicable governmental activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost or component of more than \$25,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed when funds are borrowed for projects. No such costs were capitalized in fiscal year 2014.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	30-50
Buildings	20-30
Improvements other than Buildings	10-30
Furniture and equipment	3-10

4. Property Held For Resale

The City owns several parcels of land that were granted to it by Broward County. These parcels are located throughout the City and will not be used in the normal course of operations. The City maintains the vacant parcels. The City plans to sell the parcels at some point in the future. The amount reflected on the financial

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Assets, Liabilities, and Net Position or Equity – Continued

statements is the historical value that was booked when the parcels were conveyed to the City. The estimated market value of the sum of all the parcels, as recorded by the

Broward County Property Appraiser's Office as of January 1, 2014, was greater than the historical value of the sum of all the parcels. The City has not yet determined when these parcels will be sold, though it is likely to be more than one year from the Financial Statement date.

5. Compensated Absences

It is the City's policy to permit employees to accumulate, within certain limits, earned but unused vacation time and sick leave, which will be paid to employees upon separation from City service. All vacation and sick leave pay is accrued when incurred in the government-wide fund financial statements. In the governmental funds, a liability would be recorded only for vacation and sick leave payouts for employee separations that occurred prior to September 30, 2014, and were subsequently paid with current available financial resources. In the entity-wide financial statements, costs for compensated absences are accrued as expenses and further recorded as liabilities. The liability is further distinguished between short-term and long-term portions.

6. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts of assets, liabilities, disclosures of contingent liabilities, revenues, and expenditures/expenses reported in the financial statements and accompanying notes. These estimates include assessing the collectibility of receivables and the useful lives of capital assets. Although these estimates, as well as all estimates, are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ with actual results.

7. Fund Equity

The City has adopted a Fund Balance Policy in order to implement the provisions of Governmental Accounting Standards Board Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The Policy applies only to the General Fund of the City. The Special Revenue Funds will generally reflect only Restricted Fund Balances or Equities. The Policy is described in more detail as follows:

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Assets, Liabilities, and Net Position or Equity – Continued

A. Fund Balance Policy

The City hereby establishes and will maintain reservations of Fund Balance as defined herein in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Policy shall only apply to the City's General Fund. Fund Balance shall be composed of restricted, committed, assigned, non-spendable and unassigned amounts. Fund Balance information is used to identify the available resources to provide for emergencies, repay long-term debt, reduce property taxes, add governmental programs, expand existing ones, or enhance the financial position of the City in accordance with policies established by the City Council.

B. Definitions

Fund Balance - Refers to the difference between assets and fund liabilities in the governmental funds balance sheet and is referred to as fund equity.

Restricted Fund Balance - Amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action of the City Council, the City's highest level of decision-making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally.

Assigned Fund Balance - Amounts that the City intends to use for a specific purpose. The management of the City shall express the intent.

Non-Spendable Fund Balance - Amounts that are not in a spendable form such as inventory or are required to be maintained intact (principal of an endowment fund, for example).

Unassigned Fund Balance - The residual classification for the General Fund and includes amounts that are not contained in the other classifications.

Unassigned amounts are the portion of fund balance which is not obligated or specifically designated and is available for any purpose.

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Assets, Liabilities, and Net Position or Equity – Continued

C. Reservations of Fund Balance

1. Restricted Fund Balance

The City had \$255,894 of restricted fund balance in the General Fund at the end of the fiscal year. The amounts represent unspent federal and state law enforcement trust fund receipts.

2. Committed Fund Balance (General Fund)

The City Council hereby establishes the following committed fund balance reserves in the General Fund:

a. Encumbrances

Amounts outstanding as purchase commitments at fiscal year end will have an amount of fund balance equal to those purchase commitments Committed.

3. Assigned Fund Balance (General Fund)

The City hereby establishes the following assigned fund balance reserves in the General Fund:

a. Designated Carry Forward

The designated carry forward fund balance reserve is assigned by the City as set forth in the annual budget and any amendments thereto to provide funds for differences, if any, between budgeted revenues and expenditures. The City had appropriated \$276,838 in Fund Balance designated for use in the City's fiscal year 2014 budget.

c. Budget Stabilization

To provide for stabilization of property tax rates, assessments, fees and other charges from year-to-year, assignments may be made of fund balance as determined by the City Manager.

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Assets, Liabilities, and Net Position or Equity – Continued

d. Other Post Employment Benefits

Unfunded benefits that annually accrue to employees of the City will have an amount of fund balance equal to the outstanding liability at fiscal year end assigned to that liability.

e. Accrued Leave Time

Unfunded accrued leave time liability that is owed to employees for unused paid time off or unpaid compensatory time worked will have an amount of fund balance equal to the outstanding liability at fiscal year end assigned to that liability.

f. Claims and Settlements

The City Manager will assign fund balance in an amount determined to pay for significant claims and settlements that may be owed by the City but which may not be specially enumerated while litigated, claimed, or owed.

4. Non-Spendable Fund Balance (General Fund)

The City hereby establishes the following non-spendable fund balance reserve in the General Fund:

a. Inventory Reserve and Prepaid Items

The inventory fund balance reserve is established to indicate those amounts relating to inventories that are not in a spendable form. The Prepaid Items fund balance reserve is established to indicate those amounts related to expenditures that have already been paid, but in advance of the time they were owed. Unless these items individually reflect material amounts for financial statement purposes, they may be combined as one item.

D. Minimum Level of Unassigned Fund Balance

The unassigned fund balance of the General Fund at each fiscal year end shall not be less than 25% of the following year's projected budgeted expenditures. In any fiscal year where the City is unable to maintain this 25% minimum reservation of fund balance as required in this section, the City shall not budget any amounts of

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Assets, Liabilities, and Net Position or Equity – Continued

unassigned fund balance for the purpose of balancing the budget. Because the City has recently been created and requires a significant use of its taxing powers, the City Manager should strive to maintain at least six months of reserves.

E. Disbursement of Fund Balance Reserves

Disbursements of funds within the fund balance reserves shall be authorized by an ordinance of the City Council and may be approved by inclusion in the approved annual budget and amendments thereto or shall be authorized pursuant to any ordinances or procedures adopted by the City Council (such as the City's procurement code).

F. Annual Review and Determination of Fund Balance Reserve Amounts

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process and the amounts of restricted, committed, assigned, non-spendable and the minimum level of unassigned fund balance shall be determined during this process.

G. Additional Information Requirements/Responsibilities

It will be the responsibility of the Finance Director to keep this policy current.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position.

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – Continued

The details of the \$78,852,923 are detailed as follows:

Capital assets:	
Land and Easements	\$ 54,790,434
Infrastructure, Less Accumulated Depreciation	
Depreciation	23,394,586
Buildings, Less Accumulated Depreciation	130,358
Improvements Other Than Buildings, Less Accumulated Depreciation	354,544
Equipment, Less Accumulated Depreciation	526,372
Total capital assets:	79,196,294
Compensated absences owed to employees	(113,701)
Other Post Employment Benefits	(229,670)
Net adjustment to increase <i>fund balance-total Governmental funds</i> , to arrive at <i>net position-governmental activities</i>	\$ 78,852,923

2. 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 reconciliation between *net changes in fund balances — total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. The details of this \$1,421,527 difference are as follows:

CITY OF WEST PARK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2014

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – Continued

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - Continued

Net Change in Fund Balance:	\$ (41,657)
Capital Outlay Expenditures	2,594,182
Depreciation Expense	(1,082,288)
Increase in Compensated Absences	(362)
Increase in OPEB Healthcare Implicit Subsidy	<u>(48,348)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 1,421,527</u>

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budgets are adopted and controlled at the fund level. Annual appropriations that are not encumbered at fiscal year-end lapse. Encumbrances are paid from the fiscal year appropriations for which an expenditure was originally made (the “lapse” period).

While controlled ultimately at the fund level, annual budgets are prepared using fund, department, and object of expenditure levels. The City Administrator may make adjustments within the fund level with the Commission approval, but may not exceed the total amount set at the fund level. During fiscal year 2014, the Commission adopted one budget revision.

Encumbrance accounting is employed in governmental funds. Encumbrances (purchase orders, construction commitments, or other claims against appropriations) outstanding at year-end are reported as reservations of fund balances. There was \$255,601 in outstanding encumbrances in the General Fund at fiscal year-end.

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continued

B. Budget Performance

General Fund. For the fiscal year ended September 30, 2014, the City spent \$111,472 less than it received and did not have to use any of the \$631,948 of fund balance it had appropriated. The combination of having more revenues than expenditures and not using the fund balance that had been appropriated resulted in a positive budget variance of \$743,420. The City had slightly positive variances in most major revenue categories. The City received grants during the year for which resulted in generally offsetting revenues from intergovernmental sources and expenditure of capital outlay. The City also received approximately \$17,585 and spent \$14,473 of the federal awards during the year. The City has a favorable variance from charges for services, mostly resulting from its successful code amnesty program and nuisance abatement charges. Fines and Forfeitures were down from expected amounts associated with red light camera program. This is a cost neutral program to the City as its revenues and expenditures are periodically adjusted with the vendor. Special assessment revenues were over what the City had expected and Franchise Fees from commercial waste were down, but this reflects the allocation in the assessment methodology and the activities, after offsetting the differences, were slightly favorable. Licenses and Permits saw a favorable variance as a solid waste permit fee was renegotiated after the budget was adopted. General Governmental activities overall had a favorable variance, but most departments were slight over budget, largely due to fiscal year end payroll accruals. These accruals, which result from payroll periods that overlap fiscal years, were paid in FY2015 but the portion of those payments that related to days worked in FY2014 have been shown as expenditures in this report. This is also true of the other departments except public safety (which programs are contracted out).

Police and Fire developed positive variances as minor changes to those contracts were negotiated during the year.

Parks and Recreation activities reflect an additional senior programs but the majority of the variance was due to maintenance costs that were higher than expected.

Twin Lakes Special Revenue Fund. The fund had very small positive budgetary performance of \$342 and did not require the full amount of appropriated fund balance.

Stormwater Special Revenue Fund. The fund had a positive \$137,144 budget variance, taking in \$16,195 more than budgeted and spending \$120,949 less than

NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continued

B. Budget Performance - Continued

expected. Even though budgetary performance was positive, the fund used \$152,472 of accumulated reserves in undertaking ongoing capital projects during the year.

C. Fund Equity

General Fund. The City has positive fund equity of \$7,640,256 which is summarized as follows:

Nonspendable	
Property Held for Resale	\$ 1,010,720
Committed:	
Encumbrances	255,601
Restricted:	
Law Enforcement Trust Funds	255,8974
Assigned:	
FY 2015 Budget Expenditures	276,838
Unassigned	<u>5,838,942</u>
Total Fund Equity	<u>\$ 7,643,235</u>

The Unassigned fund equity of \$5,838,942 was 51% of the fiscal year 2014 actual General Fund expenditures, net of the extensive capital outlay undertaken, or 43% of total expenditures including capital outlay. This is above the required minimum 25% level and the 50% goal (if the capital outlay is excluded. It is below the goal if the unusual activity is included).

Twin Lakes Special Revenue Fund. The fund had \$61,302 in fund equity at year-end, all of which was restricted to uses of the fund. This fund has no designated minimum or targeted Unassigned fund equity amount.

Stormwater Special Revenue Fund. The fund had \$270,053 in fund equity at year-end, all of which was restricted to uses of the fund. This fund has no designated minimum or targeted Unassigned fund equity amount.

NOTE 4. DEPOSITS

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State of Florida Chief Financial Officer, to hold public funds. Under Florida law, the State Chief Financial Officer requires all Florida qualified public depositories to deposit with the Chief Financial Officer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

NOTE 5. RECEIVABLES

Receivables as of September 30, 2014, for the City's General Fund, including the allowance for uncollectible accounts, are as follows:

General Fund	
Property Taxes and Assessments	\$ 12,224
Franchise and Utility Taxes	133,521
Intergovernmental	1,029,443
Other	47,442
Excess Bulk Waste Fees	168,153
Fire Inspection Fees	155,580
Total General Fund	<u>\$ 1,546,363</u>
Stormwater Fund	
Stormwater Charges	<u>\$ 129,720</u>

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2014, was as follows:

	Balance September 30, 2013	Increases	Decreases	Balance September 30, 2014
Capital assets not being depreciated				
Land and easements	\$ 54,790,434	\$ -	\$ -	\$ 54,790,434
Work in progress	300,642	-	300,642	-
Total capital assets not being depreciated	<u>55,091,076</u>	<u>-</u>	<u>300,642</u>	<u>54,790,434</u>
Capital assets being depreciated				
Infrastructure	26,147,710	2,444,193		28,591,903
Buildings	262,920	-	-	262,920
Improvements other than buildings	460,737	19,337	-	480,074
Equipment	457,988	430,941	-	888,929
Total capital assets being depreciated	<u>27,329,355</u>	<u>2,894,472</u>	<u>-</u>	<u>30,223,827</u>
Less: accumulated depreciation for:				
Infrastructure	4,272,630	924,687	-	5,197,317
Buildings	129,096	6,466	-	132,562
Improvements other than buildings	83,846	41,684	-	125,530
Equipment	253,107	109,450	-	362,557
Total depreciation	<u>4,725,679</u>	<u>1,082,288</u>	<u>-</u>	<u>5,817,967</u>
Total capital assets being depreciated, net	<u>22,593,676</u>	<u>1,812,184</u>	<u>300,642</u>	<u>24,405,860</u>
Governmental activities capital assets, net	<u>\$ 77,684,752</u>	<u>\$ 1,812,184</u>	<u>\$ 300,642</u>	<u>\$ 79,196,294</u>

Depreciation expense for the fiscal year ended September 30, 2014, was charged to functions/programs as follows:

General Government	\$ 93,693
Public Works (Infrastructure)	914,939
Parks and Recreation	73,656
Total depreciation expense	<u>\$ 1,082,288</u>

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 7. ACCOUNTS PAYABLE AND DEFERRED INFLOWS OF REVENUE

At fiscal year-end, the City owed various vendors and employees \$637,397. Also at fiscal year end, the City had collected business tax revenues and cost recovery services of \$48,674 in advance of their due date. That revenue will all be earned in fiscal year 2015.

NOTE 8. PROPERTY TAXES

Property values are assessed on a countywide basis by the Broward County Property Appraiser as of January 1st, the lien date, of each year and are due November 1st of the same year. The Property Appraiser certifies taxable value of property within the City and the City levies a tax millage rate upon the taxable value, which will provide revenue required for the fiscal year beginning October 1st. Property taxes and some non ad valorem special assessments levied each November 1st by the City and all other taxing authorities within the County are centrally billed and collected by the County, with remittances to the City of its proportionate share of collected taxes. Taxes and non ad valorem special assessments for the fiscal year beginning October 1st are billed in the month of November subject to a 1% per month discount for the period November through February, and are due no later than March 31st of the subsequent year. On April 1st, unpaid amounts become delinquent with interest and penalties added thereafter. Beginning June 1st, tax certificates representing delinquent taxes with interest and penalties are sold by Broward County, with remittance to the City for its share of those receipts. Non Ad Valorem Special Assessments for Solid Waste, Fire Services, and Twin Lakes Water Control District services are levied on benefited properties and collected in the same manner as property taxes.

NOTE 9. LONG-TERM LIABILITIES AND OTHER OBLIGATIONS

At fiscal year end, the only long-term debt that the City had was for compensated absences and retiree health benefits owed to employees and future retirees.

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 9. LONG-TERM LIABILITIES AND OTHER OBLIGATIONS - Continued

Changes in Long-Term Liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Compensated Absences	\$ 113,339	\$ 14,522	\$ 14,160	\$ 113,701	\$ 56,851
Other Post Employment Benefits, Retiree Healthcare					
Implicit Subsidy	181,332	48,338	-	229,670	-
Total Long-Term Debt	<u>\$ 294,671</u>	<u>\$ 62,860</u>	<u>\$ 14,160</u>	<u>\$ 343,371</u>	<u>\$ 56,851</u>

The City entered into an interlocal agreement in 2011 with Broward County that allows the City to operate McTyre Park for a period of 10 years with options to renew the agreement every 10 years. The State of Florida owns the property upon which the park is located. In turn, the State of Florida leases the property to the School Board of Miami-Dade County. The School Board of Miami-Dade County utilizes the property for a radio and television transmission tower. Under the terms of the agreement, the City must maintain the property during the term of the agreement and Broward County must pay the City \$12,000 annually to assist with the maintenance of the park.

Long-term Lease

The City has a lease agreement, expiring September 30, 2021, with Interstate Pembroke LLC., for 7,800 square feet of office space for City Hall. The lease requires payments of \$135,000 annually, increased by 3% each October 1st. The estimated annual lease payments for fiscal year 2015 total \$147,518 which has been budgeted. The lease is inclusive of all common area maintenance. The lease requires the City to annually appropriate funds for the lease. Should the City not appropriate funds for the lease, an early termination fee designed to recover the unamortized cost of improvements made by the owner of the property will be required. The fee can be as much as \$350,000, declining annually to \$44,862.

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 10. EMPLOYEE RETIREMENT PLANS

Statewide Florida Retirement System

Plan description. The City participates in the Florida Retirement System (FRS) for its eligible employees. FRS is a cost sharing, multiple-employer defined benefit pension plan administered by the State of Florida's Board of Administration (SBA). FRS also allows participants to opt for a defined contribution plan instead of the traditional defined benefit plan. The defined benefit component of FRS provides retirement, disability, and death benefits to plan members and their beneficiaries. The State can establish and amend all plan provisions. The State issues a publicly available financial report that includes the applicable financial statements and required supplementary information for FRS.

Funding policy. The contribution requirements of the City are established and may be amended by the SBA. Beginning July 1, 2013, employees were required to contribute 3% to either the defined benefit or defined contribution components. For the defined contribution component, the City is required to contribute each pay period an actuarially determined rate. The current rate as of July 1, 2013, is 33.03% for elected officials, 18.31% for senior executive personnel, and 6.95% for the remaining employees. The independently issued annual reports are publicly available on the web at:

http://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports

or by contacting the Florida Division of Retirement at P.O. Box 9000, Tallahassee, Florida, 32315-9000.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS ("OPEB")

Retiree Health Plan Description

The City of West Park is required to offer health insurance benefits to its retired employees through a single-employer plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the City and their eligible dependents may continue to participate in the City's fully insured benefit plan for medical and prescription drug insurance coverage. The City subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in

CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (“OPEB”) - Continued

higher costs to the plan on average than those of active employees. The benefits provided under this defined benefit plan are provided for a retiree’s lifetime (or until such time at which retiree discontinues coverage under the City sponsored plans, if earlier). The City determines the types of benefits and may amend them from time-to-time as long as the City complies with Florida law.

Funding Policy

Currently, the City’s Other Post Employment Benefits are unfunded. That is, the City Council has not established a separate Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Further, the City does not expect to establish a separate Trust Fund in the foreseeable future. For the 2014 fiscal year, there was no retiree receiving other postemployment benefits. Consequently, the City did not provide any contributions toward the annual OPEB cost. Future retirees will be required to pay 100% of the blended premium to continue coverage under the City’s group health insurance program. The City is currently required only by Florida law to make retiree health insurance available to retirees so long as they pay the full premium. The City may amend its plan at any time, or abolish it altogether, as long as it complies with Florida law. The City does not require any contribution from its employees other than that the retirees pay the full cost of the premium.

Annual OPEB Cost and Net OPEB Obligation

The employer has elected to calculate the annual required contribution of the employer (ARC) and related information using the Alternative Measurement Method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The Employer's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 20 years.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (“OPEB”) – Continued

plan) was \$568,629, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 32%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Based on the historical and expected returns of the Employer's short-term investment portfolio, a discount rate of 5.00% was used. An inflation rate of 5.00% was assumed. In addition, the Entry Age Normal actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at September 30, 2014, was 20 years. Health insurance trends start at 8.50% for the fiscal year ending in 2014 and 8.00% for 2015, grading down to 5.00% at the ultimate trend rate by 2021.

As authorized by GASB 45, The Alternative Measurement Method allows the employer to use simplifications of certain assumptions in measuring actuarial accrued liabilities and the ARC.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (“OPEB”) – Continued

The following simplifying assumptions were made:

Retirement age for active employees: The retirement age for active employees was estimated at the earliest age they would be eligible for normal retirement under the Florida Retirement System.

Active Member Marital status: Assumption of marital status for active employees has been incorporated in the acceptance probability for spousal coverage. Using this approach, the percentage of future retired plan members taking spousal coverage was assumed at 30%. For active employees, spouses’ genders were assumed to be opposite to the members’ genders and females were assumed 3 years younger than their spouses. Covered spouse data were collected for current retired plan members as of the valuation date, and were assumed to remain unchanged until the assumed death of the spouses.

Mortality: Life expectancies were based on the RP2000 Generational Combined Healthy Male and Female mortality tables.

Turnover: Non-group-specific age-based turnover data provided in GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Health insurance premiums: Health insurance premiums for retirees in effect on the fiscal year ending date were used as the basis for calculation of the present value of total benefits to be paid.

NOTE 12. CONTINGENCIES

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 pooled insurance provided by the Florida League of Cities. At and subsequent to fiscal year end, the City was not aware of any claims or risks that would have exposed the City to any liability.

NOTE 13. SUBSEQUENT EVENTS

On April 22, 2015, the City entered into a lease-purchase arrangement with TD Equipment Finance for \$400,000. The capital lease is for 5 years, maturing on October 1, 2019, and carries a fixed interest rate of 1.82%. Annual debt service payments are \$83,582.

In April of 2015, the City, along with other municipalities, was named a co-defendant in a class action lawsuit (Parker, et al., v. American Traffic Solutions, Inc., et al.) filed in the U.S. District Court for the Southern District of Florida. The plaintiffs allege that the City and the other defendants did not comply with applicable state laws regarding the red light camera operations. The lawsuit follows higher court actions that have held the manner in which certain traffic violation notices were issued violated Florida Statutes. The plaintiffs are seeking restitution to the class. On April 2, 2015, the City Commission authorized American Traffic Solutions, Inc. (ATS), to pay any and all reasonable and necessary expenses associated with the legal defense of the City and further engaged legal counsel for its defense. The City believes that under the terms of its agreement with ATS that any cost of defense and any potential judgment against the City would be paid by ATS.

**CITY OF WEST PARK, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
- BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad Valorem Taxes	\$ 3,106,125	\$ 3,106,125	\$ 3,191,518	\$ 85,393
Motor Fuel Taxes	242,446	242,446	247,336	4,890
Franchise Taxes	967,312	967,312	831,005	(136,307)
Utility Taxes	796,154	796,154	932,068	135,914
Communications				
Services Tax	256,303	256,303	289,548	33,245
Licenses and Permits	339,853	339,853	441,148	101,295
Intergovernmental	2,307,548	2,307,548	3,276,294	968,746
Charges for services	481,200	481,200	709,127	227,927
Fines and forfeitures	488,202	488,202	378,325	(109,877)
Interest	12,000	12,000	12,592	592
Special Assessments	3,267,209	3,267,209	3,445,284	178,075
Miscellaneous	7,200	7,200	40,967	33,767
Total revenue	<u>12,271,552</u>	<u>12,271,552</u>	<u>13,795,412</u>	<u>1,523,860</u>
Expenditures:				
City Commission	106,633	110,107	111,309	(1,202)
City Administrator	393,548	400,307	407,402	(7,095)
Finance and City Clerk	208,495	227,815	234,626	(6,811)
City Attorney	120,000	120,000	120,000	-
Development Services	523,785	539,017	540,361	(1,344)
Non Departmental	673,155	811,176	552,388	258,788
Total General Government	<u>2,025,616</u>	<u>2,208,422</u>	<u>1,966,086</u>	<u>242,336</u>
Public Safety:				
Police	4,360,387	4,125,097	4,061,281	63,816
Fire	2,855,592	2,827,773	2,827,723	50
Total Public Safety	<u>7,215,979</u>	<u>6,952,870</u>	<u>6,889,004</u>	<u>63,866</u>
Public Works	<u>1,725,948</u>	<u>1,859,187</u>	<u>1,862,921</u>	<u>(3,734)</u>
Parks and Recreation	<u>674,498</u>	<u>651,562</u>	<u>684,808</u>	<u>(33,246)</u>
Capital Outlay	<u>1,231,459</u>	<u>1,231,459</u>	<u>2,281,119</u>	<u>(1,049,660)</u>
Total Expenditures	<u>12,873,500</u>	<u>12,903,500</u>	<u>13,680,254</u>	<u>(776,754)</u>
Other Financing Sources:				
Fund Balance Used	601,948	631,948	-	631,948
Excess (Deficit) of				
Revenues Over (Under)				
Expenditures	-	-	111,472	111,472
Fund Balance, beginning	7,531,763	7,531,763	7,531,763	-
Fund Balance, ending	<u>\$ 6,929,815</u>	<u>6,899,815</u>	<u>7,643,235</u>	<u>743,420</u>

CITY OF WEST PARK, FLORIDA
TWIN LAKES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
- BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget – Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$ 8,680	\$ 8,680	\$ 8,415	\$ (265)
Total Revenue	8,680	8,680	8,415	(265)
Expenditures				
Public Works	8,680	9,680	9,073	607
Total Expenditures	8,680	9,680	9,073	607
Excess (deficit) of revenues over expenditures	-	(1,000)	(658)	342
Other Financing Sources: Use of Fund Balance	-	-	-	-
Excess (deficit) of revenues and other financing sources over expenditures	-	1,000	(658)	342
Fund balance, beginning	61,960	61,960	61,960	-
Fund balance, ending	\$ 61,960	\$ 60,960	\$ 61,302	\$ 342

CITY OF WEST PARK, FLORIDA
STORMWATER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
- BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges For Services	\$ 309,000	\$ 309,000	\$ 325,194	\$ 16,194
Total Revenue	309,000	309,000	325,194	16,194
Expenditures				
Public Works	598,616	598,616	477,667	120,949
Total Expenditures	598,616	598,616	477,667	120,949
Other Financing Uses: Fund Balance Used	289,616	289,616	152,472	137,144
Excess of revenues over expenditures	(289,616)	(289,616)	(152,472)	137,144
Fund balance, beginning	422,526	422,526	422,526	-
Fund balance, ending	<u>\$ 132,910</u>	<u>\$ 132,910</u>	<u>\$ 270,054</u>	<u>\$ 137,144</u>

CITY OF WEST PARK, FLORIDA
NOTES TO STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GOVERNMENTAL FUNDS - FOR
THE YEAR ENDED SEPTEMBER 30, 2014

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

The City of West Park (“the City”) prepares an annual operating budget for both the General Fund and the Special Revenue Funds that are reflected in these financial statements. The City’s budgeting process is based on estimates of revenues and expenditures and requires that all budgets be approved by the City of West Park Commissioners (“the Commissioners” or “the Commission”) after a public hearing is held. Subsequent amendments to the budget, if any, are approved by the Commission.

Budgets are prepared on the same basis of accounting as required for Governmental Fund types. Expenditures may exceed the approved budget amounts for individual categories as long as the total does not exceed the overall approved budget within a fund. Any remaining balances remain with the City each year.

The Original budgets were balanced when adopted and the Commission adopted one amendment to the budgets subsequent to year-end. To balance the General Fund budget, the City appropriated \$601,948 of its General Fund reserves when the budget was adopted but ultimately did not need to use any of the reserve. In its Stormwater Fund, the City appropriated \$289,616 and did not need to amend its budget during the year. Ultimately, the City used \$152,472 of that appropriation.

Notable variances for the year and the reasons for them appear below:

C. Budget Performance

General Fund. For the fiscal year ended September 30, 2014, the City spent \$108,493 less than it received and did not have to use any of the \$631,948 of fund balance it had appropriated. The combination of having more revenues than expenditures and not using the fund balance that had been appropriated resulted in a positive budget variance of \$740,441. The City had slightly positive variances in most major revenue categories. The City received grants during the year for which resulted in generally offsetting revenues from intergovernmental sources and expenditure of capital outlay. The City also received approximately \$17,585 and spent \$14,473 of the federal awards during the year. The City has a favorable variance from charges for services, mostly resulting from its successful code amnesty program and nuisance abatement charges. Fines and Forfeitures were down from expected amounts associated with red light camera program. This is a cost neutral program to the City as its revenues and expenditures are periodically adjusted with

**CITY OF WEST PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

the vendor. Special assessment revenues were over what the City had expected and Franchise Fees from commercial waste were down, but this reflects the allocation in the assessment methodology and the activities, after offsetting the differences, were slightly favorable. Licenses and Permits saw a favorable variance as a solid waste permit fee was renegotiated after the budget was adopted. General Governmental activities overall had a favorable variance, but most departments were slight over budget, largely due to fiscal year end payroll accruals. These accruals, which result from payroll periods that overlap fiscal years, were paid in FY2015 but the portion of those payments that related to days worked in FY2014 have been shown as expenditures in this report. This is also true of the other departments except public safety (which programs are contracted out).

Police and Fire developed positive variances as minor changes to those contracts were negotiated during the year.

Parks and Recreation activities reflect an additional senior programs but the majority of the variance was due to maintenance costs that were higher than expected.

Twin Lakes Special Revenue Fund. The fund had very small positive budgetary performance of \$342 and did not require the full amount of appropriated fund balance.

Stormwater Special Revenue Fund. The fund had a positive \$137,144 budget variance, taking in \$16,194 more than budgeted and spending \$120,949 less than expected. Even though budgetary performance was positive, the fund used \$152,472 of accumulated reserves in undertaking ongoing capital projects during the year.

**CITY OF WEST PARK, FLORIDA
REPORTS REQUIRED BY OMB CIRCULAR A-133
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

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**CITY OF WEST PARK, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

NAME OF DEPARTMENT OR AGENCY	CFDA or OTHER NO.	NAME OF GRANT	GRANT #	AWARD AMOUNT	TOTAL PROG EXPENDITURES
URBAN DEVELOPMENT					
Indirect Programs					
PASSTHRU Broward County Board of County Commissioners	14218	Community Development Block Grant Year 37, McTyre Parking Lot Drainage	City of West Park 37th Year CDEG	117,226	117,226
PASSTHRU Broward County Board of County Commissioners	14218	Community Development Block Grant Year 38, SW 56th Ave Improvements Phase 1	City of West Park 38th Year CDEG	83,692	83,692
PASSTHRU Broward County Board of County Commissioners	14218	Community Development Block Grant Year 39, SW 56th Ave Improvements Phase 2	City of West Park 39th Year CDEG	89,301	89,301
Federal Highway Administration					290,219
Indirect Programs					
PASSTHRU Florida Department of Transportation	20205	Construction, SW 56th Avenue Improvements	FAP8886-082-A	551,000	<u>551,000</u>
US DEPARTMENT OF JUSTICE					
Indirect Programs					
PASSTHRU Florida Department of Law Enforcement	16738	Department Assistance Grant, Justice Department Assistance Grant	2014-JAGD-BROW4 E5-084	4,123	<u>4,123</u>
DEPARTMENT OF TREASURY					
Indirect Programs					
PASSTHRU Broward Sheriff's Office	16000	Federal Equitable Sharing Program Federal Equitable	NA	14,473	<u>14,473</u>
US DEPARTMENT OF AGRICULTURE					
Indirect Programs					
PASSTHRU Florida Department of Agriculture and Consumer Services	10559	Summer Food Services Program For Children		12,234	12,234
PASSTHRU Florida Department of Agriculture	93045	Special Nutrition Services Title III, Part C, Nutrition Services		4,500	<u>4,500</u>
					<u>16,734</u>

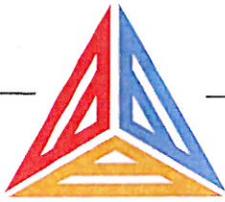
CITY OF WEST PARK, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the Federal and state grant activity of City of West Park, Florida, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organization and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE 2 - CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City of West Park, Florida. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable Federal and state laws and other applicable regulations.



S. DAVIS & ASSOCIATES, P.A.

Certified Public Accountants & Consultants

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

To the Honorable Mayor and Board of Commissioners
City of West Park, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of City of West Park, Florida (the "City"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 7, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

HOLLYWOOD

2521 Hollywood Boulevard
Hollywood, Florida 33020
(954) 927-5900
(954) 927-5927 Fax

MIAMI

1031 Ives Dairy Road, Suite 228
Miami, Florida 33179
(305) 628-1510
(305) 628-1595 Fax

PALM BEACH

8144 Okeechobee Boulevard, Suite B
West Palm Beach, Florida 33411
(561) 547-0545
(561) 253-2747 Fax

TALLAHASSEE

400 N. Adams Street
Tallahassee, Florida 32301
(800) 678-6091

MEMBER

Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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.

S. Davis & Associates, P.A.

Hollywood, Florida
May 7, 2015



S. DAVIS & ASSOCIATES, P.A.

Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 - CONTINUED

To the Honorable Mayor and Board of Commissioners
City of West Park, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of West Park, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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'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's compliance.

HOLLYWOOD

2521 Hollywood Boulevard
Hollywood, Florida 33020
(954) 927-5900
(954) 927-5927 Fax

MIAMI

1031 Ives Dairy Road, Suite 228
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Tallahassee, Florida 32301
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133 - CONTINUED**

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance 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, 2014.

Report on Internal Control over Compliance

Management of the City 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's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the 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 OMB Circular A-133, 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's internal control over compliance.

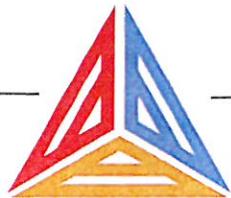
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

S. Davis & Associates, P.A.

Hollywood, Florida
May 7, 2015



S. DAVIS & ASSOCIATES, P.A.

Certified Public Accountants & Consultants

STATE OF FLORIDA REPORTING REQUIREMENTS MANAGEMENT LETTER

To the Honorable Mayor and Board of Commissioners
City of West Park, Florida.

We have audited the financial statements of the City of West Park, Florida (the "City"), as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated May __, 2015.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant' Report on an examination conducted in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 7, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in preceding annual financial audit report.

HOLLYWOOD
2521 Hollywood Boulevard
Hollywood, Florida 33020
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MIAMI
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**STATE OF FLORIDA REPORTING REQUIREMENTS
MANAGEMENT LETTER – Continued**

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. This information is disclosed in the notes of the financial statements.

Financial Condition

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the City 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 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's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted the following:

2014-01

Observation:

We noted that the City's accounting software does not bring over new account balances to certain financial reporting modules. As such, budget to actual reporting did not agree with the trial balance.

**STATE OF FLORIDA REPORTING REQUIREMENTS
MANAGEMENT LETTER – Continued**

Recommendation:

We recommend that financial reporting information be reconciled on a monthly basis to ensure accurate information is reported to the commission.

Management's Response:

Subsequent to fiscal year end, Management recognized that the report writing software written by the vendor was not bringing account numbers into the monthly budget to actual reports. This condition was corrected in January 2015 and as a precaution, we also tie those reports to the accounting systems trial balance to make certain they match. We do not expect this to be repeated.

Section 10.554(1)(i)4., 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, the City's management, and City Commissioners and is not intended to be and should not be used by anyone other than these specified parties.

S. Davis & Associates, P.A.

Hollywood, Florida
May 7, 2015

**CITY OF WEST PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2014**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unqualified opinion

Internal control over financial report:

Material weakness(es) identified? ___yes X no

Significant deficiency(ies) identified that
are not considered to be material weaknesses? ___yes X none reported

Noncompliance material to financial statements
noted? ___yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ___yes X no

Significant deficiency(ies) identified that are not
considered to be material weakness? ___yes X none reported

Type of auditor's report issued on compliance for
major programs: Unqualified opinion

Any audit findings disclosed that are required to be
reported in accordance with section 510(a) of
Circular A-133? ___yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs</u>
20.205	U.S. Department of Transportation – Highway Planning and Construction

CITY OF WEST PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
SEPTEMBER 30, 2014

Dollar threshold used to distinguish between Types
A and Type B programs:

\$ 300,000

Auditee qualified as a low-risk auditee?

 yes

 X no